

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio Power Company for an Increase in Electric Distribution Rates.)))	Case No. 20-585-EL-AIR
In the Matter of the Application of Ohio Power Company for Tariff Approval.)))	Case No. 20-586-EL-ATA
In the Matter of the Application of Ohio Power Company for Approval to Change Accounting Methods.)))	Case No. 20-587-EL-AAM

**MOTION OF OHIO POWER COMPANY TO ESTABLISH DATE CERTAIN AND
TEST PERIOD AND FOR WAIVER OF CERTAIN FILING REQUIREMENTS**

Pursuant to Section 4909.15(C) of the Ohio Revised Code and Ohio Administrative Code 4901-7-01, Appendix A (“Standard Filing Requirements” or “SFR”), Chapter II, Section (A)(5)(a), Ohio Power Company (“AEP Ohio” or the “Company”) hereby moves the Public Utilities Commission of Ohio (“Commission”) for an order establishing a date certain of December 31, 2019, and a test period of December 1, 2019 to November 30, 2020, for its forthcoming application for an increase in its electric distribution rates.

AEP Ohio further requests, pursuant to SFR, Chapter II, Section (A)(4)(a), that the Commission waive certain of its Standard Filing Requirements that would require the Company to provide information that is either irrelevant to the forthcoming distribution rate proceeding, such as that related to generation and transmission services, or information that is unavailable.

The grounds for this motion are set forth in the accompanying memorandum in support.

Respectfully submitted,

/s/ Christen M. Blend

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MEMORANDUM IN SUPPORT

I. Introduction

Ohio Power Company (“AEP Ohio” or the “Company”) intends to file an application for an increase in its electric distribution rates pursuant to R.C. 4909.18 on or about May 29, 2020. AEP Ohio proposes a date certain of December 31, 2019, and a test period of the twelve-month period beginning December 1, 2019. In addition, AEP Ohio requests that the Public Utilities Commission of Ohio (“Commission”) waive certain of the Standard Filing Requirements for Rate Increases set forth in Ohio Administrative Code 4901-7-01, Appendix A (“Standard Filing Requirements” or “SFR”) that would require the Company to provide information that is either irrelevant to the forthcoming distribution rate proceeding, particularly information regarding generation and transmission services that will not be subjects of this proceeding, or information that is unavailable. For the following reasons, the Commission should grant each of the Company’s requests.

II. Date Certain and Test Period

When fixing and determining just and reasonable rates for public utility service, the Commission must first determine “[t]he valuation as of the date certain of the property of the public utility used and useful * * * in rendering the public utility service for which rates are to be fixed and determined.” (Emphasis added). R.C. 4909.15(A)(1). The “date certain” cannot be later than the date on which an electric utility files an application for an increase in rates. R.C. 4909.15(C)(2). The Commission also must determine “[t]he cost to the utility of rendering the public utility service for the test period.” (Emphasis added). R.C. 4909.15(A)(4). An applicant under R.C. 4909.18 “may propose a test period * * * that is any twelve-month period beginning not more than six months prior to the date the application is filed and ending not more than nine

months subsequent to that date.” R.C. 4909.15(C)(1). Unless otherwise ordered by the Commission, “[t]he test period for determining revenues and expenses of the utility shall be the test period proposed by the utility.” *Id.*

AEP Ohio intends to file its application for an increase in its electric distribution rates pursuant to R.C. 4909.18 by May 29, 2020. The Company proposes to use December 31, 2019 as its date certain for determining rate base. AEP Ohio’s proposed date certain is not later than the date on which the Company’s application will be filed and therefore complies with R.C. 4909.15(C)(2). AEP Ohio further proposes to use the period of December 1, 2019 to November 30, 2020 as the test period for its filing. The Company’s proposed test period, which begins not more than six months prior to May 29, 2020 and ends not more than nine months after that date, complies with R.C. 4909.15(C)(1). Accordingly, the Commission should approve the Company’s proposed date certain and test period.

III. Request for Waivers

AEP Ohio also respectfully requests that the Commission waive certain Standard Filing Requirements for the Company’s forthcoming application. The Commission “may, upon an application or a motion filed by a party, waive any * * * standard filing requirement[], other than a requirement mandated by statute, for good cause shown.” SFR, Chapter II, (A)(4)(a). To obtain a waiver, a utility must file the waiver request at least thirty days before filing its application and “must set forth the specific reasons in support of the request.” SFR, Chapter II, (A)(4)(d) and (e). To determine whether good cause has been shown to waive a Standard Filing Requirement, the Commission will consider, “among other things,” three factors:

- (i) Whether other information, which the utility would provide if the waiver is granted, is sufficient so that the commission staff can effectively and efficiently review the rate application.

(ii) Whether the information, which is the subject of the waiver request, is normally maintained by the utility or reasonably available to it from the information which it maintains.

(iii) The expense to the utility in providing the information, which is the subject of the waiver request.

SFR, Chapter II, (A)(4)(d). AEP Ohio respectfully submits that this memorandum in support demonstrates good cause for the Commission to grant the following waivers.

A. The Commission Should Waive the Requirement to Provide Certain Supplemental Information Contained in SFR Chapters II(B) and II(C).

Chapter II(B) of the Standard Filing Requirements requires an applicant to provide certain information, if applicable, as part of the application filing. SFR, Chapter II(B). Chapter II(C) of the Standard Filing Requirements sets forth a number of categories of supplemental information that an applicant utility “must deliver * * *, if applicable, to the utilities department, office of the rate case manager, at the time of the filing of the application.” SFR, Chapter II(C). AEP Ohio seeks a waiver of any requirements to provide generation and transmission data and to provide federal income tax return information, for the reasons explained below.

1. The Commission should waive any requirement to file generation- and transmission-related information.

AEP Ohio intends to request in this proceeding to increase only its rates for distribution service, and it will not request an increase in any rates associated with electric generation or transmission service. Information related to AEP Ohio’s generation or transmission functions therefore is not relevant. Consequently, to the extent that any of the Standard Filing Requirements in Chapters II(B) or II(C) requires generation- or transmission-related data, AEP Ohio seeks a waiver from those requirements because they are inapplicable in this case. The Commission has previously waived the requirement to provide such information in numerous electric distribution rate cases. *See, e.g., In the Matter of the Application of Duke Energy Ohio,*

Inc. for an Increase in Electric Distribution Rates, Case No. 17-32-EL-AIR, Entry at ¶ 7 (Feb. 23, 2017); *In the Matter of the Application of The Dayton Power and Light Company to Increase its Rates for Electric Distribution*, Case No. 15-1830-EL-AIR, Entry at ¶ 5 (Nov. 18, 2015); *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* (“*In re 2011 AEP Ohio Rate Increase*”) Entry at ¶ 11 (Feb. 23, 2011). For the same reasons, AEP Ohio asks the Commission to provide a general waiver of any requirement in Chapter II(C) of the Standard Filing Requirements that relates to the Company’s generation and transmission functions.

Specifically, in the interest of administrative economy, the Commission should waive the following Standard Filing Requirements to the extent they require the production of generation or transmission information:

- Five-year capital expenditures budget (SFR, Chapter II, (B)(1));
- Five-year financial forecast (SFR, Chapter II, (B)(2));
- Underlying assumptions (SFR, Chapter II, (B)(3));
- Five-year projection of revenue requirements (SFR, Chapter II, (B)(4));
- Balance sheet items (SFR, Chapter II, (B)(5));
- Changes in financial position (SFR, Chapter II, (B)(6));
- Executive summary of applicant’s corporate process (SFR, Chapter II, (B)(8));
- Executive summary of applicant’s management policies, practices, and organization (SFR, Chapter II, (B)(9));
- Materials and supplies (SFR, Chapter II, (C)(11));
- Depreciation expense (SFR, Chapter II, (C)(12));
- Prior plant in service data (SFR, Chapter II, (C)(16));
- Depreciation reserve (SFR, Chapter II, (C)(19));
- Construction projects that are 75 percent complete (SFR, Chapter II, (C)(20));
- Data requirement for surviving dollars by vintage year of placement (SFR, Chapter II, (C)(21));

- Chart of accounts (SFR, Chapter II, (D)(6));
- Monthly managerial reports (SFR, Chapter II, (D)(7));
- Depreciation study (SFR, Chapter II, (D)(8));
- Labor contracts (SFR, Chapter II, (D)(11));
- Standard journal entries (SFR, Chapter II, (D)(16));
- All Section A (Revenue Requirements) Schedules;
- All Section B (Rate Base) Schedules;
- All Section C (Operating Income) Schedules;
- All Section D (Rate of Return) Schedules; and
- All Section E (Rate and Tariffs) Schedules.

2. The Commission should allow AEP Ohio to share tax return information with Staff on a confidential basis.

The Commission's standard filing requirements also require an electric utility to provide copies of certain specified federal income tax information when it files its rate increase application. SFR, Chapter II(C)(13). To ensure that the information in its federal income tax returns remains confidential, the Company requests that it be permitted instead to make the required information available to Staff on a coincidental basis during Staff's field audit, when it also will be making copies of its state income tax returns available on a confidential basis to Staff. *See* SFR, Chapter II(D)(19). The Commission has previously granted such requests. *See In re 2011 AEP Ohio Rate Increase*, Entry at ¶ 11.

B. The Commission Should Waive the Requirement to Provide Information Regarding Construction Work in Progress Contained in SFR, Chapter II, Section B(D).

Chapter II, Section B(D) of the Commission's Standard Filing Requirements requires electric utilities to "[p]rovide a list of all construction projects in progress at the date certain which have been included in the proposed rate base" and certain other information about those projects. SFR, Chapter II, Section B(D). AEP Ohio is not including any Construction Work in

Progress (“CWIP”) balances in the rate base it is proposing in this proceeding. In addition, no CWIP allowances were included in the Company’s rate base in its most recent prior rate increase case, Case No. 11-351-EL-AIR, *et al.* Consequently, the Company believes that the information requested in Schedules B-4, B-4.1, B-4.2 (CWIP), and B-9 (Mirror CWIP), as well as that in SFR, Chapter II(C)(7) (CWIP included in rate base in prior case) and SFR, Chapter II(C)(20) (to the extent CWIP would be included in the referenced schedules), is inapplicable. Accordingly, to the extent that it is necessary for the Company to obtain waivers of the requirement to submit CWIP-related information specified in the foregoing provisions of the Standard Filing Requirements, AEP Ohio requests that the Commission grant such a waiver.

IV. Planned Request for Delay

AEP Ohio is obligated to initiate this case under the terms of the Joint Stipulation and Recommendation approved and adopted by the Commission in *ESP IV*, Case Nos. 16-1852-EL-SSO, *et al.* Because it is cognizant of the COVID-19 crisis and associated impacts on customers and the economy, however, the Company plans to request a temporary delay of the normal rate case schedule after filing the Application. The request for delay will incorporate reasonable conditions designed to merely preserve the ongoing operation of the rates and riders approved in the *ESP IV* cases and avoid prejudice to the outcome of this case. Of course, the Commission can evaluate the details supporting the motion, which will be filed in this docket after the Company’s Pre-Filing Notice and Application, and rule accordingly.

V. Conclusion

For the reasons set forth above, Ohio Power Company respectfully requests that the Commission establish a date certain of December 31, 2019 for its forthcoming application for an increase in its electric distribution rates, set a test period from December 1, 2019 to November

30, 2020 for its forthcoming application, and waive certain of the Commission's Standard Filing Requirements that seek irrelevant or unavailable information, as described above.

Respectfully submitted,

/s/ Christen M. Blend

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Summary: Motion -Motion of Ohio Power Company to Establish Date Certain and Test Period and for Waiver of Certain Filing Requirements electronically filed by Ms. Christen M. Blend on behalf of Ohio Power Company