



Public Utilities Commission

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March 10, 2021


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

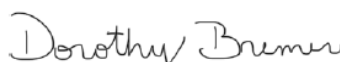
RE: *In the Matter of the Application of the Ohio Power Company to Update Its Basic
Transmission Cost Rider, Case No. 21-53-EL-RDR*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the application filed by Ohio Power Company to update its Basic Transmission Cost Rider in Case No. 21-53-EL-RDR.

Sincerely,


Marianne Townsend
Chief, Regulatory Utility Services
Rates and Analysis, Dept.
Public Utilities Commission of Ohio


Dorothy Bremer
Section Chief, Regulatory Utility Services
Rates and Analysis, Dept.
Public Utilities Commission of Ohio

Enclosure
Cc: Parties of Record

Ohio Power Company
Case No. 21-53-EL-RDR

Summary

On January 15, 2021, Ohio Power Company (Ohio Power or Company) filed an application to update its Basic Transmission Cost Rider (BTCR). On February 16, February 24, and March 4, the Company filed amendments to its application to update the BTCR pilot program material. Through the BTCR, Ohio Power recovers the non-market based transmission charges assessed to it by PJM Interconnection, LLC (PJM), as authorized by the Federal Energy Regulatory Commission. The Commission authorized the establishment of this rider in Case No. 13-2385-EL-SSO. Through Case No. 16-1852-EL-SSO, the Commission continued the BTCR, with modification, for the period of June 1, 2018 through May 31, 2024.

The BTCR Pilot was approved in Case No. 16-1852-EL-SSO. Participants of the Pilot are billed for demand related transmission costs based on their individual Network Service Peak Load (NSPL). This provides an opportunity for these customers to control their transmission related costs by controlling their NSPL.

On February 24, 2021, the Company filed a letter agreement between the intervening parties and the Company to adjust the BTCR pilot program participation load cap that was originally determined by the parties and approved by the Commission in Case No. 16-1852-EL-SSO. According to the letter agreement, the cap will be adjusted from 500 MW to 700 MW, effective for rates that will be in effect from April 1, 2021 through March 31, 2022. The letter indicates that the adjusted cap will not result in any change to the Residential class's allocation of costs. In addition, on March 4, 2021, the Company filed updated BTCR schedules and rates that result from the increased cap level.

Staff Review and Recommendations

Staff reviewed the January 15, 2021 application and subsequent amendments. In its review, Staff examined the as-filed schedules for consistency with Commission's Opinion and Orders in previous cases and conducted this audit through a combination of document review, interviews, and interrogatories. Staff confirmed that the Company appropriately removed the PJM Transmission Loss Credits-LSE in March of 2020 per the Commission Opinion Order in Case No. 20-95-EL-RDR. For the audit period January through December 2020, Staff requested documentation as needed to determine that the costs were substantiated and jurisdictional or to conclude that an adjustment was warranted. Staff recommends that the Company adjust from the BTCR rider costs billed to PALAOH's in June and July of 2020. Staff will further evaluate these costs if the Company engages in a bilateral adjustment and incurs the expense.

Staff has reviewed the letter agreement and resulting schedules filed on March 4, 2021 and believes that increasing the pilot program cap to 700 MW will provide the opportunity for additional

customers to participate in the pilot program, further encouraging the efficient use of the system. Staff recommends that the Commission approve the increased cap level and the resulting BCTR rates as filed on March 4, 2021.

Conclusion

Staff recommends that the application filed on January 15, 2021 and subsequently amended be approved, subject to Staff's recommendations above. Staff recommends that the rates become effective on the first billing cycle of April 2021.

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 21-0053-EL-RDR

Summary: Staff Review and Recommendation electronically filed by Dorothy Bremer on behalf of PUCO Staff