



**Public Utilities
Commission**

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November 10, 2020

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

RE: *In the Matter of application of Ohio Power Company to update its Storm Damage Recovery Rider Rates, Case No. 20-859-EL-RDR.*

Dear Docketing Division:

Enclosed please find the Review and Recommendations of the Staff of the Public Utilities Commission of Ohio (Staff) regarding the application filed by Ohio Power Company to adjust its Storm Damage Recovery Rider rates in Case No. 20-859-EL-RDR.

David Lipthrott
Chief, Accounting and Finance Division
Public Utilities Commission of Ohio

Suzanne Williams
Accounting and Finance Division
Public Utilities Commission of Ohio

Enclosure
Cc: Parties of Record

Ohio Power Company
Case No. 20-859-EL-RDR

SUMMARY

Ohio Power Company's (Company) Storm Damage Recovery Rider (SDRR) is a non-bypassable rider, approved by the Commission in Case No. 11-346-EL-SSO (ESP II) as the mechanism for recovery (or refund) of deferred incremental distribution expenses over or under \$5.0 million annually relating to "Major Events" as defined by Rule 4901:1-10-10(B) of the Ohio Administrative Code beginning January 1, 2012.

On February 25, 2015, the Commission issued an Opinion and Order in the Company's ESP III, Case No. 13-2385-EL-SSO, in part providing for the continuation of the SDRR, which requires a true-up application to be filed in April of each year. On April 25, 2018, the Commission issued an Opinion and Order in the Company's ESP IV, Case No. 16-1852-EL-SSO, et. al. authorizing the continuation of the provisions in the SDRR, and an increase to the \$5 million SDRR baseline by \$120,000.

On April 16, 2020, Ohio Power Company (Company) filed its application (Application) for the review of costs attributable to major storms during the calendar year 2019. In this Application, the Company is proposing to recover an under-collection of approximately \$2.7 million during the year 2019. The Company proposes that the under-collection be collected from customers over a one-month period on a fixed customer charge basis.

FINANCIAL AUDIT

In its review, Staff examined the as-filed schedules for consistency with previous storm rider cases to ensure proper accounting and regulatory treatment was applied. The audit consisted of a review of the financial statements for completeness, occurrence, presentation, valuation, allocation and accuracy. Staff conducted this audit through a combination of document review, interviews, and interrogatories.

Staff has completed its review of the filing and finds that the Company has appropriately included in its SDRR only those restoration costs incurred due to major storms in Ohio, except for the following recommended adjustments totaling \$139.23. Detailed below is Staff's recommended adjustment.

STAFF REVIEW AND RECOMMENDATION

In response to a Staff data request, the Company identified three small amounts of \$8.19, \$16.38 and \$114.66, that were included in the rider in error. Therefore, Staff recommends that \$139.23 be disallowed from Rider SDRR.

CONCLUSION

Staff recommends that the SDRR be adjusted by \$139.23 as detailed above and approval of the monthly charge of \$1.29 for residential customers and \$5.32 for non-residential customers.

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Case No(s). 20-0859-EL-RDR

Summary: Staff Review and Recommendation regarding the application filed by Ohio Power Company to adjust its Storm Damage Recovery Rider rates electronically filed by Zee Molter on behalf of PUCO Staff