

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE
POWERFORWARD DISTRIBUTION
SYSTEM PLANNING WORKGROUP.

CASE NO. 18-1596-EL-GRD

FINDING AND ORDER

Entered in the Journal on February 27, 2019

I. SUMMARY

{¶ 1} In this Finding and Order, the Commission addresses filed comments, adopts the findings of the Roadmap, and directs the electric distribution utilities (EDUs) to file their respective current-state assessments in this docket by April 1, 2019.

II. PROCEDURAL HISTORY

{¶ 2} In 2017, the Commission announced its intention to advance a comprehensive grid modernization endeavor entitled PowerForward. PowerForward is built upon the pairing of two pillars: (i) innovation, and the concept that this innovation should serve to (ii) enhance the customer electricity experience. PowerForward consisted of three open meeting phases: Phase 1: A Glimpse of the Future; Phase 2: Exploring Technologies; and Phase 3: Ratemaking and Regulation. Over the duration of these Phases, 127 industry experts provided approximately 100 hours of education to Commissioners and members of the Staff regarding a variety of grid modernization topics.

{¶ 3} On August 29, 2018, the Commission released *PowerForward: A Roadmap to Ohio's Electricity Future* (Roadmap). The Roadmap makes a number of recommendations about the future of the distribution grid and further recommends the creation of a PowerForward Collaborative (Collaborative) along with two additional workgroups, the Distribution System Planning Workgroup (PWG) and the Data and Modern Grid Workgroup (DWG). The Collaborative, the PWG, and the DWG will not only serve to continue the robust discussion had during the three Phases, but they are also meant to

address specific tasks articulated in the Roadmap and make recommendations to the Commission after deeper discussion between Staff and interested stakeholders.

{¶ 4} By Entry issued on October 24, 2018, the Commission established the PWG to identify issues that currently exist, or that may arise in the integrated distribution planning process. The PWG is to be led by Staff or a facilitator of Staff's choice. The PWG may develop recommendations to the Commission on the following: future scenarios for customer distributed energy resources adoption in Ohio, and how these scenarios should be incorporated into EDU forecasting and planning processes; modifications to interconnection standards, including defining required functions and settings for advanced inverters; development of non-wire alternatives (NWA) suitability criteria, processes and timeline for implementing NWA opportunities; evaluation of options for procuring NWAs; defining hosting capacity analyses (HCA) use cases; identifying an appropriate HCA methodology and associated tools and data requirements to satisfy use cases; a timeline for initial HCA analysis and publication of results for each EDU; and development of portals for sharing information on peak load forecasts, capital plans, hosting capacity maps, heat maps reflecting locational value, and other key data. Further, the Commission encourages the PWG to determine a process for identifying where it would be beneficial to deploy storage solutions.

{¶ 5} By Entry issued November 14, 2018, the Commission invited the EDUs, as well as other interested stakeholders, to submit public comments discussing: (i) the proposed contents of the current-state assessment (current-state assessment or report) regarding the EDUs' respective distribution systems' present capability to integrate and accommodate the broad array of EDU and non-EDU initiatives and (ii) a proposed filing date of April 1, 2019, for said report. On December 4, 2018, comments were submitted on behalf of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, FirstEnergy), The Dayton Power and Light Company (DP&L), the Ohio Consumers' Counsel (OCC), the Environmental Law & Policy Center, Environmental Defense Fund, Natural Resources Defense Council, and Ohio Environmental Council

(collectively, Environmental Commenters), Ohio Power Company (AEP), and Interstate Gas Supply, Inc. and IGS Solar, LLC (collectively, IGS).

III. DISCUSSION

{¶ 6} The Commission specifically requested comments regarding the contents of the proposed report detailing each EDUs' respective distribution systems' present capability to integrate and accommodate the broad array of EDU and non-EDU initiatives and a proposed filing date of April 1, 2019, for said report. We have considered all of the recommendations raised in the filed comments and address them below. Any recommendation or comment that is not specifically discussed herein has been thoroughly and adequately considered by the Commission and should be denied.

A. *April 1, 2019 Deadline*

{¶ 7} FirstEnergy, DP&L, and AEP have all stated that the proposed April 1, 2019 deadline for submitting the reports is timely and reasonable.

B. *Proposed Contents of the Current-State Assessment Report*

{¶ 8} As a general matter, FirstEnergy, DP&L, and AEP state that the proposed contents of the report as detailed in the Roadmap appears reasonable. However, both FirstEnergy and AEP articulate their respective concerns regarding the confidential and proprietary nature of the reports. Specifically, FirstEnergy states that any confidential or proprietary information should not be included in the report. AEP cautions that, while the items of interest listed by the Commission in the Roadmap seem appropriate for this current-state assessment, having meaningful information on every Ohio EDU system should be carefully weighed against the risk of providing too much information in a public docket that may create a physical or cybersecurity risk. In regard to the possibility of a proceeding, FirstEnergy states that the reports should not be used as the subject of litigation or as a tool for discovery. FirstEnergy further avers that non-utility stakeholders should not be given the opportunity through PowerForward to make recommendations or exert any

degree of influence over the EDUs' management of their own distribution systems, given that the EDUs are in the best position to manage the distribution planning process to the benefit of their customers. Moreover, FirstEnergy recommends that the Commission develop parameters to ensure that the information included in the reports will be used appropriately. Lastly, AEP suggests that, if the Commission is seeking information relating to cybersecurity, the Commission open a separate docket with questions that the Commission and Staff would like to pose to EDUs and competitive retail electric service providers.

{¶ 9} OCC insists there be an open and transparent review process of the current-state assessment reports after they are filed including an opportunity for comments, discovery, and an evidentiary hearing to resolve any issues for consumers and requests that the Commission establish a procedural schedule for the review of the current-state assessment reports. The Environmental Commenters also request that the Commission issue an explicit timeline in which the PWG will review and incorporate the information set out in the reports for the next stage of integrated distribution planning and specifically recommend that the Commission adopt the framework recommended by Curt Volkmann, an independent expert in distribution engineering who presented during Phase 3 of PowerForward.

{¶ 10} The Environmental Commenters support the Commission's proposed contents for the report; however, the Environmental Commenters would like clarification regarding existing distributed energy resources (DER) connected to the distribution system. The Environmental Commenters recommend that the EDUs provide available information about the existence of such DER capabilities in their respective distribution systems stating that this information will be useful to identify sensible next steps in transitioning to an integrated distribution planning model. Furthermore, the Environmental Commenters suggest that the EDUs provide descriptions of whether any existing or proposed time-of-use rates or demand response programs would qualify as either a price responsive demand or a peak shaving adjustment plan under applicable PJM agreements and manuals.

Similarly, OCC recommends that, in addition to requiring the EDUs to describe their involvement in DER in the current-state assessment reports, the Commission should ensure that sufficient consumer protections exist as DER and behind-the-meter services are being considered.

{¶ 11} IGS states that it supports the Commission's proposed current-state assessment reports but would like to specifically emphasize the importance of transparency in HCA and the general distribution planning process. Specifically, IGS would like an overview of the distribution planning process and analysis into how each circuit is planned within that process. Additionally, IGS believes that more insight into planning assumptions will allow the Commission to easily compare and contrast the assumptions made by the EDUs to ensure that they are using the best, most accurate methods. In regard to the HCA, IGS recommends the methodology for HCA to encompass both the proposed method for calculating available capacity and the proposed method for presenting that available capacity.

{¶ 12} Having reviewed the filed comments, we find it appropriate to adopt the findings of the Roadmap as to the contents of the current-state assessment reports and the proposed April 1, 2019 deadline. The Roadmap provides specific items each EDU, at a minimum, must address, which will afford the Commission a more thorough understanding of each distribution system's present capability to accommodate the initiatives discussed in the Roadmap, as well as other initiatives the Commission may be inclined to consider in the future. *See* Roadmap at 18-19. Therefore, the EDUs are directed to file their respective current-state assessments, in accordance with the Roadmap, in this docket by April 1, 2019. Additionally, with respect to OCC's request for a hearing, the Commission finds that setting a procedural schedule is unnecessary at this time although we will reconsider whether to seek comments on the reports after the reports have been filed. With respect to cybersecurity, the Commission notes that the cybersecurity plans will be addressed at a later time and in a separate docket. Lastly, to the extent an EDU claims that its current-state assessment report contains confidential and/or proprietary

information, we advise the EDU to follow the Commission's standard procedure for filing confidential or proprietary documents by marking them as such, filing the documents under seal, and submitting a motion for protective order in accordance with Ohio Adm.Code 4901-1-24(D).

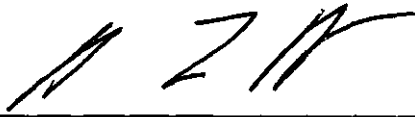
IV. ORDER

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That the EDUs file their current-state assessment reports in this docket by April 1, 2019, in accordance with the Roadmap. It is, further,

{¶ 15} ORDERED, That a copy of this Finding and Order be served upon all parties listed in the Collaborative listserv and interested persons of record.

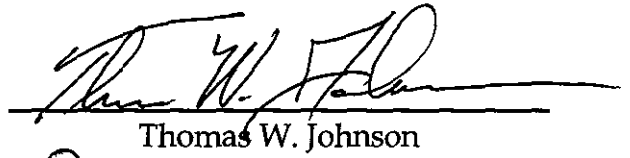
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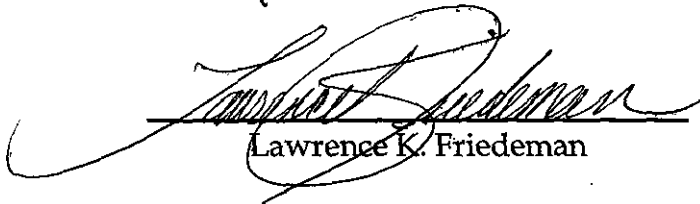
Asim Z. Haque, Chairman



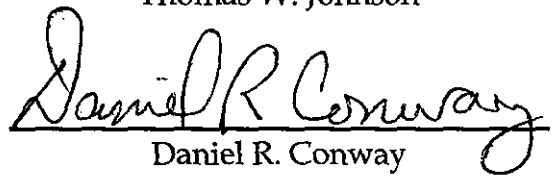
M. Beth Trombold



Thomas W. Johnson



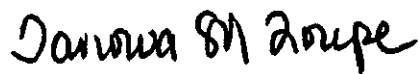
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