

Commissioners

M. Beth Trombold Lawrence K. Friedeman Dennis P. Deters Daniel R. Conway

December 13, 2019

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

0190EC 13 AMII:51

RE: In the Matter of the Application of Ohio Power Company to Update Its Enhanced Service Reliability Rider, Case No. 18-1371-EL-RDR

Dear Docketing Division:

Enclosed please find the Staff Recommendation in the Matter of Ohio Power Company to Update Its Service Reliability Rider, Case No. 18-1371-EL-RDR.

Tamara S. Turkenion

Dilector, Rates and Analysis Department Public Utilities Commission of Ohio David Lipthratt

Chief, Research and Policy Division Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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Technician DR Date Press 12/13/19

Ohio Power Company Case No. 18-1371-EL-RDR (ESRR)

SUMMARY

On August 31, 2018, Ohio Power Company (Company) filed an application in Case No. 18-1371-EL-RDR to update its Enhanced Service Reliability Rider (ESRR) rates. This application was filed to recover the operation and maintenance (O&M) and capitalization costs that the Company incurred in 2017 as part of its vegetation management program. The Company requested total recovery of \$2,281,561, which includes carry charges and an over-recovery credit of \$30,537,124. The Company requested a rate of .36841% of base distribution revenue for its ESRR, a decrease of 6.97278% from the current rate of 7.34119%. A customer's monthly ESRR charge would be determined by multiplying the new rate of .36841% by the base distribution charges on the customer's monthly bill.

On December 4th, 2019, in Case No. 17-1914-EL-RDR, the Commission filed an Opinion and Order stating that the Commission does not view the projected or forecasted costs approved in Ohio Power's third Electric Security Plan (ESP 3)¹ as a hard cap or limitation on the Company's spending. The Commission recognized that the increased spending was to address the spread of the destructive emerald ash borer throughout the Company's service territory.

STAFF RECOMMENDATION

Based on the Commission Order in Case No. 17-1914-EL-RDR. Staff amends its recommendation in this current filing. Staff recommends to the Commission that the Company's application be approved as filed except for \$1,339 in Operation and Maintenance expenses that Staff determined should be deducted from the rider in its Review and Recommendation filed on February 27, 2019².

¹ Ohio Power Co., Case No. 13-2385-EL-SSO

² Staff Review and Recommendation, Case No. 18-1371-EL-RDR, February 27, 2019