

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)	
Power Company for Approval of its)	Case No. 20-0602-EL-UNC
Temporary Plan for Addressing the COVID-19)	
State of Emergency.)	
)	
In the Matter of the Application of Ohio)	
Power Company for Waiver of Tariffs and)	Case No. 20-0603-EL-WVR
Rules Related to the COVID-19 State of)	
Emergency.)	
)	
In the Matter of the Application of Ohio)	
Power Company for Approval of)	Case No. 20-0604-EL-AAM
Certain Accounting Authority.)	
)	
In the Matter of the Application of Ohio)	
Power Company for Approval of)	Case No. 20-734-EL-AEC
A Reasonable Arrangement.)	

OHIO PARTNERS FOR AFFORDABLE ENERGY’S COMMENTS

I. Introduction

On March 12, 2020, the Public Utilities Commission of Ohio (“Commission”) initiated Case No. 20- 591-AU-UNC, In the Matter of the Proper Procedures and Process for the Commission’s Operations and Proceedings During the Declared State of Emergency and Related Matters. (“State of Emergency Proceeding”) The Commission then issued an Entry that, due to the declaration of a state of emergency, “directs all public utilities under its jurisdiction to review their service disconnection policies, practices, and tariff provisions and to promptly seek any necessary approval to suspend otherwise applicable requirements that may impose a service continuity hardship on residential and nonresidential customers or create unnecessary COVID-19 risks associated with social contact.”

On March 17, 2020, Ohio Power Company (“AEP Ohio” or “Company”) filed an application proposing a comprehensive plan (“Plan”) to implement the Commission’s directives in the State of Emergency Proceeding, seeking the Commission’s approval of the Plan and associated relief.

On March 24, 2020, AEP Ohio filed an amended application (“Amended Application”) to update its emergency plan and waiver process, in the following respects: making clarify edits to Section C; adding to Section D a funding mechanism to support Ohio hospitals in the Company’s service territory; creating a new Section G (prior Section G becomes Section H) for Field; and Operations Restrictions, Call Center Provision and Supply Chain Provision.

On April 9, 2020, AEP Ohio filed a second amended application (“Second Amended Application”) to further update its emergency plan and waiver process, primarily to update Section C (with a corresponding change to the prayer for relief) to incorporate a request to adopt a reasonable arrangement under R.C. 4905.31 to support the proposed demand charge relief program and to add Case No. 20-734-EL-AEC to the case captions.

On April 17, 2020, the Commission issued an Entry establishing a procedural schedule in this matter and directed all interested parties to file motions to intervene and comments by April 27, 2020. The Commission requested parties file comments to assist the Commission in its review of the Company’s Second Amended Applications.

II. Comments

Ohio Partners for Affordable Energy (“OPAЕ”) is an Ohio non-profit corporation with a stated purpose of advocating for affordable energy policies for low-and moderate-income Ohioans. OPAЕ has a long and successful history advocating for low- and moderate-income Ohioans as well as working with both the Commission and the Company to craft programs to

serve vulnerable Ohioans. OPAE commends AEP-Ohio for many of the steps it has taken and is proposing to take to support the Company's customers during the challenges presented by COVID-19. OPAE is generally supportive of most of the Company's proposals and provides specific comments below.

A. Disconnection and Service Continuity Plan

i. Residential Customer Assistance Proposals

The Company has requested to suspend disconnections during the COVID-19 emergency as well as to defer or eliminate certain reconnection fees to ensure continuity of service during this emergency. OPAE appreciates the Company's requests on these issues and supports their position, provided all deferrals sought to be recovered go through the appropriate deferral recovery proceedings to ensure prudence and reasonableness. OPAE believes there are programmatic policies that can reduce the need for deferrals and looks forward to working with AEP and the Commission Staff on these issues.

The Company has also indicated it is waiving requirements related to the Anniversary Date, an unnecessary component of the Percentage of Income Payment Plan ("PIPP") rules which would otherwise prevent customers from remaining on the Program. AEP-Ohio indicated this will help avoid disconnections and maintain assistance for eligible customers to keep them from falling further into arrears. OPAE supports this action and thanks the Company for its commitment to protect its PIPP customers.

The Company plans to expand eligibility and funding opportunities for the Neighbor-to-Nighbor ("NTN") program. AEP-Ohio intends to seek additional donations to the program and expand the eligibility for grants from this program. The Company indicated that certain funds disbursed under the expanded NTN will require a showing of impact related to COVID-19 and

others may be directed to nurses or nurses' assistants treating COVID-19 patients. The Company noted it will work with community agencies to help administer this program in a responsible manner given the current social distancing requirements. OPAE, and its community action agency members, support this proposal, but urges the Company to increase the administrative fees paid to agencies qualifying customers for benefits, which have had to absorb increased costs to provide benefits because of the COVID-19 emergency.

ii. Ohio Hospital Association Allocation

The Company is also seeking to reallocate a \$2.1 million regulatory liability from the over-collection balance associated with the Phase-In Recovery Rider to make funds available to the Ohio Hospital Association ("OHA") to support hospitals facing COVID-19 related challenges. Specifically, the Company noted a program to assist hospitals with the logistics for the distribution, sanitization, and reuse of personal protective equipment and testing kits for hospital workers; and to facilitate additional facility upgrades needed to meet the needs of an increased number of COVID-19 patients. OPAE supports this reallocation to the OHA. Low- and moderate-income Ohioans are disproportionately afflicted by respiratory diseases such as asthma and chronic obstructive pulmonary disease ("COPD"). Individuals with these afflictions are in the high risk category if infected by COVID-19 and have a higher chance of needing more extensive care and treatment.

Governor DeWine and the Ohio Department of Health's Director of Health, Dr. Amy Acton, have expressed concern with COVID-19's disproportionate impact on both communities of color and impoverished communities and how to get resources to these communities.¹ Ohio's

¹ <https://www.dispatch.com/news/20200409/coronavirus-gov-mike-dewine-says-hersquos-optimistic-about-ohio-cases>

stay-at-home order has resulted in the cancellation of many surgeries not deemed immediately medically necessary. This has resulted in a drop off in revenue for many hospitals including rural hospitals and those in low income communities. The Company's proposal will provide a source of funding and relief for hospitals and provide opportunities for enhanced care for those Ohioans who are at the greatest risk. This proposal provides an opportunity to address the Governor and Health Director's concerns by getting resources to support hospitals in the areas that need it the most.

OPAE supports the Company's proposal to reallocate the \$2.1 million regulatory liability to the OHA. OPAE understands Staff has recommended denying the proposal and instead allocating that money to bill pay assistance. However, the \$2.1 million would only provide a small benefit to a limited number of customers. While any benefit to residential customers is appreciated, the money can meet immediate needs that also require funding.

B. Reasonable Arrangement Request

The Company has requested to provide a limited-time bill credit to enable Commercial and Industrial customers to avoid demand ratchet charges that may occur as a result of operational curtailments during the state of emergency. The Company proposes that the forgone demand charges be recovered through the Economic Development Rider ("EDR") to socialize the costs as is traditionally done with Reasonable Arrangements under R.C. 4905.31.

OPAE does not necessarily oppose the Company providing a credit to its Commercial and Industrial customers but only if those customers pay for that benefit. AEP-Ohio's proposal of recovering its foregone revenue through the EDR will disproportionately and negatively impact residential customers who will see no benefit from this particular proposal.

The EDR is recovered by charging each customer 1.35371% of that customer's distribution charges.² In the Company's most recent distribution rate case, Pub. Util. Comm. Case No. 11-0351-EL-AIR et al. ("2011 Rate Case"), the Staff Report included the following table:

Table 3
Cost of Service Results
Revenue Distribution
Excluding Fuel

<u>Class</u>	<u>Current Revenue Distribution</u>	<u>COSS Levelized Revenue Distribution</u>	<u>Applicant Proposed Revenue Distribution</u>	<u>Staff Proposed Revenue Distribution</u>
RS	222,519,694	232,905,607	232,213,113	232,213,113
GS-1	9,453,078	11,160,795	11,314,425	10,460,632
Seceondary	73,832,500	90,369,660	94,772,512	91,746,373
Primary	18,729,482	25,044,178	25,892,854	24,477,376
Sub/Transmission	6,283,465	556,795	443,233	439,361
OL	6,369,014	7,577,141	8,274,876	8,274,870
SL	<u>2,674,390</u>	<u>2,792,405</u>	<u>2,983,241</u>	<u>2,792,405</u>
Total	339,861,623	370,406,581	375,894,254	370,404,130

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Under the Company's current distribution rate calculations, residential customers make up at least 60% of the Company's distribution revenues. Which means, under the Company's proposal in this case, residential customer would carry over 60% of the burden in funding a demand credit for Commercial and Industrial customers. This credit will provide no benefit to

² https://www.aepohio.com/global/utilities/lib/docs/ratesandtariffs/Ohio/2020-3-30_AEP_Ohio_Standard_Tariff.pdf See 18th Revised Sheet No. 482-1.

³ Pub. Util. Comm. Case No. 11-0351-EL-AIR et al. Staff's Report of Investigation (Section 1) at page 31 (Sept. 15, 2011).

<https://dis.puc.state.oh.us/TiffToPDF/A1001001A11I15A93152B64856.pdf>

the customers. In fact, the credit is proposed on the basis Commercial and Industrial customers curtailing load during this state of emergency. Assuming those Commercial and Industrial customers who are curtailing load are also sending home workers as a result of the curtailment, those customers could be hit twice. First, they are furloughed during the state of emergency and then they are asked to subsidize the company that furloughed them. This is unacceptable.

OPAE agrees with Staff's recommendation that if the Company is entitled to recovery for this proposed reasonable arrangement that recovery should follow traditional cost allocation principles and be recovered from the class that benefits; not residential customers.

C. Deferral Requests

Generally, OPAE does not support the use of deferrals. In its Plan, the Company has requested authority to defer the expenses and foregone revenues arising out of the various proposals it has put forth. OPAE will support the Company's request for deferrals provided the Company is required to go through a standard deferral recovery proceeding prior to recovery to ensure recovery is reasonable and lawful. OPAE's support of the deferrals in no way indicates that recovery is appropriate and OPAE reserves the right to challenge recovery in the appropriate proceedings.

III. Conclusion

OPAE commends the Company for the actions it has taken and is proposing to take to protect its customers during this state of emergency. Additionally, OPAE thanks the Commission for the opportunity to provide input on the Company's proposals. OPAE respectfully requests the Commission consider OPAE's comments and incorporate OPAE's recommendations in the Commission's decision.

[Signature block on the next page.]

/s/Robert Dove

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CERTIFICATE OF SERVICE

I certify that The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case.

/s/ Robert Dove
Robert Dove

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Summary: Comments electronically filed by Mr. Robert Dove on behalf of Ohio Partners for Affordable Energy