



Public Utilities Commission

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October 25, 2021

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. 21-0470-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. 21-0470-EL-RDR.

A handwritten signature in black ink, appearing to read 'DL', with a horizontal line underneath.

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

Enclosure
Cc: Parties of Record

Ohio Power Company
Case No. 21-0470-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, 2021, the Company filed its application with attachments (Application) for the review of costs attributable to major storms during the calendar year 2020. In this Application, the Company is proposing to recover an under-collection of approximately \$1.4 million during the year 2020. Additionally, the Company seeks to recover \$48,029 that was over-credited in 2020. The total \$1,409,116 is grossed up to \$1,422,606 which is proposed to be recovered 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 Application and finds that the Company has appropriately included in its SDRR only those restoration costs incurred due to major storms in Ohio, with the exception of the following recommended adjustment totaling \$94.64. Detailed below is Staff's recommended adjustment.

STAFF REVIEW AND RECOMMENDATIONS

In response to Staff data request, the Company identified employee meal expenses totaling \$94.64 that were included in the rider in error. Therefore, Staff recommends that \$94.64 be disallowed from Rider SDRR. This adjustment does not impact the rider rates.

CONCLUSION

Staff recommends that the SDRR be approved subject to Staff's recommended adjustment above, which reduces the major storm expenses for 2020 by \$94.64. This results in the total storm expense

of \$1,422,510. The monthly charge for residential customers is \$0.70 and the non-residential customers will receive a charge of \$2.63.

**This foregoing document was electronically filed with the Public Utilities
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Case No(s). 21-0470-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