

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the 2018 Long-Term Forecast)
Report on Behalf of Ohio Power Company) Case No. 18-501-EL-FOR
and Related Matters)

**MOTION TO INTERVENE OF
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP**

Pursuant to R.C. 4903.221 and Ohio Adm. Code 4901-1-11, the Ohio Manufacturers' Association Energy Group (OMAEG) respectfully moves the Public Utilities Commission of Ohio (Commission) to intervene in this matter with the full powers and rights granted to intervening parties. As demonstrated in the attached memorandum in support, OMAEG has real and substantial interests that this proceeding may adversely affect, and no existing parties adequately represent those interests. The Commission should grant this motion because OMAEG satisfies the standard for intervention set forth by statute and in the Commission's rules. A memorandum in support is attached.

Respectfully submitted,

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MEMORANDUM IN SUPPORT

On April 16, 2018, the Ohio Power Company (AEP Ohio) filed its Long-Term Forecast Report (LTFR) in this docket.¹ AEP Ohio supplemented its LTFR in a filing made on June 26, 2018.² On September 19, 2018, AEP Ohio filed a significant Amendment to its 2018 Long-Term Forecast Report, wherein it requested that the Commission permit AEP Ohio to develop at least 900 MW of renewable energy projects in Ohio (the costs for which would be recovered from customers).³

Competitive markets have provided benefits to Ohio's public utility customers by giving customers the choice to shop for their generation supply. Ohio's state policy was enacted to ensure that customers had effective competition in their choice of generation supply by avoiding anticompetitive subsidies from flowing through the distribution utilities to their unregulated affiliates.⁴ Here, AEP Ohio, a distribution utility, seeks authority, without a demonstration of need for a particular project, to develop 900 MW of new generation sources by it and/or its

¹ See *In the Matter of the 2018 Long-Term Forecast Report on behalf of Ohio Power and Related Matters*, Application (April 16, 2018).

² See Ohio Power Company's Supplemental Long-Term Forecast Report Filing (69 kV facilities) (June 26, 2018).

³ See Amendment to the 2018 Long-Term Forecast Report of Ohio Power Company at 2-3 (September 19, 2018) (Amendment).

⁴ See R.C. 4928.02 (stating that it is the policy of the State of Ohio to ensure effective competition in the provision of retail electric service by avoiding anticompetitive subsidies from noncompetitive retail electric service to a competitive retail electric service).

affiliates that will be paid for by all customers of the distribution utility. This anti-competitive request by AEP Ohio will impact customers throughout AEP Ohio's service territory by depriving those customers of the competitive markets that Ohio law attempts to ensure.

The Commission's orders related to AEP Ohio's Renewable Generation Rider (Rider RGR) explicitly provide that any cost recovery for renewable projects will be considered by the Commission on a case-by-case basis.⁵ The Commission has also stated that it expects "that AEP Ohio will work with Staff to develop each renewable energy project, file the EL-RDR application for each project in a separate docket, and request and obtain the Commission's approval for any associated cost recovery in advance of the commencement of the construction of each project."⁶ Of course and as AEP Ohio admits, approval of any such renewable energy project is also subject to satisfying the requirements of Ohio law pursuant to R.C. 4928.143(B)(2)(c).⁷ Per that statute, AEP Ohio is required to demonstrate a "resource planning need" for these projects before Commission approval.⁸ AEP Ohio's Amendment does not sufficiently explain the resource planning necessity of the specific projects that it proposes, as required by both Ohio law and the Commissions orders, as discussed above. AEP Ohio also does not explain how or whether it worked with Staff to develop specific renewable energy projects as envisioned by the Commission in its order.⁹ Rather, AEP Ohio seeks approval of a determination that need exists for a generic 900 MW of renewable generation resources *in AEP*

⁵ See *In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter into an Affiliate Power Purchase Agreement for Inclusion in the Power Purchase Agreement Rider, et al.*, Case Nos. 14-1693-EL-RDR, et al. (AEP Ohio PPA Case), Fifth Entry on Rehearing at 32 (April 5, 2017).

⁶ AEP Ohio PPA Case, Second Entry on Rehearing at 57 (November 3, 2016).

⁷ Amendment at 2.

⁸ R.C. 4928.143(B)(2)(c); Ohio Adm. Code 4901:1-35-03(C)(9)(b)(i).

⁹ AEP Ohio PPA Case, Second Entry on Rehearing at 57 (November 3, 2016).

Ohio's service territory even though AEP Ohio “acknowledges that PJM wholesale markets are adequately supplying capacity and energy to the AEP Ohio load zone.”¹⁰

In addition to seeking a determination of need for at least 900 MW of generation in its service territory, AEP Ohio requests an expedited procedural schedule.¹¹ The Commission should deny AEP Ohio's request to accelerate this proceeding so that all interested parties are afforded due process and the opportunity to develop a complete record in this proceeding before the Commission renders a decision on AEP Ohio's Amendment.

Ohio Adm. Code 4901-1-11 permits intervention by an affected party that has a real and substantial interest in the proceeding and that is so situated that the disposition of the proceeding may impair or impede its ability to protect that interest and whose interest is not adequately represented by an existing party. Similarly, R.C. 4903.221 authorizes intervention in accordance with Commission-established deadlines where a party: may be adversely affected by the proceeding; will contribute to a full development and equitable resolution of factual issues; and will not unduly prolong or delay the proceedings.

OMAEG is a non-profit entity that strives to improve business conditions in Ohio and drive down the cost of doing business for Ohio manufacturers. OMAEG members and their representatives work directly with elected officials, regulatory agencies, the judiciary, and the media to provide education and information to energy consumers, regulatory boards and suppliers of energy; advance energy policies to promote an adequate, reliable, and efficient supply of energy at reasonable prices; and advocate in critical cases before the Commission. OMAEG members purchase electric services from AEP Ohio and would see their bills impacted should the Commission authorize AEP Ohio to proceed with the requested projects.

¹⁰ Amendment at 3.

¹¹ Amendment at 11-12.

OMAEG has been a participant in other cases before the Commission involving rates charged by AEP Ohio and costs recovered from customers, including AEP Ohio's electric security plan cases, which approved the creation of the placeholder Rider RGR to recover costs associated with new renewable energy resources subject to Commission approval pursuant to R.C. 4928.143(B)(2)(c) and cost recovery through the PPA Rider.¹² Here, OMAEG has an interest in ensuring that any projects approved by the Commission are permissible under Ohio law and serve to benefit AEP Ohio's customers. Additionally, OMAEG has an interest in confirming that all issues surrounding AEP Ohio's request are fully addressed over the course of this proceeding. OMAEG is concerned by the extremely accelerated procedural schedule proposed by AEP Ohio, which calls for a deadline for intervention less than three weeks after the Application was filed (and a deadline for intervention that falls on a Sunday), roughly three additional weeks to prepare and file testimony on AEP Ohio's Amendment, and an abbreviated discovery response timeframe leading up to the hearing on the Amendment.¹³ OMAEG hopes to ensure that all parties are not only afforded the opportunity to be heard on this important issue, but also that AEP Ohio's customers have adequate time to assess the Company's proposal and respond appropriately before the Commission renders a decision in this matter.

OMAEG has a direct, real, and substantial interest in the issues raised in this proceeding and is so situated that the disposition of the proceeding may, as a practical matter, impair or impede its ability to protect that interest. OMAEG is regularly and actively involved in

¹² See *In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143, in the Form of an Electric Security Plan*, Case Nos. 16-1852-EL-SSO, et al., Opinion and Order (April 25, 2018) and *In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter into an Affiliate Power Purchase Agreement for Inclusion in the Power Purchase Agreement Rider, et al.*, Case Nos. 14-1693-EL-RDR, et al. Opinion and Order (March 31, 2016). Also see *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company, Individually and, if Their Proposed Merger is Approved, as a Merged Company (collectively, AEP Ohio) for an Increase in Electric Distribution Rates, et al.*, Case Nos. 11-351-ELAIR, et al., Entry (November 1, 2011).

¹³ Amendment at 11.

Commission proceedings and, as in previous proceedings, OMAEG's unique knowledge and perspective will contribute to the full development and equitable resolution of the issues in this proceeding. OMAEG's interest will not be adequately represented by other parties to the proceeding and its timely intervention will not unduly delay or prolong the proceeding.

As discussed above, OMAEG satisfies the criteria for intervention set out in R.C. 4903.221 and Ohio Adm. Code 4901-1-11. OMAEG, therefore, respectfully requests that the Commission grant this motion, allow OMAEG to intervene with the full powers and rights granted by the Commission to intervening parties, and make OMAEG a full party of record.

Respectfully submitted,

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Counsel for OMAEG

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served upon all parties of record via electronic mail October 4, 2018.

/s/ Brian W. Dressel
Brian W. Dressel

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Summary: Motion Motion to Intervene electronically filed by Mr. Brian W Dressel on behalf of
The Ohio Manufacturers' Association Energy Group