BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application for Approval of a Unique Arrangement between the University of Cincinnati and Duke Energy Ohio, Inc.

Case No. 18-1129-EL-AEC

MOTION TO INTERVENE BY THE OFFICE OF THE OHIO CONSUMERS' COUNSEL

In this case, the University of Cincinnati ("Applicant") seeks approval of a customerfunded rate discount arrangement with Duke Energy Ohio, Inc. ("Duke"). Under the unique arrangement, the Applicant will receive a \$12.8 million discount (for up to 7 years) on its electric service bills.

The Office of the Ohio Consumers' Counsel ("OCC") moves to intervene in this case on behalf of the approximately 629,000 residential utility customers of Duke Energy Ohio, Inc. ("Duke") who will be asked to subsidize the Applicant's discount.¹ The reasons the Public Utilities Commission of Ohio ("PUCO") should grant OCC's Motion are further set forth in the attached Memorandum in Support.

¹ See R.C. Chapter 4911, R.C. 4903.221 and Ohio Adm. Code 4901-1-11.

Respectfully submitted,

BRUCE WESTON (0016973) OHIO CONSUMERS' COUNSEL

<u>/s/ Bryce McKenney</u> Bryce McKenney (0088203) Counsel of Record Christopher Healey (0086027) Energy Resource Planning Counsel

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MEMORANDUM IN SUPPORT

The Applicant seeks approval of an arrangement that would reduce the amount it pays for electric service – and potentially increase charges to the residential customers of Duke. Under the proposal, Duke would charge the Applicant \$12.8 million less for electric service and other customers, including residential customers, would fund the rate discount. OCC has authority under law to represent the interests of all 629,000 residential utility customers of Duke, under R.C. Chapter 4911.

R.C. 4903.221 provides, in part, that any person "who may be adversely affected" by a PUCO proceeding is entitled to seek intervention in that proceeding. The interests of Ohio's residential customers may be "adversely affected" by this case, especially if the customers were unrepresented in a proceeding where Duke's customers are being asked to subsidize discounts for electric service to the Applicant. Thus, this element of the intervention standard in R.C. 4903.221 is satisfied.

R.C. 4903.221(B) requires the PUCO to consider the following criteria in ruling on motions to intervene:

- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;

- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings;
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.

First, the nature and extent of OCC's interest is representing the residential customers of Duke in this case where customers are being asked to subsidize discounts for electric service to the Applicant. This interest is different than that of any other party.

Second, OCC's advocacy for residential customers will include advancing the position that rates should be no more than what is reasonable and lawful under Ohio law. OCC's position is therefore directly related to the merits of this case that is pending before the PUCO, the authority with regulatory control of public utilities' rates and service quality in Ohio.

Third, OCC's intervention will not unduly prolong or delay the proceedings. OCC, with its longstanding expertise and experience in PUCO proceedings, will duly allow for the efficient processing of the case with consideration of the public interest.

Fourth, OCC's intervention will significantly contribute to full development and equitable resolution of the factual issues. OCC will obtain and develop information that the PUCO should consider for equitably and lawfully deciding the case in the public interest.

OCC also satisfies the intervention criteria in the Ohio Administrative Code (which are subordinate to the criteria that OCC satisfies in the Ohio Revised Code). To intervene, a party should have a "real and substantial interest" according to Ohio Adm. Code 4901-1-11(A)(2). As the advocate for residential utility customers, OCC has a very real and substantial interest in this case where the outcome could increase the rates that

2

residential customers pay.

In addition, OCC meets the criteria of Ohio Adm. Code 4901-1-11(B)(1)-(4). These criteria mirror the statutory criteria in R.C. 4903.221(B) that OCC already has addressed and that OCC satisfies.

Ohio Adm. Code 4901-1-11(B)(5) states that the PUCO shall consider "The extent to which the person's interest is represented by existing parties." While OCC does not concede the lawfulness of this criterion, OCC satisfies this criterion in that it uniquely has been designated as the state representative of the interests of Ohio's residential utility customers. That interest is different from, and not represented by, any other entity in Ohio.

Moreover, the Supreme Court of Ohio ("Court") confirmed OCC's right to intervene in PUCO proceedings, in deciding two appeals in which OCC claimed the PUCO erred by denying its interventions. The Court found that the PUCO abused its discretion in denying OCC's interventions and that OCC should have been granted intervention in both proceedings.²

OCC meets the criteria set forth in R.C. 4903.221, Ohio Adm. Code 4901-1-11, and the precedent established by the Court for intervention. On behalf of Ohio residential customers, the PUCO should grant OCC's Motion to Intervene.

² See Ohio Consumers' Counsel v. Pub. Util. Comm., 111 Ohio St.3d 384, 2006-Ohio-5853, ¶13-20.

Respectfully submitted,

BRUCE WESTON (0016973) OHIO CONSUMERS' COUNSEL

<u>/s/ Bryce McKenney</u> Bryce McKenney (0088203) Counsel of Record Christopher Healey (0086027) Energy Resource Planning Counsel

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CERTIFICATE OF SERVICE

I hereby certify that a copy of this Motion to Intervene was served on the persons stated below via electronic transmission, this 9th day of August 2018.

/s/ Bryce McKenney Bryce McKenney Assistant Consumers' Counsel

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Summary: Motion Motion to Intervene by The Office of the Ohio Consumers' Counsel electronically filed by Ms. Jamie Williams on behalf of McKenney, Bryce A. Mr.