

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
OHIO POWER COMPANY FOR APPROVAL
TO EXPIRE ITS GRIDSMART
EXPERIMENTAL TARIFFS.

CASE NO. 13-1937-EL-ATA

IN THE MATTER OF THE APPLICATION OF
OHIO POWER COMPANY FOR APPROVAL
TO ESTABLISH TIME-OF-USE RATES.

CASE NO. 17-1234-EL-ATA

ENTRY

Entered in the Journal on June 17, 2020

{¶ 1} Ohio Power Company d/b/a AEP Ohio (AEP Ohio or the Company) is an electric distribution utility as defined in R.C. 4928.01(A)(6) and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 2} R.C. 4928.141 provides that an electric distribution utility shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services (CRES) necessary to maintain essential electric services to customers, including a firm supply of electric generation services. The SSO may be either a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143.

{¶ 3} 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 a hearing.

{¶ 4} In Case No. 08-917-EL-SSO, et al., the Commission modified and approved AEP Ohio's application for a first ESP, including the Company's proposal to establish a gridSMART Rider and initiate Phase 1 of its gridSMART program, which would focus on advanced metering infrastructure (AMI), distribution automation, and home area network

initiatives. *In re Columbus Southern Power Co.*, Case No. 08-917-EL-SSO, et al., Opinion and Order (Mar. 18, 2009) at 37-38, Entry on Rehearing (July 23, 2009) at 18-24.

{¶ 5} On August 8, 2012, the Commission approved, with certain modifications, AEP Ohio's application for a second ESP, effective with the first billing cycle of September 2012 through May 31, 2015. Among other provisions of the ESP, the Commission approved AEP Ohio's request to continue the gridSMART Phase 1 project, as well as the gridSMART Phase 1 Rider, which enabled the Company to recover its prudently incurred costs associated with Phase 1 and was subject to an annual true-up and reconciliation. The Commission also directed AEP Ohio to file an application addressing Phase 2 of the gridSMART program. *In re Columbus Southern Power Co. and Ohio Power Co.*, Case No. 11-346-EL-SSO, et al. (*ESP 2 Case*), Opinion and Order (Aug. 8, 2012) at 62-63, Entry on Rehearing (Jan. 30, 2013) at 53.

{¶ 6} In Case No. 13-2385-EL-SSO, et al., the Commission approved, pursuant to R.C. 4928.143, AEP Ohio's application for a third ESP for the period of June 1, 2015, through May 31, 2018. Among other matters, the Commission approved AEP Ohio's proposal to extend the gridSMART program. The Commission also noted that, consistent with its directive in the *ESP 2 Case*, AEP Ohio should file, within 90 days after the expiration of ESP 2, an application for review and reconciliation of the gridSMART Phase 1 Rider. The Commission found that, after the review and reconciliation of the gridSMART Phase 1 costs, AEP Ohio should be authorized to transfer the approved capital cost balance into its distribution investment rider (DIR), which would not be subject to the DIR caps, and should also transfer any unrecovered operations and maintenance balance into the gridSMART Phase 2 Rider. *In re Ohio Power Co.*, Case No. 13-2385-EL-SSO, et al., Opinion and Order (Feb. 25, 2015) at 51-52.

{¶ 7} On September 13, 2013, in Case No. 13-1937-EL-ATA, AEP Ohio filed an application seeking to expire, effective with the first billing cycle of January 2014, the

experimental tariff offerings associated with the Company's gridSMART pilot. Specifically, these tariff offerings include the Experimental Residential Time-of-Day Service, Experimental Direct Load Control Rider, Experimental Critical Peak Pricing Service, Experimental Residential Real-Time Pricing Service, and Experimental Small General Service Time-of-Day schedules.

{¶ 8} In Case No. 13-1939-EL-RDR, the Commission modified and approved a joint stipulation and recommendation (Phase 2 Stipulation) regarding AEP Ohio's application to implement Phase 2 of its gridSMART project. Among other things, the Phase 2 Stipulation established the process for a time-of-use (TOU) transition plan to be implemented by AEP Ohio, Staff, and CRES providers, which would include the development of internal systems and processes to enable CRES TOU programs, customer communications, and a review of the competitiveness of the CRES offerings available through the transition plan. The Phase 2 Stipulation also required AEP Ohio to propose a simple two-tier, non-technology TOU rate reflecting default load auction prices for AMI customers to be used only if the CRES TOU market has not evolved to be sufficiently competitive after the communication phase to inform customers of their options and to aid them in moving to CRES TOU programs. *In re Ohio Power Co.*, Case No. 13-1939-EL-RDR, Opinion and Order (Feb. 1, 2017) at ¶¶ 29-32.

{¶ 9} On May 11, 2017, in Case No. 17-1234-EL-ATA, AEP Ohio filed, pursuant to R.C. 4909.18 and the Phase 2 Stipulation, an application to establish TOU rates for certain residential and general service customers with AMI meters as an option, bypassable offering under the Company's generation capacity rider. AEP Ohio states that any under- or over-recovered capacity costs would be trued up through its auction cost recovery rider and that the effective date of the TOU rates would only be triggered in a manner consistent with the terms of the Phase 2 Stipulation.

{¶ 10} On May 30, 2019, Staff filed its review and recommendations in Case No. 17-1234-EL-ATA. Staff recommends that, in light of a current lack of TOU offerings by CRES

providers, AEP Ohio be required to maintain a TOU rate. Further, Staff advises that AEP Ohio should file an amended application to incorporate a number of changes recommended by Staff with respect to the Company's TOU proposal. Finally, Staff states that, once AEP Ohio's amended application is approved by the Commission in Case No. 17-1234-EL-ATA, the Company's pending application to expire the experimental gridSMART tariffs in Case No. 13-1937-EL-ATA should also be approved.

{¶ 11} On May 1, 2020, AEP Ohio filed an amended application and updated proposed tariffs in Case No. 17-1234-EL-ATA in response to Staff's recommendations. Regarding its application in Case No. 13-1937-EL-ATA, AEP Ohio states that it intends to update its proposed tariffs in that case to provide for a transition plan for customers currently served under certain schedules.

{¶ 12} On June 16, 2020, AEP Ohio filed an amended application and updated proposed tariffs in Case No. 13-1937-EL-ATA. In the amended application, AEP Ohio requests that the Commission approve a transition plan for customers currently served on the Company's Smart Shift and Smart Shift Plus tariffs. AEP Ohio also proposes that it be permitted to continue its Smart Cooling tariff. Finally, AEP Ohio seeks approval of its proposed tariff changes, which, according to the Company, would result in the elimination of its gridSMART experimental tariff offerings, with the exception of the Experimental Direct Load Control Rider.

{¶ 13} At this time, the attorney examiner finds that the following procedural schedule should be established to assist the Commission in its review of AEP Ohio's applications in the above-captioned cases:

- (a) July 10, 2020 – Deadline for the filing of motions to intervene.
- (b) July 10, 2020 – Deadline for the filing of initial comments.

(c) July 24, 2020 – Deadline for the filing of reply comments.

{¶ 14} It is, therefore,

{¶ 15} ORDERED, That the procedural schedule set forth in Paragraph 13 be adopted. It is, further,

{¶ 16} ORDERED, That a copy of this Entry be served upon all parties of record and other interested persons of record in these cases and all parties of record in Case No. 13-1939-EL-RDR.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Sarah J. Parrot

By: Sarah J. Parrot
Attorney Examiner

NJW/kck

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in

Case No(s). 13-1937-EL-ATA, 17-1234-EL-ATA

Summary: Attorney Examiner Entry establishing a procedural schedule as follows:

(a) 7.10.20 – Deadline for the filing of motions to intervene.

(b) 7.10.20 – Deadline for the filing of initial comments.

(c) 7.24.20 – Deadline for the filing of reply comments.

electronically filed by Kelli C King on behalf of Sarah J. Parrot, Attorney Examiner, Public Utilities Commission of Ohio