

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)	
Dayton Power and Light Company to)	Case No. 20-1651-EL-AIR
Increase its Rates for Electric)	
Distribution.)	

In the Matter of the Application of The)	Case No. 20-1652-EL-AAM
Dayton Power and Light Company for)	
Accounting Authority.)	

In the Matter of the Application of The)	Case No. 20-1653-EL-ATA
Dayton Power and Light Company for)	
Approval of Revised Tariffs.)	

OBJECTIONS TO THE STAFF REPORT OF WALMART INC.

COMES NOW Walmart Inc. ("Walmart"), by counsel, pursuant to Section 4909.19(C) of the Ohio Revised Code and Rule 4901-1-28 of the Ohio Administrative Code, and files its Objections to the Staff Report filed on July 26, 2021, with the Public Utilities Commission of Ohio ("PUCO" or "Commission") in response to the Application for an Increase in its Electric Distribution Rates filed by Dayton Power and Light Company d/b/a AES Ohio ("AES Ohio" or "Company") on November 30, 2020 ("Application") and states as follows:

I. INTRODUCTION

On October 30, 2020, AES Ohio filed a notice of intent to file an application to increase its electric distribution rates with the PUCO and subsequently filed its Application on November 30, 2020. As required by statute, Commission Staff ("Staff") examined the Application and then issued the Staff Report on July 26, 2021. Among other things, the Staff Report made the following recommendations and/or proposed the following revisions to the Company's Application:

- Revenue Requirement: Staff proposed a revenue increase for AES Ohio in the range of \$61.1 million to \$66.7 million as compared to the Company's requested revenue increase of \$121.8 million. Staff's recommended revenue increase represents an overall increase of between 25.01 percent and 27.28 percent from current rates.¹
- Return on Equity ("ROE"): Staff recommended a cost of equity range of 9.28 percent to 10.29 percent.²
- Revenue Allocation: Staff accepted the Company's Cost of Service Study ("COSS"), which moves all classes to their respective cost of service, as a reasonable indicator of costs.³
- Low Load Factor Provision: Staff did not oppose the Company's proposal to rename the "Maximum Charge Provision" applicable to certain low load factor customers in the Secondary and Primary rate classes to the "Low Load Factor Provision," but Staff objected to the Company's low load factor rates.⁴

II. OBJECTIONS

A. Staff's Proposed ROE Range Should Reflect Recent National ROE Trends.

As set forth in the testimony of Alex Kronauer filed contemporaneously with these Objections, Walmart objects to AES Ohio's proposed cost of equity of 10.5 percent⁵ as it is inconsistent with the most recent national average return on equity awards. Staff's equity range of

¹ See Staff Report, p. 6.

² *Id.* at 22.

³ *Id.* at 26.

⁴ *Id.* at pp. 30-31.

⁵ Direct Testimony of Adrien M. McKenzie ("McKenzie Direct") filed November 30, 2020, p. 4.

9.28 percent to 10.29 percent⁶ is also on the higher end of nationally awarded ROEs. According to data from S&P Global, the national average ROE awarded by regulatory authorities from 2018 through 2021 is 9.51 percent.⁷ During this same time frame, the national average ROE for distribution-only utilities and rate cases limited to distribution-only rates is even lower at 9.28 percent.⁸ Staff's recommended range is mostly above the national average for distribution-only utilities, resulting in a greater impact on customers than is necessary to provide AES Ohio with the opportunity to earn a reasonable return on its investment. Walmart supports an ROE no higher than the national average of 9.28 percent awarded to distribution-only utilities, which is within the lower end of the range proposed by Staff.

B. Rates Need to Reflect Cost of Service.

Walmart supports cost of service principles and the notion that demand-related costs should be collected through demand charges. As the Staff Report recognized, the AES Ohio "[c]osts being recovered through base distribution rates are mainly demand driven costs and recovering the costs through demand charges is appropriate."⁹ Despite this recognition, both the Company and Staff propose a rate for the Low Load Factor Provision that is contrary to cost of service principles and would result in intraclass subsidies; however, because the Company's proposed rate reduces the current subsidy more than the Staff proposal, Walmart does not oppose the Company's proposed Low Load Factor Provision rate for purposes of this case. In contrast, because it appears that Staff's proposed rate raises concerns that more customers would be eligible under the Staff rate, thereby

⁶ Staff Report, p. 22.

⁷ See Appendix A, Reported Authorized Returns on Equity, Electric Utility Rate Cases Completed, 2018 to Present.

⁸ *Id.*

⁹ Staff Report, pp. 30-31.

increasing the level of subsidization, Walmart does not support the Staff rate for the Low Load Factor Provision.

Walmart reserves the right to supplement or modify these objections in the event that Staff makes additional findings, conclusions, or recommendations with respect to the Staff Report. Walmart also reserves the right to respond to objections or other issues (either in support or opposition) raised by other parties in this proceeding.

Respectfully submitted,

SPILMAN THOMAS & BATTLE, PLLC

By /s/ Carrie H. Grundmann

Carrie H. Grundmann (Ohio Bar ID 96138)

110 Oakwood Drive, Suite 500

Winston-Salem, NC 27103

Phone: (336) 631-1051

Fax: (336) 725-4476

E-mail: cgrundmann@spilmanlaw.com

(willing to accept service by e-mail)

Derrick Price Williamson

1100 Bent Creek Blvd., Suite 101

Mechanicsburg, PA 17050

Phone: (717) 795-2741

Fax: (717) 795-2743

E-mail: dwilliamson@spilmanlaw.com

(willing to accept service by e-mail)

Counsel to Walmart Inc.

Dated: August 25, 2021

Reported Authorized Returns on Equity, Electric Utility Rate Cases Completed, 2018 to Present

State	Utility	Parent Company Ticker	Docket	Requested ROE	Order Date	vertically Integrated (V) / Distribution Only (D)	Approved ROE	Difference	Applicant's Proxy Group (Y/N)	ROE Fully Litigated or Settled	Approved WACC	Approved Equity Ratio	Equity Contribution
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
								(8) - (5)					(8) x (13)
Kentucky	Kentucky Power Co.	AEP	2017-00179	10.31%	1/18/2018	V	9.70%	(61)		Settled	6.44%	41.68%	4.04%
Oklahoma	Public Service Co. of OK	AEP	PUD 201700151	10.00%	1/31/2018	V	9.30%	(70)		Fully Litigated	6.88%	48.51%	4.51%
Iowa	Interstate Power & Light Co.	LNT	RPU-2017-0001	10.57%	2/2/2018	V	9.98%	(59)	Y	Settled	7.49%	49.02%	4.89%
North Carolina	Duke Energy Progress Inc.	DUK	E-2, Sub 1142	10.75%	2/23/2018	V	9.90%	(85)	Y	Settled	7.09%	52.00%	5.15%
Minnesota	ALLETE (Minnesota Power)	ALE	E-015/GR-16-664	10.15%	3/12/2018	V	9.25%	(90)	Y	Fully Litigated	7.06%	53.81%	4.98%
New York	Niagara Mohawk Power Corp.	NG	17-E-0238	9.79%	3/15/2018	D	9.00%	(79)		Settled	6.53%	48.00%	4.32%
Michigan	Consumers Energy Co.	CMS	U-18322	10.50%	3/29/2018	V	10.00%	(50)		Fully Litigated	5.89%	40.89%	4.09%
Michigan	Indiana Michigan Power Co.	AEP	U-18370	10.60%	4/12/2018	V	9.90%	(70)		Fully Litigated	5.76%	36.38%	3.60%
Kentucky	Duke Energy Kentucky Inc.	DUK	2017-00321	10.30%	4/13/2018	V	9.73%	(57)	Y	Fully Litigated	6.83%	49.25%	4.79%
Connecticut	Connecticut Light and Power	ES	17-10-46	10.50%	4/18/2018	D	9.25%	(125)		Settled	7.09%	53.00%	4.90%
Michigan	DTE Electric Co.	DTE	U-18255	10.50%	4/18/2018	V	10.00%	(50)		Fully Litigated	5.34%	36.84%	3.68%
Washington	Avista Corp.	AVA	UE-170485	9.90%	4/26/2018	V	9.50%	(40)		Fully Litigated	7.50%	48.50%	4.61%
Indiana	Indiana Michigan Power Co.	AEP	44967	10.60%	5/30/2018	V	9.95%	(65)		Settled	5.51%	35.73%	3.56%
Maryland	Potomac Electric Power Co.	EXC	9472	10.10%	5/31/2018	D	9.50%	(60)		Settled	7.03%	50.44%	4.79%
New York	Central Hudson Gas & Electric	FTS	17-E-0459	9.50%	6/14/2018	D	8.80%	(70)		Settled	6.44%	48.00%	4.22%
Hawaii	Hawaiian Electric Co.	HE	2016-0328	10.60%	6/22/2018	V	9.50%	(110)		Settled	7.57%	57.10%	5.42%
North Carolina	Duke Energy Carolinas LLC	DUK	E-7, Sub 1146	10.75% ‡	6/22/2018	V	9.90%	(85)	Y	Settled	7.35%	52.00%	5.15%
Maine	Versant Power		2017-00198	9.50%	6/28/2018	D	9.35%	(15)		Fully Litigated	7.18%	49.00%	4.58%
Hawaii	Hawaii Electric Light Co	HE	2015-0170	10.60%	6/29/2018	V	9.50%	(110)		Settled	7.80%	56.69%	5.39%
District of Columbia	Potomac Electric Power Co.	EXC	FC-1150	10.10%	8/8/2018	D	9.53%	(57)		Settled	7.45%	50.44%	4.81%
Delaware	Delmarva Power & Light Co.	EXC	17-0977	10.10%	8/21/2018	D	9.70%	(40)		Settled	6.78%	50.52%	4.90%
Rhode Island	Narragansett Electric Co.	NG	4770 (electric)	10.10%	8/24/2018	D	9.28%	(82)		Settled	6.97%	50.95%	4.73%
New Mexico	Southwestern Public Service Co	XEL	17-00255-UT	10.25%	9/5/2018	V	9.10%	(115)	Y	Fully Litigated	7.24%	53.97%	4.91%
Wisconsin	Wisconsin Power and Light Co	LNT	6680-UR-121 (Elec)	10.00%	9/14/2018	V	10.00%	-	Y	Settled	7.08%	52.00%	5.20%
Wisconsin	Madison Gas and Electric Co.	MGEE	3270-UR-122 (Elec)	9.80%	9/20/2018	V	9.80%	-		Settled	7.10%	56.06%	5.49%
North Dakota	Otter Tail Power Co.	OTTR	PU-17-398	10.30%	9/26/2018	V	9.77%	(53)	Y	Settled	7.64%	52.50%	5.13%
Ohio	Dayton Power and Light Co.	AES	15-1830-EL-AIR	10.50%	9/26/2018	D	9.999% *	(50)		Settled	7.27%	47.52%	4.75%
Kansas	Westar Energy Inc.	EVRG	18-WSEE-328-RTS	9.85%	9/27/2018	V	9.30%	(55)		Settled	7.06%	51.24%	4.77%
Pennsylvania	UGI Utilities Inc.	UGI	R-2017-2640058	11.25%	10/4/2018	D	9.85%	(140)		Fully Litigated	7.48%	54.02%	5.32%
New Jersey	Public Service Electric Gas	PEG	ER18010029	10.30%	10/29/2018	D	9.60%	(70)		Settled	6.99%	54.00%	5.18%
Indiana	Indianapolis Power & Light Co.	AES	45029	10.32%	10/31/2018	V	9.99%	(33)		Settled	6.59%	39.67%	3.96%
Illinois	Ameren Illinois	AEE	18-0807	8.69%	11/1/2018	D	8.69%	-	Y	Fully Litigated	6.99%	50.00%	4.35%
Illinois	Commonwealth Edison Co.	EXC	18-0808	8.69%	12/4/2018	D	8.69%	-		Fully Litigated	6.52%	47.11%	4.09%
Kansas	Kansas City Power & Light	EVRG	18-KCPE-480-RTS	9.85%	12/13/2018	V	9.30%	(55)		Settled	7.07%	49.09%	4.57%
Oregon	Portland General Electric Co.	POR	UE-335	9.50%	12/14/2018	V	9.50%	-	Y	Settled	7.30%	50.00%	4.75%
Ohio	Duke Energy Ohio Inc.	DUK	17-0032-EL-AIR	10.40%	12/19/2018	D	9.84%	(56)	Y	Settled	7.54%	50.75%	4.99%
Texas	Texas-New Mexico Power Co.	PNM	48401	10.50%	12/20/2018	D	9.65%	(85)		Settled	7.89%	45.00%	4.34%
Vermont	Green Mountain Power Corp.		18-0974-TF	9.30%	12/21/2018	D	9.30%	-		Fully Litigated	5.26%	49.85%	4.64%
Michigan	Consumers Energy Co.	CMS	U-20134	10.75%	1/9/2019	V	10.00%	(75)		Settled	N/A	N/A	N/A
West Virginia	Appalachian Power Co.	AEP	18-0646-E-42T	10.22%	2/27/2019	V	9.75%	(47)		Settled	7.28%	50.16%	4.89%
New Jersey	Atlantic City Electric Co.	EXC	ER18080925	10.10%	3/13/2019	D	9.60%	(50)		Settled	7.08%	49.94%	4.79%
New York	Orange & Rockland Utilities Inc.	ED	18-E-0067	9.75%	3/14/2019	D	9.00%	(75)		Settled	6.97%	48.00%	4.32%
Oklahoma	Public Service Company of OK	AEP	PUD201800097	10.30%	3/14/2019	V	9.40%	(90)		Settled	6.97%	N/A	N/A
Maryland	Potomac Edison Co.	FE	9490	10.80%	3/22/2019	D	9.65%	(115)		Fully Litigated	7.15%	52.82%	5.10%

Reported Authorized Returns on Equity, Electric Utility Rate Cases Completed, 2018 to Present

State	Utility	Parent Company Ticker	Docket	Requested ROE	Order Date	vertically Integrated (V) / Distribution Only (D)	Approved ROE	Difference	Applicant's Proxy Group (Y/N)	ROE Fully Litigated or Settled	Approved WACC	Approved Equity Ratio	Equity Contribution
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
								(8) - (5)					(8) x (13)
Kentucky	Kentucky Utilities Co.	PPL	2018-00294	10.42%	4/30/2019	V	9.73%	(69)		Settled	N/A	N/A	N/A
Kentucky	Louisville Gas & Electric Co.	PPL	2018-00295	10.42%	4/30/2019	V	9.73%	(69)		Settled	N/A	N/A	N/A
South Carolina	Duke Energy Carolinas LLC	DUL	2018-319-E	10.50%	5/1/2019	V	9.50%	(100)		Fully Litigated	7.16%	53.00%	5.04%
Michigan	DTE Electric Co.	DTE	U-20162	10.50%	5/2/2019	V	10.00%	(50)		Fully Litigated	5.48%	37.94%	3.79%
South Carolina	Duke Energy Progress LLC	DUK	2018-318-E	10.50%	5/8/2019	V	9.50%	(100)	Y	Fully Litigated	6.99%	53.00%	5.04%
South Dakota	Otter Tail Power Co.	OTTR	EL18-021	10.30%	5/14/2019	V	8.75%	(155)	Y	Fully Litigated	7.09%	52.92%	4.63%
Hawaii	Maui Electric Company Ltd	HE	2017-0150	10.60%	5/16/2019	V	9.50%	(110)		Settled	7.43%	57.02%	5.42%
Michigan	Upper Peninsula Power Co.		U-20276	10.50%	5/23/2019	V	9.90%	(60)		Settled	6.91%	N/A	N/A
Maryland	Potomac Electric Power Co.	EXC	9602	10.30%	8/12/2019	D	9.60%	(70)		Fully Litigated	7.45%	50.46%	4.84%
Vermont	Green Mountain Power Corp.		19-1932-TF	9.16%	8/29/2019	V	9.06%	(10)		Fully Litigated	6.85%	49.46%	4.48%
Wisconsin	Northern States Power Co - WI	XEL	4220-UR-124	N/A Ω	9/4/2019	V	10.00%	N/A	Y	Settled	7.74%	52.52%	5.25%
Massachusetts	Massachusetts Electric Co.	NG	DPU-18-150	10.50%	9/30/2019	D	9.60%	(90)		Fully Litigated	7.56%	53.49%	5.14%
Montana	Northwestern Corp.	NWE	D2018.2.12	10.65%	10/29/2019	V	9.65%	(100)	Y	Settled	6.92%	49.38%	4.77%
Wisconsin	Wisconsin Electric Power Co.	WEC	05-UR-109	10.35%	10/31/2019	V	10.00%	(35)		Settled	7.49%	54.46%	5.45%
Wisconsin	Wisconsin Public Service Corp.	WEC	6690-UR-126	10.35%	10/31/2019	V	10.00%	(35)		Settled	7.22%	51.96%	5.20%
Louisiana	Entergy New Orleans LLC	ETR	UD-18-07	10.50%	11/7/2019	V	9.35%	(115)	Y	Fully Litigated	7.09%	50.00%	4.68%
Idaho	Avista Corp.	AVA	AVU-E-19-04	9.90%	11/29/2019	V	9.50%	(40)		Settled	7.35%	50.00%	4.75%
Illinois	Commonwealth Edison Co.	EXC	19-0387	8.91%	12/4/2019	D	8.91%	-		Fully Litigated	6.51%	47.97%	4.27%
Indiana	Northern Indiana Public Service Co.	NI	45159	10.80%	12/4/2019	V	9.75%	(105)		Settled	6.52%	47.86%	4.67%
Illinois	Ameren Illinois	AEE	19-0436	8.91%	12/16/2019	D	8.91%	-	Y	Fully Litigated	6.71%	50.00%	4.46%
Georgia	Georgia Power Co.	SO	42516	10.90%	12/17/2019	V	10.50%	(40)		Fully Litigated	N/A	56.00%	5.88%
Maryland	Baltimore Gas and Electric Co.	EXC	9610	10.30%	12/17/2019	D	9.70%	(60)		Settled	6.94%	N/A	N/A
California	Pacific Gas & Electric Co.	PCG	A-19-04-015	12.00%	12/19/2019	V	10.25%	(175)		Fully Litigated	7.81%	52.00%	5.33%
California	San Diego Gas & Electric Co.	SRE	A-19-04-017	12.38%	12/19/2019	V	10.20%	(218)		Fully Litigated	7.55%	52.00%	5.30%
California	Southern California Edison Co.	EIX	A-19-04-014	11.45%	12/19/2019	V	10.30%	(115)	Y	Fully Litigated	7.68%	52.00%	5.36%
Arkansas	Southwestern Electric Power Co.	AEP	19-008-U	10.50%	12/20/2019	V	9.45%	(105)		Settled	4.93%	33.71%	3.19%
Nevada	Sierra Pacific Power Co.	BRK.A	19-06002	10.21%	12/24/2019	V	9.50%	(71)		Settled	6.75%	50.92%	4.84%
Iowa	Interstate Power & Light Co.	LNT	RPU-2019-0001	10.25% ¥	1/8/2020	V	10.02% ¥	(23)	Y	Settled	7.23%	51.00%	5.11%
New York	Consolidated Edison Co. of NY	ED	19-E-0065	9.75%	1/16/2020	D	8.80%	(95)		Settled	6.61%	48.00%	4.22%
New Jersey	Rockland Electric Company	ED	ER19050552	9.60%	1/22/2020	D	9.50%	(10)		Settled	7.11%	48.32%	4.59%
Michigan	Indiana Michigan Power Co.	AEP	U-20359	10.50%	1/23/2020	V	9.86%	(64)		Settled	6.08%	46.56%	4.59%
California	PacifiCorp	BRK.A	A-18-04-002	10.60%	2/6/2020	V	10.00%	(60)		Fully Litigated	N/A	51.96%	5.20%
Colorado	Public Service Company of Colorado	XEL	19AL-0268E	10.20%	2/11/2020	V	9.30%	(90)	Y	Fully Litigated	6.97%	55.61%	5.17%
Texas	Centerpoint Energy	CNP	49421	10.40%	2/14/2020	D	9.40%	(100)		Settled	6.51%	42.50%	4.00%
Maine	Central Maine Power Co.	IBE	2018-00194	10.00%	2/19/2020	D	8.25%	(175)		Fully Litigated	6.30%	50.00%	4.13%
North Carolina	Virginia Electric & Power Co.	D	E-22 Sub 562	10.75%	2/24/2020	V	9.75%	(100)		Settled	7.20%	52.00%	5.07%
Texas	AEP Texas Inc.	AEP	49494	10.50%	2/27/2020	D	9.40%	(110)		Settled	6.45%	42.50%	4.00%
Indiana	Indiana Michigan Power Co.	AEP	45235	10.50%	3/11/2020	V	9.70%	(80)		Fully Litigated	5.61%	37.55%	3.64%
Washington	Avista Corp.	AVA	UE-190334	9.90%	3/25/2020	V	9.40%	(50)		Settled	7.21%	48.50%	4.56%
Massachusetts	Fitchburg Gas & Electric Light	UTL	DPU 19-130	10.50%	4/17/2020	D	9.70%	(80)		Settled	7.99%	52.45%	5.09%
Kentucky	Duke Energy Kentucky Inc.	DUK	2019-00271	9.80%	4/27/2020	V	9.25%	(55)	Y	Fully Litigated	6.41%	48.23%	4.46%
Michigan	DTE Electric Co.	DTE	U-20561	10.50%	5/8/2020	V	9.90%	(60)		Fully Litigated	5.46%	38.32%	3.79%
New Mexico	Southwestern Public Service Co	XEL	19-00170-UT	10.10%	5/20/2020	V	9.45%	(65)	Y	Settled	7.19%	54.77%	5.18%
Indiana	Duke Energy Indiana, LLC	DUK	45253	10.40%	6/29/2020	V	9.70%	(70)	Y	Fully Litigated	5.71%	40.98%	3.98%

Reported Authorized Returns on Equity, Electric Utility Rate Cases Completed, 2018 to Present

State	Utility	Parent Company Ticker	Docket	Requested ROE	Order Date	vertically Integrated (V) / Distribution Only (D)	Approved ROE	Difference	Applicant's Proxy Group (Y/N)	ROE Fully Litigated or Settled	Approved WACC	Approved Equity Ratio	Equity Contribution
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
								(8) - (5)					(8) x (13)
New Hampshire	Liberty Utilities Granite St	AQN	DE-19-064	10.00%	6/30/2020	D	9.10%	(90)		Settled	7.60%	52.00%	4.73%
Missouri	Empire District Electric Co.	AQN	ER-2019-0374	9.95%	7/1/2020	V	9.25%	(70)		Settled	6.77%	46.00%	4.26%
Washington	Puget Sound Energy Inc.		UE-190529	9.50%	7/8/2020	V	9.40%	(10)		Fully Litigated	7.39%	48.50%	4.56%
Maryland	Delmarva Power & Light Co.	EXC	9630	10.30%	7/14/2020	D	9.60%	(70)		Fully Litigated	6.84%	50.53%	4.85%
Hawaii	Hawaii Electric Light Co	HE	2018-0368	10.50%	7/28/2020	V	9.50%	(100)		Settled	7.52%	56.83%	5.40%
California	Liberty Utilities (CalPeco Electric)	AQN	A-18-12-001	10.30%	8/27/2020	V	10.00%	(30)		Fully Litigated	7.63%	52.50%	5.25%
Vermont	Green Mountain Power Corp.		20-1407-TF	8.20%	8/27/2020	V	8.20%	-		Fully Litigated	6.43%	49.87%	4.09%
Texas	Southwestern Public Service Co	XEL	49831	10.10%	8/27/2020	V	9.45%	(65)	Y	Settled	7.13%	54.62%	5.16%
Hawaii	Hawaiian Electric Co.	HE	2019-0085	10.50%	10/22/2020	V	9.50%	(100)		Settled	7.37%	56.83%	5.40%
New Jersey	Jersey Central Power & Light Co.	FE	ER20020146	10.15%	10/28/2020	D	9.60%	(55)		Settled	7.40%	51.44%	4.94%
New York	NY State Electric & Gas Corp	IBE	19-E-0378	9.50%	11/19/2020	D	8.80%	(70)		Settled	6.10%	48.00%	4.22%
New York	Rochester Gas & Electric Corp	IBE	19-E-0380	9.50%	11/19/2020	D	8.80%	(70)		Settled	6.62%	48.00%	4.22%
Virginia	Appalachian Power Co.	AEP	PUR-2020-00015	9.90%	11/24/2020	V	9.20%	(70)		Fully Litigated	N/A	N/A	N/A
Wisconsin	Madison Gas and Electric Co.	MGEE	3270-UR-123 (Elec)	9.80%	11/24/2020	V	9.80%	-		Settled	6.95%	55.00%	5.39%
Illinois	Ameren Illinois	AEE	20-0381	8.38%	12/9/2020	D	8.38%	-	Y	Fully Litigated	6.39%	50.00%	4.19%
Illinois	Commonwealth Edison Co.	EXC	20-0393	8.38%	12/9/2020	D	8.38%	-		Fully Litigated	6.28%	48.16%	4.04%
Nevada	Nevada Power Co.	BRK.A	20-06003	10.08%	12/10/2020	V	9.40%	(68)		Settled	7.14%	N/A	N/A
Washington	PacifiCorp	BRK.A	UE-191024	10.20%	12/14/2020	V	9.50%	(70)		Settled	7.17%	49.10%	4.66%
New Hampshire	Public Service Co. of NH	ES	DE-19-057	10.40%	12/15/2020	D	9.30%	(110)		Settled	6.87%	54.40%	5.06%
Maryland	Baltimore Gas and Electric Co.	EXC		10.10%	12/16/2020	D	9.50%	(60)		Fully Litigated	6.75%	52.00%	4.94%
Michigan	Consumers Energy Co.	CMS	U-20697	10.50%	12/17/2020	V	9.90%	(60)		Fully Litigated	5.67%	N/A	N/A
Oregon	PacifiCorp	BRK.A	UE 374	9.80%	12/18/2020	V	9.50%	(30)		Fully Litigated	7.14%	50.00%	4.75%
Arizona	Tucson Electric Power Co.	FTS	E-1933A-19-0028	10.00%	12/22/2020	V	9.15%	(85)		Fully Litigated	7.04%	53.08%	4.86%
Wisconsin	Wisconsin Power and Light Co	LNT	6680-UR-122 (Elec)	N/A	12/23/2020	V	10.00%	N/A	Y	Fully Litigated	7.26%	52.53%	5.25%
Utah	PacifiCorp	BRK.A	20-035-04	9.80%	12/30/2020	V	9.65%	(15)		Fully Litigated	7.34%	52.50%	5.07%
Kentucky	Kentucky Power Co.	AEP	C-2020-00174	10.00%	1/13/2021	V	9.30%	(70)		Fully Litigated	6.19%	43.25%	4.02%
North Carolina	Duke Energy Carolinas LLC	DUK	D-E-7, Sub 1214	10.50%	3/31/2021	V	9.60%	(90)	Y	Settled	7.04%	52.00%	4.99%
North Carolina	Duke Energy Progress LLC	DUK	D-E-2, Sub 1219	10.50%	4/16/2021	V	9.60%	(90)	Y	Settled	6.92%	52.00%	4.99%
Florida	Duke Energy Florida LLC	DUK	D-20210016-EI	9.85%	5/4/2021	V	9.85%	-	Y	Settled	N/A	N/A	N/A
Wyoming	PacifiCorp	BRK.A	20000-578-ER-20	9.80%	5/18/2021	V	9.50%	(30)		Fully Litigated	7.19%	51.00%	4.85%
District of Columbia	Potomac Electric	EXC	FC-1156	9.70%	6/4/2021	D	9.28%	(42)		Fully Litigated	7.17%	50.68%	4.70%
Maryland	Potomac Electric Power Co.	EXC	C-9655	10.20%	6/23/2021	V	9.55%	(65)		Fully Litigated	7.21%	50.50%	4.82%
New Mexico	El Paso Electric Co.		C-20-00104-UT	10.30%	6/28/2021	D	9.00%	(130)		Fully Litigated	7.18%	49.21%	4.43%
Kentucky	Kentucky Utilities Co.	PPL	C-2020-00349	10.00%	6/30/2021	V	9.43%	(57)		Settled	NA	NA	N/A
Kentucky	Louisville Gas & Electric Co.	PPL	C-2020-00350 (elec.)	10.00%	6/30/2021	V	9.43%	(57)		Settled	NA	NA	N/A
New Jersey	Atlantic City Electric Co.	EXC	D-ER20120746	10.30%	7/14/2021	D	9.60%	(70)		Settled	6.99%	50.21%	4.82%
South Carolina	Dominion Energy South Carolina	D	D-2020-125-E	10.25%	7/21/2021	V	9.50%	(75)		Settled	NA	51.62%	4.90%
Delaware	Delmarva Power & Light Co.	EXC	D-20-0149	10.30%	8/5/2021	D	9.60%	(70)		Fully Litigated	6.80%	NA	N/A
Entire Period													
# of Decisions				126									
Average	(All Utilities)			10.17%			9.51%	(66)			6.91%	49.66%	4.72%
Average	(Distribution Only)			9.93%			9.28%	(65)			6.92%	49.75%	4.61%
Average	(Vertically Integrated Only)			10.29%			9.63%	(66)			6.91%	49.62%	4.78%

Reported Authorized Returns on Equity, Electric Utility Rate Cases Completed, 2018 to Present

State	Utility	Parent Company Ticker	Docket	Requested ROE	Order Date	vertically Integrated (V) / Distribution Only (D)	Approved ROE	Difference	Applicant's Proxy Group (Y/N)	ROE Fully Litigated or Settled	Approved WACC	Approved Equity Ratio	Equity Contribution
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
								(8) - (5)					(8) x (13)
Median	(All Utilities)			10.30%			9.50%				7.06%	50.44%	4.79%
Maximum	(All Utilities)			12.38%			10.50%				7.99%	57.10%	5.88%
Minimum	(All Utilities)			8.20%			8.20%				4.93%	33.71%	3.19%
Ohio			2	10.45%			9.92%	(53)			7.41%	49.14%	4.87%
Applicant Proxy Group				10.15%			9.54%	(61)			7.07%	51.32%	4.89%
Settled				10.23%			9.57%	(66)			7.03%	50.06%	4.78%
Fully Litigated				10.09%			9.44%	(65)			6.77%	49.18%	4.64%
2018													
# of Decisions			38										
Average	(All Utilities)			10.14%			9.55%	(59)			6.92%	48.99%	4.67%
Average	(Distribution Only)			9.96%			9.38%	(58)			6.96%	49.91%	4.68%
Average	(Distribution Only, exc. IL FRP)			10.14%			9.47%	(66)			6.99%	50.11%	4.75%
Average	(Vertically Integrated Only)			10.27%			9.68%	(60)			6.89%	48.32%	4.67%
2019													
# of Decisions			33										
Average	(All Utilities)			10.43%			9.64%	(79)			7.02%	50.33%	4.85%
Average	(Distribution Only)			9.95%			9.37%	(58)			7.05%	50.38%	4.70%
Average	(Distribution Only, exc. IL FRP)			10.29%			9.53%	(77)			7.19%	50.94%	4.84%
Average	(Vertically Integrated Only)			10.59%			9.73%	(86)			7.01%	50.32%	4.90%
2020													
# of Decisions			42										
Average	(All Utilities)			10.00%			9.39%	(62)			6.82%	49.77%	4.67%
Average	(Distribution Only)			9.83%			9.10%	(73)			6.79%	49.22%	4.48%
Average	(Distribution Only, exc. IL FRP)			10.07%			9.21%	(86)			6.86%	49.24%	4.54%
Average	(Vertically Integrated Only)			10.10%			9.55%	(56)			6.84%	50.12%	4.78%
2021													
# of Decisions			13										
Average	(All Utilities)			10.13%			9.48%	(65)			6.97%	50.05%	4.73%
Average	(Distribution Only)			10.15%			9.37%	(78)			7.04%	50.03%	4.65%
Average	(Distribution Only, exc. IL FRP)			10.15%			9.37%	(78)			7.04%	50.03%	4.65%
Average	(Vertically Integrated Only)			10.12%			9.53%	(59)			6.91%	50.06%	4.76%

Source: S&P Global Market Intelligence

Last Updated: 8/10/2021

‡ S&P incorrectly reports this value as 9.9%

Ω Utility did not file a full rate case, approved ROE based on a settlement

¥ Weighted to include ratemaking-principles rate base and ROE

μ S&P incorrectly reports this value as 9.6%

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Objections to the Staff Report of Walmart Inc., was served by electronic mail, upon the following Parties of Record on this 25th day of August, 2021.

/s/ Carrie H. Grundmann

Carrie H. Grundmann (Ohio Bar ID 96138)

michael.schuler@aes.com
jsharkey@ficlaw.com
djireland@ficlaw.com
chollon@ficlaw.com
Jodi.bair@ohioattorneygeneral.gov
kyle.kern@ohioattorneygeneral.gov
Chelsea.fletcher@ohioattorneygeneral.gov
Christopher.healey@occ.ohio.gov
ambrosia.wilson@occ.ohio.gov
john.finnigan@occ.ohio.gov
mkurtz@BKLLawfirm.com
kboehm@BKLLawfirm.com
jkylercohn@BKLLawfirm.com
bojko@carpenterlipps.com
paul@carpenterlipps.com
Stephanie.chmiel@thompsonhine.com
kevin.oles@thompsonhine.com
mpritchard@mcneeslaw.com
rglover@mcneeslaw.com
bmckenney@mcneeslaw.com
Bethany.allen@igs.com
joe.oliker@igs.com
Michael.nugent@igs.com
evan.betterton@igs.com

rdove@keglerbrown.com
rlazer@elpc.org
mleppla@theoec.org
dparram@bricker.com
rmains@bricker.com
dromig@nationwidenergypartners.com
dcraig@fbtlaw.com
rhartley@fbtlaw.com
cwieg@fbtlaw.com
whitt@whitt-sturtevant.com
fykes@whitt-sturtevant.com
mwarnock@bricker.com
little@litohio.com
hogan@litohio.com
ktreadway@oneenergyllyc.com
jdunn@oneenergyllyc.com
dborchers@bricker.com
kherrnstein@bricker.com
talexander@beneschlaw.com
khehmeyer@beneschlaw.com
ssiewe@beneschlaw.com
tdougherty@theoec.org
ctavenor@theoec.org

Attorney Examiners:

patricia.schabo@puco.ohio.gov
michael.williams@puco.ohio.gov

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

8/25/2021 3:58:06 PM

in

Case No(s). 20-1651-EL-AIR, 20-1652-EL-AAM, 20-1653-EL-ATA

Summary: Objection to the Staff Report of Walmart Inc. electronically filed by Carrie H Grundmann on behalf of Walmart Inc.