



Public Utilities Commission

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August 30, 2021

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

RE: *In the Matter of Ohio Power Company to Adjust the Economic Development Cost Recovery Rider Rate, Case No. 21-831-EL-RDR.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations regarding the application filed by Ohio Power Company to adjust its Economic Development Cost Recovery Rider Rate, Case No. 21-831-EL-RDR.

A handwritten signature in black ink, reading "Tamara S. Turkenton".

Tamara S. Turkenton
Director, Rates and Analysis Dept.
Public Utilities Commission of Ohio

Enclosure
Cc: Parties of Record

Ohio Power Company
Case No. 21-831-EL-RDR

SUMMARY

On July 29, 2021, Ohio Power Company (Company) filed an application for approval to adjust its Economic Development Cost Recovery Rider (EDR). The EDR provides the Company with timely recovery of costs resulting from Commission-approved reasonable arrangements as well as one-half of the costs related to the Interruptible Credit provided to customers under the IRP-D rider, and the costs associated with the entire Automaker Credit provided to customers.

According to the application, the Company proposes to adjust the EDR percentage from its current level of 2.70839% to 2.03027%. This percentage is applied to a customer's base distribution bill to determine the amount to charge or credit a customer's monthly bill.

The proposed EDR rate includes a forecasted over recovery of \$284,107 as of September 30, 2021, and a forecasted delta revenue, including carrying costs equal to \$6,495,982 from October 1, 2021 through March 31, 2022. The total proposed revenue requirement for the period of October 1, 2021 through March 31, 2022 is \$6,211,875, resulting in the proposed rate of 2.03027%.

The proposed EDR includes delta revenue amounts that result from reasonable arrangements approved by this Commission in, Case No. 15-1857-EL-AEC with Timken Steel Corporation, Case No. 17-2132-EL-AEC with JSW Steel Ohio, Inc. and Case No. 19-124-EL-AEC with PRO-TEC Coating Company, LLC. In addition, the EDR includes costs related to the Commission's Order in Case No. 16-1852-EL-SSO, that authorized the Company to include one-half of the Interruptible Credit, and the entire Automaker Credit.

The Company requests that the updated EDR rate become effective on the first billing cycle for October 2021.

STAFF REVIEW AND RECOMMENDATIONS

The Staff's investigation was designed to ensure that the Company's policies and practices comport with sound ratemaking principles and Commission policies, confirm that its books and records are reliable sources of cost data, and ultimately determine if the Application request is just and reasonable. Based on that investigation, the Staff concludes that the proposed EDR rate accurately reflects the current and projected costs the Company has proposed to include through March 31, 2022.

CONCLUSION

The Staff believes that the application filed on July 29, 2021, accurately reflects the current and projected costs the Company has proposed to include in its EDR, and the proposed rates should become effective on the first billing cycle for October 2021.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

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in

Case No(s). 21-0831-EL-RDR

Summary: Staff Review and Recommendation regarding the application filed by Ohio Power Company to adjust its Economic Development Cost Recovery Rider Rate electronically filed by Zee Molter on behalf of PUCO Staff