#### **BEFORE** THE PUBLIC UTILITIES COMMISSION OF OHIO

Case No. 18-976-EL-USF

In the Matter of the Application of the

Ohio Development Services Agency for an Order Approving Adjustments to the

Universal Service Fund Riders of

Jurisdictional Ohio Electric Distribution

Utilities.

#### TESTIMONY IN SUPPORT OF JOINT STIPULATION

BY

#### **MEGAN MEADOWS**

ON BEHALF OF THE OHIO DEVELOPMENT SERVICES AGENCY

July 23, 2018

## TESTIMONY OF MEGAN MEADOWS On Behalf of The Ohio Development Services Agency

l Q. Please state	your name and	business address.
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- 2 A. My name is Megan Meadows. My business address is Ohio Development Services
- 3 Agency ("ODSA"), 77 South High Street, 25th Floor, Columbus, Ohio 43216-1001.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by ODSA as Assistant Deputy Chief of the Office of Community
- 6 Assistance ("OCA"), an office within ODSA's Division of Community Services.
- 7 Q. Please briefly describe your professional experience and educational background.
- 8 A. I have served as the Assistant Deputy Chief for the Ohio Development Services Agency,
- 9 Office of Community Assistance since March of 2016. In this position I directly oversee
- the Universal Services Fund rate case. Prior to this position I was the Director of
- Operations and Planning for Lancaster-Fairfield Community Action Agency, a non-profit
- 12 Community Action Agency whose mission is to serve those in need with programs that
- promote self-sufficiency. While in this position I provided service to many low-income
- Ohioans that participated in the PIPP program and other energy assistance programs
- available. I also oversaw the agency's regional Homeless Crisis Response Program,
- Adult Literacy and Basic Education program and the Temporary Assistance for Needy
- Families Summer Youth program. In that position I was also responsible for and
- participated in the development of the grant application and reporting for all other agency
- 19 programs. I have a Bachelor of Arts degree in Psychology from Wheeling Jesuit
- University, WV.

Ο.	What are your	duties and	responsibilities as	OCA's	Assistant 1	Deputy	Chief?
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- 2 A. OCA administers a number of energy assistance programs for low-income utility
- 3 customers, including the federally-funded Low-Income Home Energy Assistance
- 4 Program ("LIHEAP"), Home Weatherization Assistance Program ("HWAP"),
- 5 Community Service Block Grant program, State Energy Program, Ohio Coal Research
- and Development Program and Alternative Fuels Transportation Program. In addition,
- OCA administers the electric PIPP program, which is funded from the state treasury's
- 8 Universal Service Fund ("USF"). As Assistant Deputy Chief, I have responsibility for
- 9 administering the funds that support these programs. I also have management
- responsibility for the day-to-day operations of the Energy, HWAP, CSBG, Special
- Projects Unit and Information Management Sections of OCA.

#### 12 Q. Have you previously testified before this Commission?

- 13 A. Yes, I testified in the USF rider rate proceedings in 2016 and 2017, Case Nos. 16-1223-
- 14 EL-USF and 17-1377-EL-USF.

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#### 15 Q. What is the purpose of your testimony?

- 16 A. The purpose of my testimony is to support the Joint Stipulation and Recommendation
- 17 ("Joint Stipulation") filed contemporaneously with this testimony in support. The Joint
- Stipulation seeks approval of the Notice of Intent ("NOI") filed May 31, 2018, and is
- 19 entered into by ODSA, Industrial Energy Users-Ohio, The Kroger Co., Dayton Power &
- Light Company, Duke Energy Ohio, Inc., Ohio Power Company, Columbus Southern
- Power Company, The Cleveland Electric Illuminating Company, The Toledo Edison
- Company, and Ohio Edison Company. The Staff of the Public Utilities Commission of

1		Ohio ("PUCO"), Ohio Partners for Affordable Energy, the Office of the Ohio
2		Consumers' Counsel have not joined the Joint Stipulation, but do not oppose it. The
3		Signatory Parties recommend that the PUCO issue an Opinion and Order adopting the
4		Joint Stipulation. The purpose of this testimony is to demonstrate that: (1) the Joint
5		Stipulation is a product of serious bargaining among capable, knowledgeable parties; (2)
6		the Joint Stipulation does not violate any important regulatory principle or practice; and
7		(3) the Joint Stipulation, as a whole, will benefit customers and the public interest.
8	Q.	Please summarize the major provisions of the Joint Stipulation.
9	A.	The purpose of the NOI phase of this proceeding is to determine the revenue requirement
10		and rate design methodologies ODSA proposes to use in preparing its 2018 USF rider
11		rate adjustment application for the 2019 calendar year. The Joint Stipulation
12		recommends that the PUCO adopt the same rate design methodology that it has approved
13		since 2001, and also recommends that the PUCO adopt nearly the same revenue
14		requirement methodology.
15	Q.	Does the Joint Stipulation represent a product of serious bargaining among capable
16		knowledgeable parties?
17	A.	Yes, it does. All parties were invited to convene in person, or by teleconference, on June
18		22, 2018, to negotiate a resolution to the objections filed in the NOI phase of this
19		proceeding. Thereafter, the parties continued discussions that resulted in Joint

Stipulation. These parties have been actively participating in the USF proceedings or a

number of other PUCO proceedings for several years. All parties were represented by

experienced, competent counsel. The signatory parties to the Joint Stipulation have been

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signatories to several prior NOI stipulations which adopted the identical rate design and nearly the same revenue requirement methodology. The Joint Stipulation represents a product of capable, knowledgeable parties, and is the product of serious discussions among the parties undertaken in a cooperative process in which all parties participated.

### Does the Joint Stipulation benefit consumers and the public interest?

A.

Q.

A.

Yes, it does. The Joint Stipulation adopts nearly the same methodologies approved in numerous prior USF proceedings. The methodologies ensure adequate funding for the low-income customer assistance programs and the consumer education programs administered by ODSA, and provide a reasonable contribution by all customer classes to the USF revenue requirement. Moreover, the Joint Stipulation benefits consumers and the public interest because the methodologies adopted will result in USF rider rates that represent the minimal rates necessary to collect the EDUs' USF rider revenue requirements.

# Q. Does the Joint Stipulation violate any important regulatory principles and practices?

No. In each USF proceeding since adoption of the two-step declining block rate design in 2001, the PUCO has approved stipulations adopting the same rate design, and specifically has found that it does not violate R.C. 4928.52. R.C. 4928.52 does not specify the rate design the PUCO must adopt; but rather leaves it flexibility. This traditional rate design provides a reasonable contribution by all customer classes to the USF revenue requirement.

- 1 Q. Should the PUCO approve the Joint Stipulation and Recommendation?
- 2 A. Yes.
- 3 Q. Does this conclude your direct testimony?
- 4 A. Yes. However, I reserve the right to supplement my testimony, and to file additional
- 5 reply testimony per the Attorney Examiner's procedural entry of June 4, 2018.

#### CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Testimony of Megan Meadows* has been served upon the following parties by first class mail, postage prepaid, and/or electronic mail this 23<sup>rd</sup> day of July 2018.

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This foregoing document was electronically filed with the Public Utilities

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7/23/2018 3:19:04 PM

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Case No(s). 18-0976-EL-USF

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