

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND THE TOLEDO EDISON COMPANY FOR APPROVAL OF A NEW TARIFF.

CASE NO. 19-2121-EL-ATA

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY OHIO, INC., FOR APPROVAL TO ESTABLISH A NEW LEGACY GENERATION RIDER.

CASE NO. 19-2123-EL-ATA

IN THE MATTER OF THE APPLICATION OF THE DAYTON POWER AND LIGHT COMPANY FOR APPROVAL TO ESTABLISH A NEW LEGACY GENERATION RIDER.

CASE NO. 19-2133-EL-ATA

IN THE MATTER OF THE APPLICATION OF OHIO POWER COMPANY TO AMEND ITS TARIFFS.

CASE NO. 19-2135-EL-ATA

FINDING AND ORDER

Entered in the Journal on December 18, 2019

I. SUMMARY

{¶ 1} The Commission approves the applications of Ohio's electric distribution utilities (EDUs) to implement the Legacy Generation Resources Rider established in Case No. 19-1808-EL-UNC.

II. FACTS AND PROCEDURAL BACKGROUND

{¶ 2} Am. Sub H. B. 6 (H.B. 6), which became effective on October 22, 2019, required the Commission to establish a replacement nonbypassable rate mechanism for the retail recovery of prudently incurred costs related to a legacy generation resource for the period commencing January 1, 2020 and extending up to December 31, 2030. R.C. 4928.148. In accordance with this legislative directive, the Commission: established LGR Rider; and, ordered that EDUs responsible for collecting LGR Rider file proposed tariffs for its implementation. Case No. 19-1808-EL-UNC (*LGR Rider Case*)

{¶ 3} On December 9, 2019, Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (FirstEnergy) filed applications for approval of a new tariff in order to implement LGR Rider (Case No. 19-2121-EL-ATA). On December 12, 2019, Staff filed its review and recommendations regarding FirstEnergy's applications.

{¶ 4} On December 9, 2019, Duke Energy Ohio, Inc. (Duke) filed an application to adopt a new legacy generation rider in order to implement LGR Rider (Case No. 19-2123-EL-ATA). On December 10, 2019, Duke filed its revised tariff page, together with typical bill impacts. On December 12, 2019, Staff filed its review and recommendations regarding Duke's application.

{¶ 5} On December 9, 2019, The Dayton Power and Light Company (DP&L) filed its proposed tariffs, together with typical bill impacts, in the *LGR Rider Case*. On December 10, 2019, DP&L filed an application for approval to establish a new legacy generation rider in order to implement LGR Rider (Case No. 19-2133-EL-ATA). On December 12, 2019, Staff filed its review and recommendations regarding DP&L's application.

{¶ 6} On December 9, 2019, Ohio Power Company (AEP) filed its proposed tariffs in the *LGR Rider Case*. On December 10, 2019, AEP filed an application to amend its tariffs in order to implement LGR Rider (Case No. 19-2135-EL-ATA). On December 12, 2019, Staff filed its review and recommendations regarding AEP's application.

III. DISCUSSION

{¶ 7} FirstEnergy, Duke, DP&L, and AEP are EDUs as defined in R.C. 4928.01(A)(6), and public utilities as defined in R.C. 4905.02, and, as such, are subject to the jurisdiction of the Commission.

{¶ 8} Recently enacted R.C. 4928.148 (effective October 22, 2019) required that the Commission establish the recovery mechanism for net legacy generation resource costs for

the period commencing January 1, 2020 and extending up to December 31, 2030. In consideration of the statutory obligation, the Commission established *LGR Rider Case*.

{¶ 9} R.C. 4909.18 provides, in part, that a public utility may file an application to establish any rate, charge, regulation, or practice. If the Commission determines that the application is not for an increase in any rate and does not appear to be unjust or unreasonable, the Commission may approve the application without the need for hearing.

{¶ 10} In Case No. 19-2121-EL-ATA, FirstEnergy filed tariff pages to implement LGR Rider. Staff's review of the filing concluded that the proposed tariff is in compliance with the requirements in the *LGR Rider Case*, and, as such, Staff recommends that the tariffs should be adopted. The Commission finds that FirstEnergy's proposed tariff is consistent with the *LGR Rider Case*, R.C. 4928.148, and does not appear to be unjust or unreasonable. Accordingly, FirstEnergy's application is approved without the need for further hearing.

{¶ 11} In Case No. 19-2123-EL-ATA, Duke filed tariff pages to implement LGR Rider. Staff's review of the filing concluded that the proposed tariff is in compliance with the requirements in Case 19-1808, and, as such, Staff recommends that the tariffs should be adopted. The Commission finds that Duke's proposed tariff is consistent with the *LGR Rider Case*, R.C. 4928.148, and does not appear to be unjust or unreasonable. Accordingly, Duke's application is approved without the need for further hearing.

{¶ 12} In Case No. 19-2133-EL-ATA, DP&L filed tariff pages to implement LGR Rider. Staff's review of the filing concluded that the proposed tariff is in compliance with the requirements in the *LGR Rider Case*, and, as such, Staff recommends that the tariffs should be adopted. The Commission finds that DP&L's proposed tariff is consistent with the *LGR Rider Case*, R.C. 4928.148, and does not appear to be unjust or unreasonable. Accordingly, DP&L's application is approved without the need for further hearing.

{¶ 13} In Case No. 19-2135-EL-ATA, AEP filed tariff pages to implement LGR Rider. Staff's review of the filing concluded that the proposed tariff is in compliance with the

requirements in Case 19-1808, and, as such, Staff recommends that the tariffs should be adopted. The Commission finds that AEP's proposed tariff is consistent with the *LGR Rider Case*, R.C. 4928.148, and does not appear to be unjust or unreasonable. Accordingly, AEP's application is approved without the need for further hearing.

IV. ORDER

{¶ 14} It is, therefore,

{¶ 15} ORDERED, That FirstEnergy be authorized to file, in final form, two complete copies of the tariffs consistent with this Finding and Order. FirstEnergy shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 16} ORDERED, That Duke be authorized to file, in final form, two complete copies of the tariffs consistent with this Finding and Order. Duke shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 17} ORDERED, That DP&L be authorized to file, in final form, two complete copies of the tariffs consistent with this Finding and Order. DP&L shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 18} ORDERED, That AEP be authorized to file, in final form, two complete copies of the tariffs consistent with this Finding and Order. AEP shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 19} ORDERED, That the effective date of the tariffs approved herein shall be the latter of: the date upon which the final tariff pages are filed with the Commission; or, January 1, 2020. It is, further,

{¶ 20} ORDERED, That FirstEnergy, Duke, DP&L, and AEP shall: (1) notify all customers via a bill message, bill insert, or a separate mailing within 30 days of the effective date of the tariffs; and, (2) submit copies of the customer notices to the Commission's Service

Monitoring and Enforcement Department, Reliability and Services Division, at least 10 days prior to their distribution to customers.

{¶ 21} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

{¶ 22} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:

Approving:

Sam Randazzo, Chairman

M. Beth Trombold

Lawrence K. Friedeman

Daniel R. Conway

Dennis P. Deters

MLW/hac

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12/18/2019 2:55:41 PM

in

Case No(s). 19-2121-EL-ATA, 19-2123-EL-ATA, 19-2133-EL-ATA, 19-2135-EL-ATA

Summary: Finding & Order that the Commission approves the applications of Ohio's electric distribution utilities (EDUs) to implement the Legacy Generation Resources Rider established in Case No. 19-1808-EL-UNC. electronically filed by Docketing Staff on behalf of Docketing.