

EXHIBIT NO. _____

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Ohio Power Company to Initiate) Case No. 19-1475-EL-RDR
its gridSMART Phase 3 Project.)

SUPPLEMENTAL TESTIMONY OF
LISA O. KELSO
ON BEHALF OF
OHIO POWER COMPANY

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LISA O. KELSO

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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO
SUPPLEMENTAL TESTIMONY OF
LISA O. KELSO
ON BEHALF OF
OHIO POWER COMPANY

1 **PERSONAL DATA**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Lisa O. Kelso. My business address is 700 Morrison Road, Gahanna, Ohio
4 43230.

5 **Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?**

6 A. I am employed by Ohio Power Company (“AEP Ohio” or the “Company”) as Vice
7 President—Regulatory & Finance.

8 **Q. WOULD YOU PLEASE DESCRIBE YOUR EDUCATIONAL AND**
9 **PROFESSIONAL BACKGROUND?**

10 A. I graduated magna cum laude with a Bachelor of Business Administration from Ohio
11 University in 2003. I began work in 2003 with the Ohio Legislative Service Commission
12 Fellowship Program. After completing the Fellowship Program, I worked as an aide in
13 the Ohio Senate from January 2005 to August 2005. I left the Ohio Senate in August
14 2005 to pursue a Master of Accounting from The Ohio State University. I graduated in
15 June 2006 and joined the PwC (formerly PricewaterhouseCoopers) accounting firm,
16 where I worked until 2008. I joined American Electric Power Service Corporation
17 (“AEPSC”) in 2008 as a Senior Auditor. In 2010, I was promoted to Audit Specialist and
18 in 2012 I joined AEP Transmission as a Business Operations Support Analyst. In 2013, I
19 became a Senior Financial Analyst and progressed through various positions before being

1 promoted to Manager – Transmission Business Planning & Analysis in 2015. In 2016, I
2 became Manager of Transmission Asset Strategy and Policy. In 2018, I became Director
3 – Business Operations Support at AEP Ohio. In March 2021, I moved to the Director –
4 Regulatory Services position, and in August 2021, I was promoted to my current position
5 of Vice President – Regulatory & Finance. I am a Certified Public Accountant licensed in
6 Ohio.

7 **Q. WHAT ARE YOUR RESPONSIBILITIES AS VICE PRESIDENT –**
8 **REGULATORY & FINANCE?**

9 A. I am responsible for leading the regulatory and financial activities of AEP Ohio. I
10 supervise the Regulatory Services Department, which is responsible for rate and
11 regulatory matters. I also direct and oversee the Business Operations Support
12 Department which develops operating and capital expenditure forecasts for AEP Ohio as
13 well as the short-term and long-term financial plans and forecasts used by AEP Ohio
14 management to monitor and maintain the Company’s financial health and condition.

15 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY IN ANY REGULATORY**
16 **PROCEEDINGS?**

17 A. Yes, I have submitted written testimony before this Commission in AEP Ohio’s 2018 and
18 2019 Significantly Excessive Earnings Test (“SEET”) filings (Case Nos. 19-1098-EL-
19 UNC and 20-1006-EL-UNC) and in the 2020 base rate case (Case No. 20-585-EL-AIR).

20 **Q. ARE YOU SPONSORING ANY EXHIBITS WITH YOUR TESTIMONY?**

21 A. Yes, I am sponsoring the following supplemental exhibits as accompanying documents:

- 22 • Exhibit LOK S-1 – Typical Bill Comparison by rate zone
- 23 • Exhibit LOK S-2 – Proposed residential and non-residential rates by year
- 24 • Exhibit LOK S-3 – Revenue requirement and rate calculation spreadsheets

- 1 ▪ Exhibit LOK S-4 – Redlined copies of the Standard and Open Access
2 gridSMART® Rider Tariff

3 **PURPOSE OF TESTIMONY**

4 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

5 A. I am providing cost impact updates to the revenue requirement, rate calculations, and
6 typical bill impacts associated with the Company’s proposed gridSMART Phase 3
7 implementation. Additionally, I provide supplemental information related to two of the
8 technologies originally proposed by the Company in its filing.

9 **Q. PLEASE EXPLAIN WHY YOU ARE ADOPTING COMPANY WITNESS
10 SEGER-LAWSON’S DIRECT TESTIMONY IN THIS PROCEEDING.**

11 A. I am adopting Company witness Seger-Lawson’s direct testimony in this proceeding
12 because she is no longer employed with the Company. Specifically, I am agreeing to
13 adopt the following sections from her testimony, which have not changed since the
14 Company filed its Application in July of 2019:

- 15 • Background on the existing gridSMART Rider (Seger-Lawson Direct, pg 3);
- 16 • Recovery of gridSMART Phase 3 costs through the existing gridSMART Rider
17 (Seger-Lawson Direct, pg 3);
- 18 • Reflection of gridSMART charges in customers’ bills (Seger-Lawson Direct, pg 4)
- 19 • State Policy (Seger-Lawson Direct, pgs 4-5);
- 20 • Additional technologies included in gridSMART Phase 3 not included in gridSMART
21 Phase 1 or 2 (Seger-Lawson Direct, pg 6);
- 22 • No assumed level of revenue credits for fiber services included in the analysis for this
23 case (Seger-Lawson Direct, pg 7); and

1 • Timeline for implementation of gridSMART Phase 3 costs (Seger-Lawson Direct, pg
2 7-8).

3 **Q. CAN YOU PLEASE SUMMARIZE THE ITEMS FROM COMPANY WITNESS**
4 **SEGER-LAWSON’S DIRECT TESTIMONY THAT YOU ARE UPDATING?**

5 A. Yes. I’m providing updates to the following items from Company witness Seger-
6 Lawson’s direct testimony in this proceeding:

- 7 • Summary of AEP Ohio’s requested rate change associated with the Company’s
8 proposed gridSMART Phase 3 implementation based on supplemented costs;
- 9 • Treatment of uncollectible expense in the gridSMART Rider¹;
- 10 • The revenue requirement associated with the Company’s gridSMART Phase 3
11 proposal²;
- 12 • Impacts the Company’s tariffs and the Company’s proposed gridSMART Phase 3
13 implementation will have on customers’ total bills; and
- 14 • Staff’s recommendation for cost recovery of DA-Lite and Intelligent Line Sensors
15 through the Distribution Investment Rider (DIR).

16 **REQUESTED RATE CHANGES**

17 **Q. HAVE THE ESTIMATED COSTS FOR THE PROPOSED GRIDSMART PHASE 3**
18 **IMPLEMENTATION CHANGED?**

19 A. Yes, as further described by Company witness Osterholt, the programs’ costs have
20 increased since the Company’s original filing date. One of the largest cost differences is
21 labor cost. With the labor shortage in the electrical industry, the Company expects this to

¹ Updates assume approval of the Stipulation in the Company’s current base rate case (Case No. 20-585-EL-AIR).

² *Id.*

1 drive up anticipated project labor expenses. The Company has also adjusted the
2 anticipated costs to reflect cost of living increases as well as a larger allocation of labor to
3 be completed by contractors and consultants. Additionally, material costs have increased,
4 and this issue has been compounded by shortages created by supply chain issues brought
5 about by the COVID-19 pandemic.

6 **Q. HAVE YOU PREPARED AN UPDATED SUMMARY OF AEP OHIO'S**
7 **REQUESTED RATE CHANGE ASSOCIATED WITH THE PROPOSED**
8 **GRIDSMART PHASE 3 IMPLEMENTATION?**

9 A. Yes. Exhibit LOK S-1 (updates Exhibit DRSL-1) summarizes the rate impact of AEP
10 Ohio's gridSMART Phase 3 proposal on typical customer bills based on rates effective
11 August 27, 2021 (Cycle 1 September 2021). Exhibit LOK S-2 (updates Exhibit DRSL-2)
12 summarizes the proposed residential and non-residential rate by year (2022 – 2037),
13 based on the updated forecasted capital and O&M associated with the gridSMART Phase
14 3 projects, and contains the rate calculations.

15 **Q. WILL THE RIDER REFLECT UNCOLLECTIBLE EXPENSE IN LIGHT OF**
16 **THE PENDING STIPULATION IN THE COMPANY'S CURRENT BASE RATE**
17 **CASE?**

18 A. No. Under the assumption that the pending stipulation in the Company's base rate case
19 20-585-EL-RDR is approved, the Company will not gross-up the rider costs for
20 uncollectible expense.

1 **Q. HOW DID YOU CALCULATE THE REVENUE REQUIREMENT FOR THIS**
2 **FILING?**

3 A. I was provided updated year-by-year Capital and O&M calculations for each
4 gridSMART Phase 3 technology or project provided by the Company's Grid
5 Modernization organization. I developed depreciation schedules based on useful life and
6 depreciation rates established by plant accounting. The tax gross up rate and the carrying
7 charges used for cost of capital and property tax assume approval of the stipulation in the
8 Company's current base rate case (Case No. 20-585-EL-RDR). Exhibit LOK S-3
9 (updates Exhibit DRSL-3) contains the revenue requirement and rate calculation
10 spreadsheets I used to develop the proposed rates contained in Exhibit LOK S-2.

11 **Q. HOW WAS THE REVENUE REQUIREMENT ALLOCATED BETWEEN THE**
12 **RESIDENTIAL AND NON-RESIDENTIAL CUSTOMER CLASSES?**

13 A. As noted in Company witness Seger-Lawson's direct testimony in this proceeding, the
14 Company continued the original 45/55 percentage allocation in this filing. But the
15 Company just conducted a base rate case so it would also be reasonable for the
16 Commission to consider updating the customer class allocation as part of its final
17 decision in this proceeding.

18 **TARIFF AND CUSTOMER BILL IMPACTS**

19 **Q. WILL THE UPDATED COSTS ALSO REQUIRE A CHANGE TO THE**
20 **COMPANY'S TARIFFS?**

21 A. Yes. Upon approval of the proposed gridSMART Phase 3 proposal, AEP Ohio will file
22 compliance tariffs to be effective for bills rendered beginning with the first billing cycle

1 of the month subsequent to the approval. A redline of the Standard and Open Access
2 gridSMART Phase Rider is provided in Exhibit LOK S-4 (updates Exhibit DRSL-4).

3 **Q. WHAT IMPACT WILL AEP OHIO'S PROPOSED GRIDSMART PHASE 3**
4 **IMPLEMENTATION HAVE ON CUSTOMERS' TOTAL BILLS?**

5 A. Upon implementation, residential customers in both the Columbus Southern Power and
6 Ohio Power rate zones using 1,000 kWh of electricity per month will see an estimated
7 monthly rate increase of \$0.43. The following table illustrates the updated rate changes
8 for select residential, commercial, and industrial customers. The current column reflects
9 rates as of August 27, 2021. The proposed column reflects current rates adjusted to
10 reflect estimated rates at the start of gridSMART Phase 3 project.

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Columbus Southern Power Rate Zone

| | SSO Monthly Bills | | | Tariff |
|-------------------------------------|-------------------|-----------------|--------|----------------|
| | Current | Proposed | Change | |
| Residential | | | | |
| 1,000 kWh | \$ 132.40 | \$ 132.83 | 0.3% | RR |
| 2,000 kWh | \$ 249.30 | \$ 249.73 | 0.2% | RR |
| Small Business | | | | |
| 500 KW demand and 100,000 kWh | \$ 11,352.09 | \$ 11,355.61 | 0.0% | GS-2 Secondary |
| 1,000 KW demand and 300,000 kWh | \$ 27,732.51 | \$ 27,736.03 | 0.0% | GS-3 Primary |
| Industrail Business | | | | |
| 20,000 KW demand and 10,000,000 kWh | \$ 590,884.86 | \$ 590,888.38 | 0.0% | GS-4 |
| 50,000 KW demand and 25,000,000 kWh | \$ 1,470,700.86 | \$ 1,470,704.38 | 0.0% | GS-4 |

Ohio Power Rate Zone

| | SSO Monthly Bills | | | Tariff |
|-------------------------------------|-------------------|-----------------|--------|----------------------|
| | Current | Proposed | Change | |
| Residential | | | | |
| 1,000 kWh | \$ 132.38 | \$ 132.81 | 0.3% | RS |
| 2,000 kWh | \$ 249.26 | \$ 249.69 | 0.2% | RS |
| Small Business | | | | |
| 500 KW demand and 100,000 kWh | \$ 12,146.26 | \$ 12,149.78 | 0.0% | GS-2 Secondary |
| 1,000 KW demand and 300,000 kWh | \$ 28,038.30 | \$ 28,041.82 | 0.0% | GS-2 Primary |
| Industrail Business | | | | |
| 20,000 KW demand and 10,000,000 kWh | \$ 559,532.35 | \$ 559,535.87 | 0.0% | GS-4 Subtransmission |
| 50,000 KW demand and 25,000,000 kWh | \$ 1,393,598.35 | \$ 1,393,601.87 | 0.0% | GS-4 Transmission |

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In addition, Exhibit LOK S-1 shows the rate changes for SSO customers at various

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“typical” monthly usage levels for each major tariff schedule.

1 **DA-LITE AND INTELLIGENT LINE SENSORS**

2 **Q. WHAT WAS STAFF’S RECOMMENDATION RELATED TO DA-LITE AND**
3 **INTELLIGENT LINE SENSORS IN THIS PROCEEDING?**

4 A. Staff stated that the distribution plant accounts associated with DA-Lite and intelligent line
5 sensors are already eligible for recovery through the DIR.³

6 **Q. ARE ALL OF THE COSTS ASSOCIATED WITH D-SCADA AND INTELLIGENT**
7 **LINE SENSORS ELIGIBLE TO BE RECOVERED THROUGH THE DIR?**

8 A. No. There are information technology and telecommunications investments that are
9 associated with these two technologies that are not considered distribution plant and not
10 eligible for recovery through the DIR. Furthermore, as discussed by Company witness
11 Osterholt in his supplemental testimony in this proceeding, these two technologies are
12 considered smart grid technologies and should therefore be part of gridSMART Phase 3
13 and have their costs recovered through the gridSMART Rider.

14 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**

15 A. Yes.

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³ Staff’s Review and Recommendations regarding the application filed in Case No. 19-1475-EL-RDR, page 5, September 9, 2020.

**Ohio Power Company
Typical Bill Comparison
Cycle 1 September 2021 vs. gridSMART Phase 3
Columbus Southern Power Rate Zone**

| Tariff | kWh | KW | Current | Proposed | \$ Difference | Difference |
|-----------------------|------------|--------|----------------|----------------|---------------|------------|
| Residential | | | | | | |
| RR1 Annual | 100 | | \$27.16 | \$27.59 | \$0.43 | 1.6% |
| | 250 | | \$44.68 | \$45.11 | \$0.43 | 1.0% |
| | 500 | | \$73.94 | \$74.37 | \$0.43 | 0.6% |
| RR Annual | 750 | | \$103.17 | \$103.60 | \$0.43 | 0.4% |
| | 1,000 | | \$132.40 | \$132.83 | \$0.43 | 0.3% |
| | 1,500 | | \$190.85 | \$191.28 | \$0.43 | 0.2% |
| | 2,000 | | \$249.30 | \$249.73 | \$0.43 | 0.2% |
| GS-1 | 100 | 3 | 32.82 | 36.34 | \$3.52 | 10.7% |
| | 500 | 3 | 71.09 | 74.61 | \$3.52 | 5.0% |
| | 1,000 | 3 | 118.92 | 122.44 | \$3.52 | 3.0% |
| | 750 | 6 | 94.99 | 98.51 | \$3.52 | 3.7% |
| | 2,000 | 6 | 214.55 | 218.07 | \$3.52 | 1.6% |
| GS-2 Secondary | | | | | | |
| | 1,500 | 12 | \$256.63 | \$260.15 | \$3.52 | 1.4% |
| | 4,000 | 12 | \$379.72 | \$383.24 | \$3.52 | 0.9% |
| | 6,000 | 30 | \$710.45 | \$713.97 | \$3.52 | 0.5% |
| | 10,000 | 30 | \$907.03 | \$910.55 | \$3.52 | 0.4% |
| | 10,000 | 40 | \$1,036.17 | \$1,039.69 | \$3.52 | 0.3% |
| | 14,000 | 40 | \$1,232.75 | \$1,236.27 | \$3.52 | 0.3% |
| | 12,500 | 50 | \$1,288.19 | \$1,291.71 | \$3.52 | 0.3% |
| | 18,000 | 50 | \$1,556.82 | \$1,560.34 | \$3.52 | 0.2% |
| | 15,000 | 75 | \$1,733.90 | \$1,737.42 | \$3.52 | 0.2% |
| | 30,000 | 150 | \$3,431.22 | \$3,434.74 | \$3.52 | 0.1% |
| | 60,000 | 300 | \$6,825.88 | \$6,829.40 | \$3.52 | 0.1% |
| | 100,000 | 500 | \$11,352.09 | \$11,355.61 | \$3.52 | 0.0% |
| GS-2 Primary | | | | | | |
| | 100,000 | 1,000 | \$17,159.85 | \$17,163.37 | \$3.52 | 0.0% |
| GS-3 Secondary | | | | | | |
| | 30,000 | 75 | \$2,462.68 | \$2,466.20 | \$3.52 | 0.1% |
| | 50,000 | 75 | \$3,434.40 | \$3,437.92 | \$3.52 | 0.1% |
| | 30,000 | 100 | \$2,785.53 | \$2,789.05 | \$3.52 | 0.1% |
| | 36,000 | 100 | \$3,077.05 | \$3,080.57 | \$3.52 | 0.1% |
| | 60,000 | 150 | \$4,888.78 | \$4,892.30 | \$3.52 | 0.1% |
| | 100,000 | 150 | \$6,832.19 | \$6,835.71 | \$3.52 | 0.1% |
| | 90,000 | 300 | \$8,283.43 | \$8,286.95 | \$3.52 | 0.0% |
| | 120,000 | 300 | \$9,740.99 | \$9,744.51 | \$3.52 | 0.0% |
| | 150,000 | 300 | \$11,198.56 | \$11,202.08 | \$3.52 | 0.0% |
| | 200,000 | 300 | \$13,627.82 | \$13,631.34 | \$3.52 | 0.0% |
| | 150,000 | 500 | \$13,781.36 | \$13,784.88 | \$3.52 | 0.0% |
| | 180,000 | 500 | \$15,238.91 | \$15,242.43 | \$3.52 | 0.0% |
| | 200,000 | 500 | \$16,210.62 | \$16,214.14 | \$3.52 | 0.0% |
| | 325,000 | 500 | \$22,283.78 | \$22,287.30 | \$3.52 | 0.0% |
| GS-3 Primary | | | | | | |
| | 300,000 | 1,000 | \$27,732.51 | \$27,736.03 | \$3.52 | 0.0% |
| | 360,000 | 1,000 | \$30,904.31 | \$30,907.83 | \$3.52 | 0.0% |
| | 400,000 | 1,000 | \$33,018.84 | \$33,022.36 | \$3.52 | 0.0% |
| | 650,000 | 1,000 | \$46,234.67 | \$46,238.19 | \$3.52 | 0.0% |
| GS-4 | | | | | | |
| | 1,500,000 | 5,000 | \$105,222.46 | \$105,225.98 | \$3.52 | 0.0% |
| | 2,500,000 | 5,000 | \$150,976.86 | \$150,980.38 | \$3.52 | 0.0% |
| | 3,250,000 | 5,000 | \$185,292.66 | \$185,296.18 | \$3.52 | 0.0% |
| | 3,000,000 | 10,000 | \$206,104.06 | \$206,107.58 | \$3.52 | 0.0% |
| | 5,000,000 | 10,000 | \$297,612.86 | \$297,616.38 | \$3.52 | 0.0% |
| | 6,500,000 | 10,000 | \$366,244.46 | \$366,247.98 | \$3.52 | 0.0% |
| | 6,000,000 | 20,000 | \$407,867.26 | \$407,870.78 | \$3.52 | 0.0% |
| | 10,000,000 | 20,000 | \$590,884.86 | \$590,888.38 | \$3.52 | 0.0% |
| | 13,000,000 | 20,000 | \$728,148.06 | \$728,151.58 | \$3.52 | 0.0% |
| | 15,000,000 | 50,000 | \$1,013,156.86 | \$1,013,160.38 | \$3.52 | 0.0% |
| | 25,000,000 | 50,000 | \$1,470,700.86 | \$1,470,704.38 | \$3.52 | 0.0% |
| | 32,500,000 | 50,000 | \$1,813,858.86 | \$1,813,862.38 | \$3.52 | 0.0% |

* Typical bills assume 100% Power Factor

| | | |
|----------------------|-------------|-----------------|
| | Residential | Non-Residential |
| As of September 2021 | \$ 1.30 | \$ 11.88 |
| <hr/> | | |
| | Residential | Non-Residential |
| Year 1 | \$ 0.43 | \$ 3.52 |
| <hr/> | | |
| | Residential | Non-Residential |
| Year 1 | \$ 1.73 | \$ 15.40 |

**Ohio Power Company
Typical Bill Comparison
Cycle 1 September 2021 vs. gridSMART Phase 3
Ohio Power Rate Zone**

| Tariff | kWh | KW | Current | Proposed | Difference | Difference |
|-------------------------|------------|-------------|----------------|----------------|------------|------------|
| Residential | 100 | | \$27.16 | \$27.59 | \$0.43 | 1.6% |
| | 250 | | \$44.68 | \$45.11 | \$0.43 | 1.0% |
| | 500 | | \$73.93 | \$74.36 | \$0.43 | 0.6% |
| | 750 | | \$103.15 | \$103.58 | \$0.43 | 0.4% |
| | 1,000 | | \$132.38 | \$132.81 | \$0.43 | 0.3% |
| | 1,500 | | \$190.82 | \$191.25 | \$0.43 | 0.2% |
| | 2,000 | | \$249.26 | \$249.69 | \$0.43 | 0.2% |
| GS-1 Secondary | 100 | 3 | \$41.93 | \$45.45 | \$3.52 | 8.39% |
| | 500 | 3 | \$75.05 | \$78.57 | \$3.52 | 4.69% |
| | 1,000 | 3 | \$116.42 | \$119.94 | \$3.52 | 3.0% |
| | 750 | 6 | \$95.73 | \$99.25 | \$3.52 | 3.7% |
| | 2,000 | 6 | \$199.15 | \$202.67 | \$3.52 | 1.8% |
| GS-2 | 1,500 | 12 | \$290.49 | \$294.01 | \$3.52 | 1.2% |
| | 4,000 | 12 | \$430.43 | \$433.95 | \$3.52 | 0.8% |
| | 6,000 | 30 | \$778.21 | \$781.73 | \$3.52 | 0.5% |
| | 10,000 | 30 | \$1,001.75 | \$1,005.27 | \$3.52 | 0.4% |
| | 10,000 | 40 | \$1,132.86 | \$1,136.38 | \$3.52 | 0.3% |
| | 14,000 | 40 | \$1,356.40 | \$1,359.92 | \$3.52 | 0.3% |
| | 12,500 | 50 | \$1,403.70 | \$1,407.22 | \$3.52 | 0.3% |
| | 18,000 | 50 | \$1,709.40 | \$1,712.92 | \$3.52 | 0.2% |
| | 15,000 | 75 | \$1,871.19 | \$1,874.71 | \$3.52 | 0.2% |
| | 30,000 | 100 | \$3,028.87 | \$3,032.39 | \$3.52 | 0.1% |
| | 36,000 | 100 | \$3,360.83 | \$3,364.35 | \$3.52 | 0.1% |
| | 30,000 | 150 | \$3,684.45 | \$3,687.97 | \$3.52 | 0.1% |
| | 60,000 | 300 | \$7,310.95 | \$7,314.47 | \$3.52 | 0.1% |
| | 90,000 | 300 | \$8,970.71 | \$8,974.23 | \$3.52 | 0.0% |
| | 100,000 | 500 | \$12,146.26 | \$12,149.78 | \$3.52 | 0.0% |
| 150,000 | 500 | \$14,912.54 | \$14,916.06 | \$3.52 | 0.0% | |
| 180,000 | 500 | \$16,572.28 | \$16,575.80 | \$3.52 | 0.0% | |
| GS-3 Secondary | 18,000 | 50 | \$1,709.40 | \$1,712.92 | \$3.52 | 0.2% |
| | 30,000 | 75 | \$2,701.08 | \$2,704.60 | \$3.52 | 0.1% |
| | 50,000 | 75 | \$3,807.60 | \$3,811.12 | \$3.52 | 0.1% |
| | 36,000 | 100 | \$3,360.83 | \$3,364.35 | \$3.52 | 0.1% |
| | 30,000 | 150 | \$3,684.45 | \$3,687.97 | \$3.52 | 0.1% |
| | 60,000 | 150 | \$5,344.21 | \$5,347.73 | \$3.52 | 0.1% |
| | 100,000 | 150 | \$7,557.22 | \$7,560.74 | \$3.52 | 0.1% |
| | 120,000 | 300 | \$10,630.47 | \$10,633.99 | \$3.52 | 0.0% |
| | 150,000 | 300 | \$12,290.24 | \$12,293.76 | \$3.52 | 0.0% |
| | 200,000 | 300 | \$15,056.49 | \$15,060.01 | \$3.52 | 0.0% |
| | 180,000 | 500 | \$16,572.28 | \$16,575.80 | \$3.52 | 0.0% |
| | 200,000 | 500 | \$17,678.79 | \$17,682.31 | \$3.52 | 0.0% |
| 325,000 | 500 | \$24,594.45 | \$24,597.97 | \$3.52 | 0.0% | |
| GS-2 Primary | 200,000 | 1,000 | \$22,938.97 | \$22,942.49 | \$3.52 | 0.0% |
| | 300,000 | 1,000 | \$28,038.30 | \$28,041.82 | \$3.52 | 0.0% |
| GS-3 Primary | 360,000 | 1,000 | \$31,097.90 | \$31,101.42 | \$3.52 | 0.0% |
| | 400,000 | 1,000 | \$33,137.63 | \$33,141.15 | \$3.52 | 0.0% |
| | 650,000 | 1,000 | \$45,885.96 | \$45,889.48 | \$3.52 | 0.0% |
| GS-2 Subtransmission | 1,500,000 | 5,000 | \$99,794.95 | \$99,798.47 | \$3.52 | 0.0% |
| GS-3 Subtransmission | 2,500,000 | 5,000 | \$142,499.35 | \$142,502.87 | \$3.52 | 0.0% |
| | 3,250,000 | 5,000 | \$174,527.65 | \$174,531.17 | \$3.52 | 0.0% |
| GS-4 Subtransmission | 3,000,000 | 10,000 | \$196,101.55 | \$196,105.07 | \$3.52 | 0.0% |
| | 5,000,000 | 10,000 | \$281,510.35 | \$281,513.87 | \$3.52 | 0.0% |
| | 6,500,000 | 10,000 | \$345,566.95 | \$345,570.47 | \$3.52 | 0.0% |
| | 10,000,000 | 20,000 | \$559,532.35 | \$559,535.87 | \$3.52 | 0.0% |
| | 13,000,000 | 20,000 | \$687,645.55 | \$687,649.07 | \$3.52 | 0.0% |
| GS-4 Transmission | 25,000,000 | 50,000 | \$1,393,598.35 | \$1,393,601.87 | \$3.52 | 0.0% |
| | 32,500,000 | 50,000 | \$1,713,881.35 | \$1,713,884.87 | \$3.52 | 0.0% |

* Typical bills assume 100% Power Factor

| | Residential | Non-Residential |
|----------------------|-------------|-----------------|
| As of September 2021 | \$ 1.30 | \$ 11.88 |

| | Residential | Non-Residential |
|--------|-------------|-----------------|
| Year 1 | \$ 0.43 | \$ 3.52 |

| | Residential | Non-Residential |
|--------|-------------|-----------------|
| Year 1 | \$ 1.73 | \$ 15.40 |

gridSMART Phase 3

| Monthly Rate Impact \$ | | |
|-------------------------------|--------------------|------------------------|
| | Residential | Non-Residential |
| Year 1 | 0.43 | 3.52 |
| Year 2 | 1.02 | 8.27 |
| Year 3 | 1.63 | 13.22 |
| Year 4 | 2.08 | 16.90 |
| Year 5 | 2.44 | 19.78 |
| Year 6 | 2.74 | 22.25 |
| Year 7 | 2.93 | 23.73 |
| Year 8 | 3.18 | 25.81 |
| Year 9 | 3.45 | 27.95 |
| Year 10 | 3.71 | 30.05 |
| Year 11 | 4.01 | 32.49 |
| Year 12 | 3.29 | 26.70 |
| Year 13 | 3.15 | 25.56 |
| Year 14 | 3.01 | 24.41 |
| Year 15 | 2.87 | 23.25 |

YEAR 1

gridSMART Phase 3

| <u>gridSMART</u> <u>Incremental Investment</u> | Estimated | | gridSMART |
|---|--------------------|---------------------------------|----------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 6,694,370 | | \$ 6,694,370 |
| Capital - AMI | | \$ 2,394,602 | \$ 2,394,602 |
| Capital - VVO | | \$ 1,863,510 | \$ 1,863,510 |
| Capital - DACR | | \$ 2,121,375 | \$ 2,121,375 |
| Capital - Fiber | | \$ 526,235 | \$ 526,235 |
| Capital - Sensors | | \$ 455,189 | \$ 455,189 |
| Capital - Its Your Power | | \$ - | \$ - |
| Capital - EDI | | \$ 265,753 | \$ 265,753 |
| Capital - IVVO | | \$ - | \$ - |
| Capital - DA Lite | | \$ 856,990 | \$ 856,990 |
| | | Total Revenue Requirement | \$ 15,178,024 |
| | | Tax Gross Up Rate | 100.261% |
| | | Total Revenue Requirement | \$ 15,217,589.36 |
| | | Total Revenue Requirement | \$ 15,217,589.36 |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 6,847,915 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 8,369,674 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | Monthly Rate \$ 0.43 |
| | | Non-Residential Customers | Monthly Rate \$ 3.52 |

YEAR 2

gridSMART Phase 3

| <u>gridSMART</u> <u>Incremental Investment</u> | Estimated | | gridSMART |
|---|--------------------|---------------------------------|-------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 10,966,276 | | \$ 10,966,276 |
| Capital - AMI | | \$ 8,116,956 | \$ 8,116,956 |
| Capital - VVO | | \$ 5,161,351 | \$ 5,161,351 |
| Capital - DACR | | \$ 5,916,727 | \$ 5,916,727 |
| Capital - Fiber | | \$ 1,474,719 | \$ 1,474,719 |
| Capital - Sensors | | \$ 995,247 | \$ 995,247 |
| Capital - Its Your Power | | \$ - | \$ - |
| Capital - EDI | | \$ 584,517 | \$ 584,517 |
| Capital - IVVO | | \$ - | \$ - |
| Capital - DA Lite | | \$ 2,450,007 | \$ 2,450,007 |
| | | Total Revenue Requirement | \$ 35,665,800 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 35,758,772.45 |
| | | Total Revenue Requirement | <u>\$ 35,758,772.45</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 16,091,448 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 19,667,325 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | Monthly Rate \$ 1.02 |
| | | Non-Residential Customers | Monthly Rate \$ 8.27 |

YEAR 3

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|---------------------------------|-------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 15,608,868 | | \$ 15,608,868 |
| Capital - AMI | | \$ 14,571,060 | \$ 14,571,060 |
| Capital - VVO | | \$ 8,477,226 | \$ 8,477,226 |
| Capital - DACR | | \$ 9,859,633 | \$ 9,859,633 |
| Capital - Fiber | | \$ 2,393,265 | \$ 2,393,265 |
| Capital - Sensors | | \$ 1,289,036 | \$ 1,289,036 |
| Capital - Its Your Power | | \$ 115,400 | \$ 115,400 |
| Capital - EDI | | \$ 420,558 | \$ 420,558 |
| Capital - IVVO | | \$ 219,178 | \$ 219,178 |
| Capital - DA Lite | | \$ 4,047,531 | \$ 4,047,531 |
| | | Total Revenue Requirement | \$ 57,001,755 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 57,150,346.00 |
| | | Total Revenue Requirement | <u>\$ 57,150,346.00</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 25,717,656 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 31,432,690 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | Monthly Rate \$ 1.63 |
| | | Non-Residential Customers | Monthly Rate \$ 13.22 |

YEAR 4

gridSMART Phase 3

| <u>gridSMART</u> <u>Incremental Investment</u> | Estimated | | gridSMART |
|---|--------------------|---------------------------------|-------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 18,934,624 | | \$ 18,934,624 |
| Capital - AMI | | \$ 17,361,162 | \$ 17,361,162 |
| Capital - VVO | | \$ 11,783,057 | \$ 11,783,057 |
| Capital - DACR | | \$ 13,516,802 | \$ 13,516,802 |
| Capital - Fiber | | \$ 3,281,393 | \$ 3,281,393 |
| Capital - Sensors | | \$ 1,572,087 | \$ 1,572,087 |
| Capital - Its Your Power | | \$ 186,476 | \$ 186,476 |
| Capital - EDI | | \$ 379,210 | \$ 379,210 |
| Capital - IVVO | | \$ 212,580 | \$ 212,580 |
| Capital - DA Lite | | \$ 5,654,288 | \$ 5,654,288 |
| | | Total Revenue Requirement | \$ 72,881,678 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 73,071,664.34 |
| | | Total Revenue Requirement | <u>\$ 73,071,664.34</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 32,882,249 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 40,189,415 |
| | | Residential Customers | 1,314,525 25.01 |
| | | Non-Residential Customers | 198,123 202.85 |
| | | Residential Customers | Monthly Rate \$ 2.08 |
| | | Non-Residential Customers | Monthly Rate \$ 16.90 |

YEAR 5

gridSMART Phase 3

| <u>gridSMART</u> <u>Incremental Investment</u> | Estimated | | gridSMART |
|---|--------------------|---------------------------------|-------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 21,447,008 | | \$ 21,447,008 |
| Capital - AMI | | \$ 16,893,223 | \$ 16,893,223 |
| Capital - VVO | | \$ 15,031,876 | \$ 15,031,876 |
| Capital - DACR | | \$ 17,893,158 | \$ 17,893,158 |
| Capital - Fiber | | \$ 4,138,614 | \$ 4,138,614 |
| Capital - Sensors | | \$ 1,844,239 | \$ 1,844,239 |
| Capital - Its Your Power | | \$ 254,514 | \$ 254,514 |
| Capital - EDI | | \$ 337,861 | \$ 337,861 |
| Capital - IVVO | | \$ 205,982 | \$ 205,982 |
| Capital - DA Lite | | \$ 7,251,897 | \$ 7,251,897 |
| | | Total Revenue Requirement | \$ 85,298,372 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 85,520,725.40 |
| | | Total Revenue Requirement | <u>\$ 85,520,725.40</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 38,484,326 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 47,036,399 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | Monthly Rate \$ 2.44 |
| | | Non-Residential Customers | Monthly Rate \$ 19.78 |

YEAR 6

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|---------------------------------|-----------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 24,564,223 | | \$ 24,564,223 |
| Capital - AMI | | \$ 16,049,522 | \$ 16,049,522 |
| Capital - VVO | | \$ 17,943,553 | \$ 17,943,553 |
| Capital - DACR | | \$ 22,243,914 | \$ 22,243,914 |
| Capital - Fiber | | \$ 4,964,432 | \$ 4,964,432 |
| Capital - Sensors | | \$ 1,719,936 | \$ 1,719,936 |
| Capital - Its Your Power | | \$ 319,466 | \$ 319,466 |
| Capital - EDI | | \$ 142,730 | \$ 142,730 |
| Capital - IVVO | | \$ 199,384 | \$ 199,384 |
| Capital - DA Lite | | \$ 7,788,393 | \$ 7,788,393 |
| | | Total Revenue Requirement | \$ 95,935,553 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 96,185,635.61 |
| | | Total Revenue Requirement | \$ 96,185,635.61 |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 43,283,536 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 52,902,100 |
| | | Residential Customers | 1,314,525 32.93 |
| | | Non-Residential Customers | 198,123 267.02 |
| | | Residential Customers | Monthly Rate \$ 2.74 |
| | | Non-Residential Customers | Monthly Rate \$ 22.25 |

YEAR 7

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|---------------------------------|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 24,727,788 | | \$ 24,727,788 |
| Capital - AMI | | \$ 15,199,592 | \$ 15,199,592 |
| Capital - VVO | | \$ 21,035,032 | \$ 21,035,032 |
| Capital - DACR | | \$ 26,135,688 | \$ 26,135,688 |
| Capital - Fiber | | \$ 5,758,343 | \$ 5,758,343 |
| Capital - Sensors | | \$ 1,452,665 | \$ 1,452,665 |
| Capital - Its Your Power | | \$ 336,765 | \$ 336,765 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 192,786 | \$ 192,786 |
| Capital - DA Lite | | \$ 7,457,312 | \$ 7,457,312 |
| | | Total Revenue Requirement | \$ 102,295,970 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 102,562,632.69 |
| | | Total Revenue Requirement | <u>\$ 102,562,632.69</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 46,153,185 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 56,409,448 |
| | | Residential Customers | 1,314,525 35.11 |
| | | Non-Residential Customers | 198,123 284.72 |
| | | Residential Customers | Monthly Rate \$ 2.93 |
| | | Non-Residential Customers | Monthly Rate \$ 23.73 |

YEAR 8

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|---------------------------------|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 27,160,725 | | \$ 27,160,725 |
| Capital - AMI | | \$ 14,333,935 | \$ 14,333,935 |
| Capital - VVO | | \$ 24,228,783 | \$ 24,228,783 |
| Capital - DACR | | \$ 30,062,043 | \$ 30,062,043 |
| Capital - Fiber | | \$ 6,519,832 | \$ 6,519,832 |
| Capital - Sensors | | \$ 1,333,531 | \$ 1,333,531 |
| Capital - Its Your Power | | \$ 315,614 | \$ 315,614 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 186,188 | \$ 186,188 |
| Capital - DA Lite | | \$ 7,131,180 | \$ 7,131,180 |
| | | Total Revenue Requirement | \$ 111,271,831 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 111,561,891.48 |
| | | Total Revenue Requirement | <u>\$ 111,561,891.48</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 50,202,851 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 61,359,040 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | Monthly Rate \$ 38.19 |
| | | Non-Residential Customers | Monthly Rate \$ 25.81 |

YEAR 9

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|--|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 29,785,355 | | \$ 29,785,355 |
| Capital - AMI | | \$ 13,467,307 | \$ 13,467,307 |
| Capital - VVO | | \$ 27,446,304 | \$ 27,446,304 |
| Capital - DACR | | \$ 34,061,175 | \$ 34,061,175 |
| Capital - Fiber | | \$ 7,248,378 | \$ 7,248,378 |
| Capital - Sensors | | \$ 1,220,957 | \$ 1,220,957 |
| Capital - Its Your Power | | \$ 294,463 | \$ 294,463 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 179,589 | \$ 179,589 |
| Capital - DA Lite | | \$ 6,810,033 | \$ 6,810,033 |
| | | Total Revenue Requirement | \$ 120,513,562 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 120,827,714.09 |
| | | Total Revenue Requirement | <u>\$ 120,827,714.09</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 54,372,471 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 66,455,243 |
| | | Residential Customers | 1,314,525 41.36 |
| | | Non-Residential Customers | 198,123 335.42 |
| | | Residential Customers Monthly Rate | \$ 3.45 |
| | | Non-Residential Customers Monthly Rate | \$ 27.95 |

YEAR 10

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|---------------------------------|-----------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 32,314,930 | | \$ 32,314,930 |
| Capital - AMI | | \$ 12,598,622 | \$ 12,598,622 |
| Capital - VVO | | \$ 30,790,995 | \$ 30,790,995 |
| Capital - DACR | | \$ 37,847,535 | \$ 37,847,535 |
| Capital - Fiber | | \$ 7,943,450 | \$ 7,943,450 |
| Capital - Sensors | | \$ 1,115,047 | \$ 1,115,047 |
| Capital - Its Your Power | | \$ 273,313 | \$ 273,313 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 172,991 | \$ 172,991 |
| Capital - DA Lite | | \$ 6,494,528 | \$ 6,494,528 |
| | | Total Revenue Requirement | \$ 129,551,412 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 129,889,123.77 |
| | | Total Revenue Requirement | \$ 129,889,123.77 |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 58,450,106 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 71,439,018 |
| | | Residential Customers | 1,314,525 44.46 |
| | | Non-Residential Customers | 198,123 360.58 |
| | | Residential Customers | Monthly Rate \$ 3.71 |
| | | Non-Residential Customers | Monthly Rate \$ 30.05 |

YEAR 11

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|---------------------------------|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 35,414,791 | | \$ 35,414,791 |
| Capital - AMI | | \$ 11,752,552 | \$ 11,752,552 |
| Capital - VVO | | \$ 34,421,170 | \$ 34,421,170 |
| Capital - DACR | | \$ 42,111,162 | \$ 42,111,162 |
| Capital - Fiber | | \$ 8,487,389 | \$ 8,487,389 |
| Capital - Sensors | | \$ 1,161,692 | \$ 1,161,692 |
| Capital - Its Your Power | | \$ 252,162 | \$ 252,162 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 166,393 | \$ 166,393 |
| Capital - DA Lite | | \$ 6,316,990 | \$ 6,316,990 |
| | | Total Revenue Requirement | \$ 140,084,301 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 140,449,469.53 |
| | | Total Revenue Requirement | <u>\$ 140,449,469.53</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 63,202,261 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 77,247,208 |
| | | Residential Customers | 1,314,525 48.08 |
| | | Non-Residential Customers | 198,123 389.9 |
| | | Residential Customers | Monthly Rate \$ 4.01 |
| | | Non-Residential Customers | Monthly Rate \$ 32.49 |

YEAR 12

gridSMART Phase 3

| gridSMART Incremental Investment | Estimated | | gridSMART |
|---|--------------------|---------------------------------|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 9,370,453 | | \$ 9,370,453 |
| Capital - AMI | | \$ 10,899,226 | \$ 10,899,226 |
| Capital - VVO | | \$ 35,178,713 | \$ 35,178,713 |
| Capital - DACR | | \$ 43,556,063 | \$ 43,556,063 |
| Capital - Fiber | | \$ 8,388,853 | \$ 8,388,853 |
| Capital - Sensors | | \$ 1,203,702 | \$ 1,203,702 |
| Capital - Its Your Power | | \$ 231,011 | \$ 231,011 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 159,795 | \$ 159,795 |
| Capital - DA Lite | | \$ 6,140,562 | \$ 6,140,562 |
| | | Total Revenue Requirement | \$ 115,128,378 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 115,428,492.15 |
| | | Total Revenue Requirement | <u>\$ 115,428,492.15</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 51,942,821 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 63,485,671 |
| | | Residential Customers | 1,314,525 39.51 |
| | | Non-Residential Customers | 198,123 320.44 |
| | | Residential Customers | Monthly Rate \$ 3.29 |
| | | Non-Residential Customers | Monthly Rate \$ 26.70 |

YEAR 13

gridSMART Phase 3

| <u>gridSMART</u> <u>Incremental Investment</u> | Estimated | | gridSMART |
|---|--------------------|---------------------------------|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 9,540,363 | | \$ 9,540,363 |
| Capital - AMI | | \$ 10,021,874 | \$ 10,021,874 |
| Capital - VVO | | \$ 33,365,610 | \$ 33,365,610 |
| Capital - DACR | | \$ 42,043,440 | \$ 42,043,440 |
| Capital - Fiber | | \$ 7,849,303 | \$ 7,849,303 |
| Capital - Sensors | | \$ 1,140,999 | \$ 1,140,999 |
| Capital - Its Your Power | | \$ 209,861 | \$ 209,861 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 153,197 | \$ 153,197 |
| Capital - DA Lite | | \$ 5,872,367 | \$ 5,872,367 |
| | | Total Revenue Requirement | \$ 110,197,014 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 110,484,272.68 |
| | | Total Revenue Requirement | <u>\$ 110,484,272.68</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 49,717,923 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 60,766,350 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | Monthly Rate \$ 3.15 |
| | | Non-Residential Customers | Monthly Rate \$ 25.56 |

YEAR 14

gridSMART Phase 3

| <u>gridSMART</u> <u>Incremental Investment</u> | Estimated | | gridSMART |
|---|--------------------|--|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 9,713,544 | | \$ 9,713,544 |
| Capital - AMI | | \$ 9,142,332 | \$ 9,142,332 |
| Capital - VVO | | \$ 31,501,361 | \$ 31,501,361 |
| Capital - DACR | | \$ 40,534,852 | \$ 40,534,852 |
| Capital - Fiber | | \$ 7,309,752 | \$ 7,309,752 |
| Capital - Sensors | | \$ 1,078,295 | \$ 1,078,295 |
| Capital - Its Your Power | | \$ 188,710 | \$ 188,710 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 146,599 | \$ 146,599 |
| Capital - DA Lite | | \$ 5,604,173 | \$ 5,604,173 |
| | | Total Revenue Requirement | \$ 105,219,618 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 105,493,902.38 |
| | | Total Revenue Requirement | <u>\$ 105,493,902.38</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 47,472,256 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 58,021,646 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | 36.11 |
| | | Non-Residential Customers | 292.86 |
| | | Residential Customers Monthly Rate | \$ 3.01 |
| | | Non-Residential Customers Monthly Rate | \$ 24.41 |

YEAR 15

gridSMART Phase 3

| <u>gridSMART</u> <u>Incremental Investment</u> | Estimated | | gridSMART |
|---|--------------------|---------------------------------|--------------------------|
| | gridSMART Spending | Annual Carrying Charge | Revenue Requirement |
| Total O&M | \$ 9,890,611 | | \$ 9,890,611 |
| Capital - AMI | | \$ 8,260,838 | \$ 8,260,838 |
| Capital - VVO | | \$ 29,607,562 | \$ 29,607,562 |
| Capital - DACR | | \$ 39,037,199 | \$ 39,037,199 |
| Capital - Fiber | | \$ 6,770,202 | \$ 6,770,202 |
| Capital - Sensors | | \$ 1,015,592 | \$ 1,015,592 |
| Capital - Its Your Power | | \$ 167,560 | \$ 167,560 |
| Capital - EDI | | \$ - | \$ - |
| Capital - IVVO | | \$ 140,000 | \$ 140,000 |
| Capital - DA Lite | | \$ 5,335,979 | \$ 5,335,979 |
| | | Total Revenue Requirement | \$ 100,225,542 |
| | | Tax Gross Up Rate | 100.261% |
| | | Revenue Requirement | \$ 100,486,808.18 |
| | | Total Revenue Requirement | <u>\$ 100,486,808.18</u> |
| Residential Base Distribution | 45% | Residential Revenue Requirement | \$ 45,219,064 |
| Non-Res Base Distribution | 55% | Non-Res Revenue Requirement | \$ 55,267,745 |
| | | Residential Customers | 1,314,525 |
| | | Non-Residential Customers | 198,123 |
| | | Residential Customers | 34.4 |
| | | Non-Residential Customers | 278.96 |
| | | Residential Customers | Monthly Rate \$ 2.87 |
| | | Non-Residential Customers | Monthly Rate \$ 23.25 |

P.U.C.O. NO. 20

gridSMART PHASE 2 RIDER

Effective with the first billing cycle of ~~September 2021~~ January 2022, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider ~~of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017~~ or based upon the results of audits ordered by the Commission in accordance with the ~~February 1, 2017~~ Opinion and Order dated _____ in Case No. ~~134-1939475~~-EL-RDR.

| | |
|-----------------------|----------------------------------|
| Residential Customers | \$ 1.3073 |
| Non-Residential | \$ 11.88 <u>15.40</u> |

Filed pursuant to Order dated ~~April 25, 2018~~ _____ in Case No. ~~16-185219-1475~~-EL-SSO

Issued: ~~July 28, 2021~~ _____

Effective: Cycle 1 ~~September 2021~~ _____

Issued by
Marc Rietter, President
AEP Ohio

P.U.C.O. NO. 20

OAD – gridSMART PHASE 2 RIDER
(Open Access Distribution – gridSMART Phase 2 Rider)

Effective with the first billing cycle of ~~September-January 2021~~ 2022, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider ~~of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017~~ or based upon the results of audits ordered by the Commission in accordance with the ~~February 1, 2017~~ Opinion and Order dated _____ in Case No. ~~139-14754939~~-EL-RDR.

| | |
|-----------------------|----------------------------------|
| Residential Customers | \$ 1.30 <u>73</u> |
| Non-Residential | \$ 11.88 <u>15.40</u> |

Filed pursuant to Order dated ~~April 25, 2018~~ _____ in Case No. ~~1619-1475-1852~~-EL-SSO

Issued: July 28, 2021

Effective: Cycle 1 ~~September-January 2021~~ 2022

Issued by
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1 **CERTIFICATE OF SERVICE**

2 In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing
3 system will electronically serve notice of the filing of this document upon the following parties.
4 In addition, I hereby certify that a service copy of the foregoing *Supplemental Testimony of Lisa*
5 *O. Kelso* was sent by, or on behalf of, the undersigned counsel to the following parties of record
6 this 15th day of October, 2021, via electronic transmission.

7 /s/ Steven T. Nourse

8 Steven T. Nourse
9

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Summary: Testimony Supplemental Testimony of Lisa O. Kelso electronically filed by Mr. Steven T. Nourse on behalf of Ohio Power Company