

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review)	
of its Rules for Electrical Safety and Service)	
Standards Contained in Chapter 4901:1-10)	Case No. 17-1842-EL-ORD
of the Ohio Administrative Code)	

APPLICATION FOR REHEARING OF OHIO POWER COMPANY

Pursuant to Section 4903.10 of the Ohio Revised Code and Rule 4901-1-35 of the Ohio Administrative Code, Ohio Power Company ("AEP Ohio" or the "Company") respectfully files this Application for Rehearing of the Public Utilities Commission of Ohio's ("Commission") February 26, 2020 Finding and Order (the "Finding and Order") in this proceeding. The Finding and Order is unreasonable and unlawful in the following respects:

- A. The Commission's adoption of Commission Staff's proposed changes to Ohio Adm.Code 4901:1-10-07(A) expanding the outage report requirements and including circuit lockouts in the definition of "outage" places an unreasonable and unnecessary burden on the electric utilities. The Commission should either eliminate this additional reporting requirement or clarify that the electric utilities may work with the outage coordinator to develop other efficient notification methods to cover the new outages required to be reported.
- B. The sentence in ¶ 43 that can be interpreted to unreasonably require a smart meter reading every month without fail, even where doing so is beyond the utility's control, is unreasonable and unlawful; this language should be clarified to recognize practical circumstances faced by utilities.
- C. The new requirement for consolidated billing of non-jurisdictional services in Rule 4901:1-10-33(A) is unlawful and unreasonable without the Commission addressing the costs associated with the new mandate and updating the partial payment priority rule. On rehearing the Commission should: (a) either grant the Company authority to directly charge CRES providers incremental IT/coding/billing costs associated with this new regulatory mandate or create an accounting deferral to defer those costs for subsequent recovery in rates; and (b) modify the phrase "non-regulated charges" as used in the partial payment priority rule to incorporate the new term "non-jurisdictional services."

The grounds for this application for rehearing are set forth more fully in the accompanying memorandum in support.

Respectfully Submitted,

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MEMORANDUM IN SUPPORT

I. Introduction

By Entry issued July 17, 2019, the Commission directed all interested persons or entities to file comments regarding the Commission's review of Ohio Adm.Code Chapter 4901:1-10, regarding the minimum electric service standards for investor-owned electric utilities and transmission owners. *In the Matter of the Commission's Review of Chapter 4901:1-10 of the Ohio Administrative Code*, Case No. 17-1842-EL-ORD, Entry at ¶10 (July 17, 2019) ("Entry"). Included in the Entry were Commission Staff's ("Staff") proposed changes to Ohio Adm.Code 4901:1-10. Entry at Attachment A. After considering Staff's proposed changes, and the initial and reply comments of interested parties, the Commission issued its Finding and Order adopting certain amendments to Ohio Adm.Code 4901:1-10. *See In the Matter of the Commission's Review of Chapter 4901:1-10 of the Ohio Administrative Code*, Case No. 17-1842-EL-ORD, Finding and Order (February 26, 2019).

The Company respectfully submits that three aspects of the Finding and Order are unreasonable and unlawful and requests modification or clarification as set forth below. First, despite opposition from the electric distribution utilities ("EDUs") and evidence demonstrating the significant cost and limited benefits, the Commission adopted Staff's proposed changes to Ohio Adm.Code 4901:1-10-07(A) expanding the number of interruptions of service that would qualify as an "outage." Finding and Order at ¶ 45. Next, the Commission should clarify the language in the Order that appears to require that an EDU must obtain an actual meter read every month without fail when an advanced meter is used at a customer's service location. Finding and Order at ¶ 43. Finally, the Commission amended subsection Ohio Adm.Code 4901:1-10-33

(A) requiring EDUs to allow CRES providers access to the consolidated bill to list non-jurisdictional service charges. Finding and Order at ¶ 213.

The Commission's decision to adopt these amendments as statewide standards was unreasonable and unlawful, as further explained below; on rehearing, the Commission should reverse or modify its decision adopting these modifications or clarifications.

II. ARGUMENT

A. The Commission's adoption of Commission Staff's proposed changes to Ohio Adm.Code 4901:1-10-07(A) expanding the outage report requirements and including circuit lockouts in the definition of "outage" places an unreasonable and unnecessary burden on the electric utilities. The Commission should either eliminate this additional reporting requirement or clarify that the electric utilities may work with the outage coordinator to develop other efficient notification methods to cover the new outages required to be reported.

In the Finding and Order, the Commission adopted Staff's proposed changes to Ohio Adm.Code 4901:1-10-07(A). Finding and Order at ¶ 45, Attachment A at 16. Specifically, the Finding and Order amends section (A)(1) to reduce the number of customers qualifying for an "outage" from two thousand five hundred to one thousand two hundred fifty and reduces the projected or actual outage period from four to two hours. Finding and Order, Attachment A at 16. Additionally, amended section (A)(2) establishes a new requirement requiring a report when the Company has an outage or projected outage in an area impacting six hundred twenty-five customers for eight hours or more. *Id.* Finally, new section (A)(4) requires the electric utility to report any circuit lockouts, regardless of the number of customers impacted. *Id.*

The evidence is clear that the new reporting requirements significantly increase the burden and costs on the EDUs and Commission. AEP Ohio Comments at 4-5; AEP Ohio Reply Comments at 3; DP&L Comments at 3; Duke Comments at 2-3; Duke Reply Comments at 2; FirstEnergy Comments at 3-4; FirstEnergy Reply Comments at 5. Although the Commission

states that the outage report is a simple form that is filled-out and emailed to Staff, the EDUs are still required to dedicate time and resources to fill out and email the report to Staff. That, coupled with the significant increase in the instances that will require reporting under the amended rules, places an unreasonable and unnecessary burden on the EDUs as the new requirements will practically require the EDUs to constantly report to the outage coordinator. Further, given that the EDUs have other platforms to inform Staff and customers of outages,¹ this amendment provides no further benefits to customers than those currently provided for under the current rules. As such, the adopted amendments to this section are unreasonable and unlawful and the Commission should reverse its decision to adopt these amendments on rehearing.

At a minimum, should the Commission deny rehearing on the amendments to this section, the Commission should clarify this section to allow the EDUs to work with the outage coordinator to develop alternative methods for reporting outages. For example, under the amended rules, it would be more operationally practical and efficient to allow the EDUs to provide outage information directly to the outage coordinator via a link to the Company's website or through an automated messaging system rather than having to fill out the report and send an email. Allowing the EDUs to develop such reporting mechanisms would significantly reduce burden and the administrative and compliance costs the amended rules place on the EDUs while providing the Commission with the information sought by the amended rules.

- B. The sentence in ¶ 43 can be interpreted to unreasonably require a smart meter reading every month without fail, even where doing so is beyond the utility's control; this language should be clarified to recognize practical circumstances faced by utilities.**

¹ AEP Ohio Comments at 4; DP&L Comments at 3

The Order, as further discussed in ¶ 43, adopted the new rule provision that requires actual readings at least once per quarter discussed the underlying policy of requiring a minimum number of actual readings “per year” and “throughout the year.” But ¶ 43 also contains the following sentence: “However, the Commission orders that, when an advanced meter is used at a customer’s service location, an EDU must obtain actual meter readings on a monthly basis.” This sentence, covering customer service locations with an advanced meter, stands apart from the adopted rule language and the remainder of the ¶ 43 discussion. Hopefully, the Commission intended this as a general rule or default practice rather than an absolute directive without exception; if that is the case, a clarification would be helpful beyond the literal statement of the directive in that sentence contained in ¶ 43. As a practical matter, EDUs can be denied access to AMI meters for the same reasons as traditional meters. Just like a traditional meter, an AMI meter can be physically blocked by fences or other structures placed by customers; access can be denied by the customer; or a meter reader covering that area may call in sick the day the meter reading would have been attempted (where the customer’s presence is required due to a fence or structure blocking access to the meter). If an AMI meter is not signaling the data as it should be when functioning normally, such physical access is required to resolve the situation.

AEP Ohio acknowledges the point of the adopted rule language in Rule 5 (I)(1) regarding the minimum requirement of reading a meter once per quarter. But the sentence in ¶ 43 should be clarified or restated to permit an exception where an AMI meter does not report the data as it would under normal operation the utility does not have unrestricted physical access to the meter.

- C. **The new requirement for consolidated billing of non-jurisdictional services in Rule 4901:1-10-33(A) is unlawful and unreasonable without the Commission addressing the costs associated with the new mandate and updating the partial payment priority rule. On rehearing the Commission should: (a) either grant the Company authority to directly charge CRES providers incremental IT/coding/billing costs associated with this new regulatory mandate or create an**

accounting deferral to defer those costs for subsequent recovery in rates; and (b) modify the phrase “non-regulated charges” as used in the partial payment priority rule to incorporate the new term “non-jurisdictional services.”

The Order also adopts a new sentence in Rule 4901:1-10-33(A) that prohibits a utility from unduly restricting a CRES provider from including charges for non-jurisdictional services on a consolidated electric bill, along with a new definition of “non-jurisdictional services” in Rule 4901:1-10-01(W). AEP Ohio generally questions the public policy supporting this amendment and believes it could exacerbate existing consumer issues relating to CRES providers and create other unintended consequences. But for expediency, the Company will limit its rehearing request to seeking resolution of two of the potential problems the new rule could otherwise cause. Specifically, the Company requests on rehearing that the Commission: (a) either grant the Company authority to directly charge CRES providers incremental IT/coding/billing costs associated with this new regulatory mandate or create an accounting deferral to defer those costs for subsequent recovery in rates; and (b) modify the phrase “non-regulated charges” as used in the partial payment priority rule to incorporate the new term “non-jurisdictional services.”

As a threshold matter, the Commission should address the IT costs associated with new Rule 4901:1-10-33(A) on rehearing. The new consolidated billing requirements will undoubtedly cause additional billing complexities and associated incremental costs associated with billing non-jurisdictional service charges in this new setting, including but not limited to bill spacing issues, bill messages, the write-off procedure for such charges, ensuring that the payment priority rule is followed in this new setting, accounts receivable impacts, and incremental IT/coding/billing costs related to all of the above items. Accordingly, the Company requests that the Commission grant the Company authority to either directly charge CRES providers these costs or create an accounting deferral to defer IT costs associated with coding our billing system

for subsequent recovery in rates. Adopting the new rule without providing for recovery of incremental costs is unlawful and unreasonable.

Finally, the Commission should make a change to the partial payment priority rule that corresponds to the creation of the new term “non-jurisdictional services.” The current partial payment priority rule uses the phrase “non-regulated charges” which is a vague, undefined term that could either overlap or be distinguished from the new term “non-jurisdictional services.” Accordingly, the Commission should replace the phrase “non-regulated charges” in Rule 4901:1-10-33(H)(e) with the phrase “charges for non-jurisdictional services” or a similar phrase.

III. Conclusion

The Commission’s adoption of the above-referenced amendments was unreasonable and unlawful. The Commission should modify or clarify these aspects of its decision on rehearing.

Respectfully submitted,

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CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Application for Rehearing* was sent by, or on behalf of, the undersigned counsel to the following parties of record this 27th day of March, 2020, via electronic transmission.

/s/ Steven T. Nourse

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Summary: Application - Application for Rehearing submitted by Ohio Power Company electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company