

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Ohio Power Company for Approval of)	Case No. 19-2141-EL-EDI
an Operational Plan for Seamless Move.)	

REPLY COMMENTS OF OHIO POWER COMPANY

INTRODUCTION

On December 13, 2019, Ohio Power Company (“AEP Ohio” or the “Company”) filed an Application for approval of an operational plan for implementing a seamless move mechanism within its service territory pursuant to the Public Utilities Commission of Ohio’s (“Commission”) Finding and Order in Case No. 14-2074-EL-EDI.¹ The Attorney Examiner’s March 31, 2020 Entry in this case directed all interested stakeholders to file comments regarding the Company’s Application in this docket on or before May 3, 2020. On May 1, 2020, the Staff of the Public Utilities Commission of Ohio (“Staff”) and the Northeast Ohio Public Energy Council (“NOPEC”) filed comments on the Company’s Application. The Office of the Ohio Consumers’ Counsel (“OCC”); Interstate Gas Supply, Inc. (“IGS”); and Retail Energy Supply Association (“RESA”), Direct Energy Business, LLC, and Direct Energy Services, LLC (collectively “RESA/Direct”) filed comments on May 4, 2020. The Company hereby responds to the parties’ comments.

¹ *In re the Mkt. Dev. Working Group*, Case No. 14-2074-EL-EDI, et al., Finding and Order at ¶ 37 (Feb. 7, 2018).

REPLY COMMENTS

Implementation of Seamless Move Should be Suspended and Reevaluated.

In its comments, OCC recommends that implementation of the Company's seamless move plan be suspended as a result of the COVID-19 pandemic.² The Company agrees. The Company and its customers are facing unprecedented challenges as a result the COVID-19 pandemic and, in light of these challenges, it would not be appropriate or necessary to allocate resources or incur the cost to implement a seamless move mechanism during the current declared state of emergency.

Further, the Company recommends that the Commission use this time to reevaluate the need for and cost effectiveness of implementing a seamless move mechanism in Ohio generally. As OCC correctly points out, the seamless move mechanism remains expensive and difficult to implement.³ As detailed in the Company's Application, implementing a seamless move mechanism will cost approximately \$2.4 million in capital, in addition to ongoing annual O&M.⁴ Based on the Company's estimates from the most recent 12-month period before filing its Application, those costs would be incurred to provide a potential benefit to approximately 33,350 residential customers who would have been able to participate in a seamless move had it been available during that period.⁵ Given the costs and limited benefits to the Company's approximately 430,000 other residential shopping customers, the Company recommends that, to the extent that there is still a need for seamless move in Ohio, the Commission explore more affordable and efficient measures to address the issues driving the need for a seamless move mechanism.

² OCC Initial Comments at 1 (May 4, 2020).

³ *Id.* at 4.

⁴ AEP Ohio Application at 6 (Dec. 13, 2019).

⁵ *Id.*

The Costs of Implementing the Seamless Move Mechanism Should be Borne by CRES Providers.

In its Application, the Company recommended that the costs of implementing the seamless move mechanism be recovered from customers eligible to take advantage of the service and charged to the CRES providers with which eligible customers are under contract.⁶ In response, IGS argues that shopping customers should not be required to bear the cost of implementing the seamless move mechanism because a CRES provider and its customer have no option to conduct a seamless move independently.⁷ Alternatively, IGS contends that, should CRES providers be required to bear all or a portion of the costs, those costs should be capped.⁸ RESA/Direct similarly recommend that, should CRES providers be required to share in the costs of implementing seamless move, those costs be capped.⁹ In addition, RESA/Direct assert that, because utilities already implement seamless moves within their respective footprints for default customers and seamless move upgrades will provide benefits to all utility customers, the CRES should not be responsible for the costs.¹⁰

RESA/Direct are incorrect. AEP Ohio does not implement seamless moves for default customers within its footprint. Rather, when a customer who takes service under the Company's Standard Service Offer ("SSO") moves within the Company's service territory, the Company closes the customer's existing account and opens a new account at the new service address. Seamless move capabilities do not already exist for SSO customers, and those customers do not already pay for such capabilities.

⁶ *Id.*

⁷ IGS Comments at 5 (May 4, 2020).

⁸ *Id.* at 6.

⁹ RESA/Direct Comments at 9 (May 4, 2020).

¹⁰ *Id.* at 8.

As OCC and Staff both agree, CRES suppliers should be responsible for all costs associated with the seamless move function as provided for in the Company's Application.¹¹ As OCC correctly points out,¹² CRES providers are the primary beneficiaries of the seamless move technology, and consistent with the principles of cost causation, they should bear those costs. When deciding whether or not to implement seamless moves in Ohio, the Commission should consider the significant capital spent by Electric Distribution Utilities (EDUs) to accommodate system enhancements deemed "necessary" by CRES Providers that, once available, have been either not used at all or under-utilized. Specifically, AEP Ohio spent 2 years and \$85,220 to develop Enroll from Your Wallet and, to date, has only had four suppliers pay the \$5,000 fee to use the program. AEP Ohio also spent roughly 4 years and over \$2.7 million in capital, a little over a third of which was contributed by CRES Providers, to accommodate CRES Providers wishes to implement Supplier Consolidated Billing and, although the program has been ready since October 2019, only two of the five pilot suppliers have filed for a bill format approval that would allow them to participate in the program. It would not be appropriate for AEP Ohio nor its customers to incur costs to implement yet another item on the CRES Providers wish list just to have the program go unused. Further, AEP Ohio's SSO customers who are ineligible for the seamless move mechanism, and who do not benefit from it, should not bear the cost to support enhancements requested by the CRES providers. Moreover, CRES providers' unwillingness to incur costs for a mechanism that predominantly only benefits them supports the Company's recommendation that the Commission reconsider requiring electric distribution utilities ("EDU") to implement seamless move mechanisms in their service territories, especially given that there are more affordable and efficient measures to address the issues attempting to be addressed

¹¹ Staff Comments at 3 (May 1, 2020); OCC Comments at 5.

¹² OCC Comments at 5.

through seamless move. At a minimum, however, CRES providers should bear the entire cost associated with implementing any seamless move mechanism with which the Commission directs the Company to move forward.

The Company's Application Met its Seamless Move Obligations, and its Operation Plan Should be Approved without Modification.

Finally, certain intervenors' comments took issue with various aspects of the Company's seamless move eligibility requirements and restrictions and its processes. Specifically, RESA/Direct took issue with the Company requiring 30-days prior notice for a seamless move request, excluding net metering customers from eligibility, and requiring customers to verify their consent to the seamless move.¹³ RESA/Direct further argue that the seamless move requirements should be consistent across all EDUs.¹⁴ In addition, NOPEC takes issue with the exclusion of governmental aggregation customers,¹⁵ and IGS claims that the requirement for compatible meter capabilities is an unreasonable and unnecessary limitation on seamless move.¹⁶

RESA/Direct's recommendation that the seamless move requirements be uniform across all EDUs fails to take into account that a seamless move mechanism only applies to moves within a particular EDU's service territory. Each EDU should be provided some flexibility to implement seamless move to best suit its customers' needs. Further, the EDUs' operational plans all generally follow the core eligibility and process requirements for implementing seamless move outlined in Staff's comments.¹⁷ RESA/Direct have not offered any meaningful reason for the Commission to depart from the requirements outlined by Staff.

¹³ RESA/Direct Comments at 3, 5-6.

¹⁴ *Id.* at 7-8.

¹⁵ NOPEC Comments at 7-9 (May 1, 2020).

¹⁶ IGS Comments at 2-4.

¹⁷ Staff Comments at 2.

Staff itself indicated that it had no concerns with the Company's seamless move operational plan's eligibility requirements and restrictions, or with the Company's proposed procedures for implementing seamless move. Many of the issues that intervenors now raise are consistent with the core eligibility and processes requirements agreed to by the interested parties during working group meetings regarding these issues. If the Commission is inclined to move forward with seamless moves in Ohio, the Commission should disregard intervenors' comments regarding the Company's eligibility and process requirements and approve the Company's operation plan for implementing seamless move without modification.

CONCLUSION

Given the cost of and limited benefits associated with implementing seamless move mechanisms in Ohio, the Commission should reconsider directing EDUs to do so. At a minimum, such implementation efforts should be placed on hold until customers and utilities are no longer experiencing the impacts of the COVID-19 pandemic. In the event the Commission decides that seamless move mechanisms should move forward, it should approve the Company's Application in this proceeding as filed and without modification.

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 *Reply Comments* was sent by, or on behalf of, the undersigned counsel to the following parties of record this 20th day of May 2020, via electronic transmission.

/s/Tanner S. Wolfram

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Summary: Comments - Reply Comments of Ohio Power Company electronically filed by
Tanner Wolfram on behalf of Ohio Power Company