

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The Dayton
Power and Light Company for an Increase in
Electric Distribution Rates.

Case No. 20-1651-EL-AIR

In the Matter of the Application of The Dayton
Power and Light Company for Accounting
Authority.

Case No. 20-1652-EL-AAM

In the Matter of the Application of The Dayton
Power and Light Company for Approval of
Revised Tariffs.

Case No. 20-1653-EL-ATA

**INITIAL POST HEARING BRIEF OF
INTERSTATE GAS SUPPLY, INC.**

March 4, 2022

TABLE OF CONTENTS

I.	INTRODUCTION	3
II.	BACKGROUND	4
III.	ARGUMENT:.....	5
A.	Uncollectible Generation Expenses: The Staff Report unlawfully proposes that AES Ohio collect costs directly related to providing a competitive service through distribution rates in violation of Ohio law and policy.	5
B.	PUCO and OCC Assessments: The Commission should not deviate from its past proceedings and continue to require that AES Ohio allocated a portion of the OCC and PUCO Assessments through a bypassable rider.....	10
C.	Switching Fees: The Commission should direct AES Ohio to eliminate the \$5 switching fee that is currently only being charged to customers who proactively choose a competitive supplier.....	13
D.	The Commission should further state policy by implementing a tariff design for commercial or industrial customers that better aligns the costs and benefits of renewable generation with AES Ohio’s Distribution rates and costs.	16
E.	Increasing the fixed customer charge subverts state policy by reducing the innate benefits of installing distributed generation.....	17
VII.	CONCLUSION	18

I. INTRODUCTION

In this proceeding, the Public Utilities Commission of Ohio (“Commission”) is tasked with the job of reviewing AES Ohio’s request to establish distribution rates to recover the cost of providing non-competitive service. Law, policy, and common sense dictate that the Commission should limit such rate recovery to non-competitive services.

Unfortunately, the Staff Report of Investigation (“Staff Report”) in this proceeding suggests that the Commission should exercise its traditional regulatory authority to permit AES Ohio to recover the cost of providing competitive services—for example, generation-related uncollectibles and generation-related assessments—through distribution rates.

Interstate Gas Supply, Inc. (“IGS Energy” or “IGS”) urges the Commission to avoid violating the law and contradicting recent precedent and reject the notion of rebundling uncollectible expenses and the PUCO/OCC assessments directly associated with providing the Standard Service Offer (“SSO”), into The Dayton Power and Light Company’s (“AES Ohio”) distribution rates. By staying the course with prior Commission decisions, AES Ohio’s distribution rates will not unlawfully subsidize AES Ohio’s SSO rates.

Additionally, the Commission should cease the assessment of a discriminatory switching fee on CRES providers given that neither AES Ohio nor the Commission staff have provided justification for the current fee and AES Ohio does not impose the same fee on customers who elect the SSO—despite its tariff requiring it to do so. As it stands today, CRES providers are charged an unsubstantiated and unreasonably discriminatory fee simply to enroll a customer.

Finally, the Commission should also seize this opportunity to make minor but impactful changes in AES Ohio’s rate design that are necessary to ensure that AES Ohio’s distribution rates

do not discourage the deployment of energy efficiency and distributed generation resources in accordance with state policy.

II. BACKGROUND

On November 30, 2020, AES Ohio filed an application to increase its distribution rates, for tariff approval, and to change its accounting methods (“Application”). The Staff Report was filed with the Commission on July 26, 2021, setting forth the Commission Staff’s (“Staff”) findings regarding the Application.

Pursuant to R.C. 4909.19 and Ohio Adm. Code 4901-1-28, IGS and multiple other parties filed Objections to the Staff Report and Summary of Major Issues in the above-captioned matters. Despite prolonged settlement negotiations, no stipulation was reached between the parties to resolve any of the issues in the case. A multi-week virtual proceeding commenced on January 24, 2022 via WebEx. All parties were given the opportunity to cross witnesses and establish their case within the record. At the conclusion of the initial hearing, a single day rebuttal session was held on February 7, 2022. After all rebuttal witnesses had been presented, the deadline for initial post hearing briefs was set for March 4, 2022. Pursuant to that deadline, IGS Energy files this brief in the above captioned proceedings.

III. ARGUMENT:

A. **Uncollectible Generation Expenses: The Staff Report unlawfully proposes that AES Ohio collect costs directly related to providing a competitive service through distribution rates in violation of Ohio law and policy.**

The Staff Report in this proceeding proposes the collection of \$2,444,632 in bad debt expense directly through base distribution rates.¹ Allowing AES Ohio to collect this amount solely through distribution rates would be unjust and not align with Ohio law or policy of fostering an open and fair competitive electricity market and principles of fair play.²

In 1999, SB 3 “restructured Ohio's electric-utility industry to foster retail competition in the generation component of electric service.”³ The foundation for competition was established by requiring “the three components of electric service — generation, transmission, and distribution — to be separated.”⁴ Initially, in a transition step, SB 3 required the monopoly electric utilities to separate their business lines by function, i.e., distribution, transmission, and generation, and adopt corporate separation plans to prevent cross-subsidies between those functions.⁵ “In short, each service component was required to stand on its own.”⁶ Consequently, the Commission is under a legal requirement to properly assign the collection of costs for the provision of a competitive

¹ Testimony of Chad R. Riethmiller (Dec. 14, 2020) at 4; Staff Report (July 26, 2021) at 16.

² R.C. 4928.02(B) (“Ensure the availability of unbundled and comparable retail electric service”); IGS Objections to the Staff Report at 3-6.

³ *Industrial Energy Users Ohio*, 117 Ohio St.3d 486, 487 (2008).

⁴ *Id.*

⁵ R.C. 4928.31(A).

⁶ *Migden-Ostrander v. Pub. Util. Comm'n*, 102 Ohio St.3d 451, 452-53 (2004).

service, such as default generation service, to the customers that use that service, not distribution customers generally.⁷

Indeed, SB 3 eliminated the Commission’s authority to regulate or provide compensation to support competitive retail electric service through non-competitive service rates regulated under Chapter 4909. The General Assembly made this clear when it specifically provided that “a competitive retail electric service supplied by an electric utility or electric services company shall not be subject to supervision and regulation . . . by the public utilities commission under Chapters 4901. to 4909., 4933., 4935., and 4963.”⁸ In other words, the Commission lacks authority to authorize the recovery of costs related to competitive retail electric services in a distribution rate case filed under R.C. 4909.18.

Thus, the Commission may only regulate non-competitive service in a base distribution rate case. By law, the SSO is an EDU offering of a competitive retail electric product: it is “a standard service offer of all competitive retail electric services necessary to maintain essential electric service to consumers.”⁹ In a similar vein, State policy prohibits the subsidization of competitive services through non-competitive distribution rates. For example, the Court previously admonished the Commission for permitting FirstEnergy to recover SSO-related fuel costs through distribution rates. Following an appeal, the Court held that “[f]uel is an incremental cost component of generation service. Thus, by allowing that generation-cost component to be deferred and subsequently recovered in a distribution rate case, or alternatively allowing FirstEnergy to

⁷ R.C. 4909.15, 4928.05, and 4928.31.

⁸ R.C. 4928.05(A)(1).

⁹ R.C. 4928.141(A).

apply generation revenues to reduce distribution expenses, the commission violated R.C. 4928.02(G).”¹⁰

At a high level, the uncollectible bad debt expense occurs when a customer does not pay their outstanding bill and the outstanding debt goes unpaid for a specified period of time.¹¹ The uncollectible expense is derived from unpaid amounts of the total bill from each category, namely distribution, transmission, and generation. It is undeniable that a portion of the uncollectible expenses incurred by AES Ohio are directly tied to the SSO—a competitive service. In fact, AES Ohio recognizes this and is currently imbedding a portion of the SSO related bad debt expense into the SSO cost, which is in contrast to the recommendation of the Staff Report.¹² Both AES Ohio and Staff testified that customers who receive their generation service through a competitive supplier or through the SSO can create bad debt expense.¹³ Thus, it logically flows that when a shopping customer creates bad debt which flows to their supplier from unpaid generation costs, an SSO customer that creates bad debt should also see that apportioned bad debt flow to their generation provider, in this case the SSO. Not doing so would, in essence, rebundle AES Ohio’s distribution rates and violate the Commission’s ability by recovering the costs of a competitive service in a distribution rate case.¹⁴

¹⁰ *Elyria Foundry Co. v. Pub. Util. Comm’n*, 14 Ohio St.3d 305, 315 (2007).

¹¹ Tr. at 729.

¹² *Id.* at 731.

¹³ *Id.* at 728-9; and 1228.

¹⁴ R.C. 4909.18.

The Commission should reject the Staff Report recommendation because the law requires it, but also because it is simply the right thing to do to promote a level playing field. The Staff Report recommends a paradigm where uncollectible expenses for SSO and CRES customers are treated completely different. When a CRES customer fails to pay their bill, the competitive supplier becomes responsible for the unpaid amount of generation expenses. The collection or write-off of these costs must then be collected from other parts of the business.¹⁵ Under the Staff's proposal, all distribution customers, including shopping customers, would be responsible for the total bad debt incurred by AES Ohio.¹⁶ This would mean that shopping customers would be paying for the generation related bad debt of both other shopping customers and customers on the SSO. In contrast, SSO customers would only be charged with paying a portion of the SSO related bad debt expense that is embedded in distribution rates.

Without allocating an appropriate amount of the uncollectible bad debt expenses of AES Ohio solely to SSO customers, shopping customers will continually subsidize the SSO price, which naturally created favoritism towards a single offering in conflict with state policy of requiring unbundled electric offerings.¹⁷ Choosing to allocate an appropriate percentage of the uncollectible expense directly related to SSO revenue through a bypassable rider will not harm AES Ohio.¹⁸ The underlying amount of uncollectible expense will remain unchanged and thus not impact AES Ohio's requested recovery in this proceeding.¹⁹ In the same way customers who choose to shop

¹⁵ IGS Ex. 1 at 6.

¹⁶ *Id.*

¹⁷ R.C. 4928.02(B) and 4928.02(H).

¹⁸ IGS Ex. 1 at 9.

¹⁹ *Id.*

must inherently pay for the costs of those who are not able to pay their generation related charges, customers who elect the SSO should also be responsible for uncollectible generation charges.

There is a simple and straightforward way to determine the appropriate amount of SSO generation costs that should be assessed through a bypassable rider, an allocation factor. AES Ohio currently utilizes allocation factors to determine numerous parts of its accounting structure.²⁰ For example, AES Ohio utilizes an allocation factor to determine the appropriate amount of distribution gross plant that should be allocated to the utility.²¹ Allocation factors are often based on historical numbers or expenses and then used to extrapolate the appropriate amounts in the future.²²

In the case of determining an appropriate allocation factor for the SSO uncollectible expense, utilizing a straight revenue calculation is both correct and simple. Basing an allocation factor on revenue provides a simple and eloquent way to create a proxy for going forward costs, such as SSO uncollectible expense. Simply dividing AES Ohio's revenue derived from the SSO (\$168,641,244) by AES Ohio's total revenue (\$610,541,652), an allocation factor of 27.6% is derived.²³ The resulting 27.6% from that simple equation is then multiplied against AES Ohio's historical uncollectible expense to determine the amount that should be allocated through a bypassable rider. Such an allocation would ensure that both shopping and SSO customers are paying for the uncollectible expense associated with their generation service.

²⁰ Tr. at 193-4.

²¹ *Id.* at 194.

²² *Id.* at 193-5.

²³ IGS Ex. 1C (AES Ohio's Response to RESA INT-01-002).

The Commission should direct AES Ohio to continue to allocate an appropriate amount of SSO related uncollectible expenses through a bypassable rider in order to foster a fair and unbiased market. Such an allocation would create a more fair and competitive market for electric service within AES Ohio's service territory and further state policy.

B. PUCO and OCC Assessments: The Commission should not deviate from its past proceedings and continue to require that AES Ohio allocate a portion of the OCC and PUCO Assessments through a bypassable rider.

The Staff Report recommends that AES Ohio rebundle the portion of the PUCO and OCC assessments that were correctly allocated as part of SSO Generation expenses in prior cases.²⁴ As discussed above, Ohio law and policy prohibit the Commission from regulating or providing cost recovery for competitive service through distribution rates.²⁵ The Commission lacks the authority to authorize the recovery of costs related to competitive retail electric services in a distribution rate case filed under R.C. 4909.18. Similar to bad debt expenses, AES Ohio previously unbundled a portion of these costs in accordance with state law requiring unbundled electric rates.²⁶ Staff itself previously determined that these costs were indeed directly related to the offering of a competitive service and thus should be collected through a bypassable rider.²⁷

The Staff determined in AES Ohio's previous rate case that a certain percentage of the Regulatory Expense, which includes the PUCO and OCC assessments, should be passed along to

²⁴ Staff Report at 24.

²⁵ IGS Energy Objections to the Staff Report at 7-9.

²⁶ *In the Matter of the Application of The Dayton Power and Light Company for an Increase in its Electric Distribution Rates*, Case Nos. 15-1830-EL-AIR, et al., Opinion and Order (Sept 26, 2018) at ¶32.

²⁷ *Id.*

AES Ohio customers through a bypassable rider.²⁸ The staff report in the prior rate case determined that it was prudent and justifiable to allocate some of these assessment fees directly to SSO customers given that shopping customers were being assessed more total fees than non-shopping customers. Furthermore, Staff recommended that the fee be allocated based on the percentage of SSO generation revenue as a function of total revenue and then applied to the PUCO/OCC assessments.²⁹

After the conclusion of its prior rate case, AES Ohio began collecting \$56,289 each month to account for the assessments based on SSO generation revenue.³⁰ This amount was collected through the bypassable Standard Offer Rate (“SOR”) rider.³¹ There is nothing in the record of this case or any prior case to indicate that the amount being collected was inaccurate or collected improperly.

AES Ohio did admittedly make one error by not removing the associated dollar amounts from its base distribution rates after the conclusion of the requisite proceedings.³² During this interim period AES Ohio was collecting the SSO generation related PUCO/OCC assessments twice, once through the appropriate SOR rider and again through base distribution rates. This error was temporarily remedied when the Commission ordered AES Ohio credit all the money collected

²⁸ *Id.*

²⁹ *Id.*

³⁰ *In the Matter of the Application of the Dayton Power and Light Company to Update Its Standard Offer Rate Tariffs*, Case No. 19-841-EL-RDR, Second Finding and Order (Feb. 26, 2020) at ¶ 8.

³¹ *Id.*

³² *Id.*

through the SOR to all distribution customers through a non-bypassable Tax Savings Credit (“TSC”) rider.³³

The easiest course of action in this proceeding would have been for the appropriate unbundling steps to be taken by removing the amount allocated to the SOR from base distribution rates. By completing the unbundling that was recommended by Staff in the prior proceeding, AES Ohio’s distribution rates will better reflect actual distribution costs and be more consistent with Ohio policy and law.³⁴ However, Staff has recommended a complete reversal of their prior decision.³⁵ The Staff Report Recommends rebundling of the PUCO/OCC assessments completely into base distribution rates.³⁶ Under the Staff proposal, shopping customers would again be subject to the assessments both at the utility and supplier level.

The percentage of the statewide assessments charged to entities, such as IGS and AES Ohio, are assigned based solely on total revenue of each entity.³⁷ Allocating a portion of the assessments based on an allocation factor, such as the one approved in the prior rate case, supports state policy and is a justifiable means of allocation. A proper course of action would be for AES Ohio to be directed to continue collecting the currently allocated amount through the SSO with an equal parts reduction in the collection through proposed base rates in this proceeding. The Commission should not reverse course on multiple past decisions and require AES Ohio to

³³ *In the Application of The Dayton Power and Light Company to Establish the Tax Savings Credit Rider*, Case No. 19-568-EL-ATA, Finding and Order (Oct. 7, 2020) at ¶ 12.

³⁴ R.C. 4928.02(B).

³⁵ Staff Ex. 1 at 24.

³⁶ *Id.*

³⁷ Tr. at 1237.

appropriately allocate the OCC and PUCO Assessments to avoid shopping customers being charged twice. The easiest course of action is to remain with the status quo and not to backtrack on past market improvements.

C. Switching Fees: The Commission should direct AES Ohio to eliminate the \$5 switching fee that is currently only being charged to customers who proactively choose a competitive supplier.

As part of its responsibility as the EDU provider of non-competitive services, AES Ohio switches customers to various providers of competitive retail electric services (including to itself as provider of the SSO). While the Staff Report allegedly evaluated AES Ohio's cost of providing non-competitive services, the Report utterly failed to determine if AES Ohio's switching charge is appropriate or discriminatory. Allowing AES Ohio to continue assessing this discriminatory switching fee without evidentiary support would violate current Ohio law.³⁸

For example, each time an AES Ohio distribution customer elects to receive their generation service from a competitive supplier, the elected supplier is charged a \$5 switching fee.³⁹ Over \$900,000 in switching fees have been assessed to Suppliers since 2018.⁴⁰ The current \$5 fee is a legacy charge that has existed for more than two decades.⁴¹ The fee was originally approved as part of a settlement involving a myriad of issues. No examination, in this case or any other, has been done to attempt to justify the current amount or the necessity of the fee at all in violation of

³⁸ R.C. 4909.15(C)(1).

³⁹ P.U.C.O. 17, Electric Distribution Service, Sheet No. G8 at 30.

⁴⁰ IGS Ex 2 (Response to IGS-INT-02-005(b)).

⁴¹ IGS Ex. 3 (Response to IGS-INT-02-004).

R.C. 4909.15(C)(1). Despite stark changes in technology and IT infrastructure over the past 21 years, the fee has remained unchanged.⁴²

The burden of proof in a distribution rate case falls on the utility to show that the proposed rates and charges are just and reasonable.⁴³ When determining whether an EDU's rates are just and reasonable, the Commission must determine the cost of rendering service to the utility for the test period, including its revenues and expenses.⁴⁴ The EDU, as part of this process, may receive recovery for the "normal, recurring expenses incurred by utilit[y] in the course of rendering service to the public for the test period."⁴⁵ If the revenues received by the utility during the test year are less than the gross annual revenues to which the utility is lawfully owed, the Commission is required to fix new rates that will raise the needed revenue.⁴⁶

Any expenses or revenue associated with the \$5 customer switching fee charged by AES Ohio is currently embedded in the test year expenses and revenues. In order to determine whether the legacy switching fee is just and reasonable, there must first be a determination of the expenses and revenues during the test year.⁴⁷ However, AES Ohio failed to provide any evidentiary support for the fee it cannot be deemed just and reasonable.

⁴² IGS Objections to the Staff Report at 9-11.

⁴³ R.C. 4909.18; R.C.4909.19(C); *Ohio Edison Co. v. Pub. Util. Comm'n*, 63 Ohio St.3d 555 (1992); *Cincinnati Bell Tel. Co. v. Pub. Util. Comm'n*, 12 Ohio St.3d 280, 287 (1984).

⁴⁴ R.C. 4905.15(A)(4), (C)(1).

⁴⁵ *Office of Consumers' Counsel v. Pub. Util. Comm'n*, 67 Ohio St.2d 153 (1981), citing R.C. 4909.15(A)(4), (C)(1).

⁴⁶ *Cincinnati Gas & Elec. v. Pub. Util. Comm'n*, 86 Ohio St.3d 53, 62 (1999).

⁴⁷ R.C. 4909.15(C)(1).

The current switching fee acts as nothing more than a barrier to entry to the competitive market, as no justification was made by AES Ohio or Staff to attempt to substantiate the fee. Indeed, Staff witness Smith admits that no analysis of the costs of switching a customer to a competitive retail supplier was included in this case.⁴⁸ It is also important to note that despite its current tariff language to the contrary, AES Ohio does not charge a commiserate fee when a customer elects to take service through the SSO.⁴⁹ AES Ohio is selectively choosing not to charge the fee when a customer returns to take service under the SSO but continues to assess the fee on suppliers in stark violation of R.C. 4905.35 which prohibits undue or unreasonable preference. It is unduly discriminatory and unreasonable to impose a switching fee on customers only when they are selecting a CRES provider, while imposing no fee on customers when they are selecting the SSO.

Given that no proper justification was provided to substantiate the current switching fee and the fact that AES Ohio has unilaterally decided not to charge the fee to customers electing the SSO, the fee should be scrapped. The fact that AES Ohio is able to place customers on the SSO at no charge is a good indication that the fee is no longer required to complete a switch in either direction. Continuing to assess a two-decade old fee without any study or justification is a disservice to customers who actively shop for their generation service. The Commission should direct AES Ohio to remove the fee and allow customers the ability to elect their generation service with less barriers.

⁴⁸ Tr. at 1238.

⁴⁹ Tr. at 1240; *See also* P.U.C.O. 17, Electric Distribution Tariff, Sheet D34 at 2.

D. The Commission should further state policy by implementing a tariff design for commercial or industrial customers that better aligns the costs and benefits of renewable generation with AES Ohio's Distribution rates and costs.

It is the current state policy of Ohio to promote the deployment of distributed generation across the state.⁵⁰ The proposed rates, and those supported by the Staff Report, do not provide a beneficial demand charge calculation for General Service customers looking to invest in distributed generation. The proposed demand charge for General Service customers, under the Staff Report, would automatically set a customer's demand charge based solely on their single highest 30 minutes of peak demand, regardless of time or system load.

One of the primary benefits of distributed generation, such as solar, is that it often operates at the highest levels during times when the grid can be at its peak.⁵¹ By not having a tariff that would allow customers to better align their demand charge with their demand during system peak times, customers could be getting high demand charges based on usage in the middle of the night.⁵²

Despite the longstanding state policy of promoting distributed generation, no new rate designs were proposed in this case, not even on a select or pilot basis.⁵³ Staff witness Schaefer correctly points out that AES currently supports Qualified Facility ("QF") and Net Metering tariffs, but also admits that these tariffs only support the generation costs of distributed generation and do not impact the demand charges.⁵⁴ Creating a rate design that would allow customers to reduce their

⁵⁰ R.C. 4928.02(C).

⁵¹ IGS Ex. 1 at 15.

⁵² Tr. at 1096-7.

⁵³ *Id.* at 734.

⁵⁴ *Id.* at 1095.

demand charges in accordance with their contribution to AES Ohio's system peak as opposed to the customer's individual peak is key in unlocking the full potential of distributed generation projects.⁵⁵

It is not a new or novel concept to create a rate design that meets the needs of specific customers or promotes current state policy. AES Ohio currently has both a Maximum Charge Provision and a County Fair and Agricultural Societies rate to better align costs with two very specific use cases. The County Fair rate was created specifically for compliance with a different Ohio Policy.⁵⁶

Given that AES Ohio offers specialized rates to meet the needs of certain customers and comply with state policy, there is no reason that AES Ohio cannot provide a rate to properly promote distributed generation within its service territory. The Commission should require AES Ohio to offer a specialized demand charge rate for general service commercial and industrial customers that advances state policy and also better aligns their demand costs with the demand on AES Ohio's distribution grid.

E. Increasing the fixed customer charge subverts state policy by reducing the innate benefits of installing distributed generation.

In the present case, the Staff Report proposed a vastly uneven increase in the fixed customer charge when compared to the variable energy charge.⁵⁷ The proposed increase would see the fixed

⁵⁵ IGS Ex. 1 at 16.

⁵⁶ R.C. 4928.80.

⁵⁷ Staff Ex. 1 at 30.

charge increase by 39.3% while the variable energy charge would only increase by 16.7%.⁵⁸ A fixed customer charge is one that is unavoidable regardless of a particular customer's usage throughout any given month.⁵⁹ As discussed above, it is the state policy of Ohio to promote distributed generation projects across the state.⁶⁰

Increasing the fixed customer charge would automatically limit the potential economic benefit to a customer who chooses to install distributed generation.⁶¹ IGS is not proposing a change that would harm AES Ohio but simply a change in the collection of their required rates. The Commission should reject the proposed increase in the fixed customer charge and instruct AES to collect lost funds through volumetric charges that would better align with state policy.

VII. CONCLUSION

The Commission should utilize this case to both hold onto past market enhancements made in prior cases while also seizing the opportunity to continue pushing the competitive marketplace within AES Ohio's service territory forward. By retaining the status quo when it comes to the PUCO/OCC assessments and uncollectible expenses, the Commission would continue to align costs with their source and not unduly favor the SSO by requiring shopping customers to pay those assessments or charges twice. The Commission should also take this opportunity to eliminate the

⁵⁸ *Id.*; See also IGS Energy Objections to the Staff Report at 14-15.

⁵⁹ IGS Ex. 1 at 17.

⁶⁰ R.C. 4928.02.

⁶¹ IGS Ex. 1 at 17.

unjustified, two decades old \$5 switching fee currently only being assessed to CRES providers in violation of Ohio law.

Additionally, the Commission should continue the precedent set by prior cases, and in line with state policy, of unbundling rates by rejecting the Staff Report's request to collect all AES uncollectible expense through distribution rates. It is clear that a portion of the total uncollectible expense is directly related to provision of the SSO and thus that portion should be collected from SSO customers and not all distribution customers as proposed.

Finally, the Commission should further the state policy of Ohio by requiring AES Ohio to implement a specific tariff designed to align demand charges with system wide costs and peaks. Doing so would benefit customers, AES Ohio's distribution grid, and the state as a whole. The proposed increase in the fixed customer charge should be rejected due to its side effect of stifling the benefit of distributed generation for residential customers.

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Initial Post Hearing Brief of Interstate Gas Supply, Inc.* was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on March 4, 2022. The Commission's e-filing system will electronically serve notice of the filing of this document upon the following parties listed below.

/s/ Evan Betterton
Evan Betterton

SERVICE LIST

Jodi Bair
Kyle Kern
Office of Ohio Attorney General
30 East Broad Street, 16th Floor
Columbus, OH 43215
jodi.bair@ohioAGO.gov
kyle.kem@ohioAGO.gov

Counsel for Staff of the Commission

Kimberly W. Bojko
Jonathan Wygonski
Carpenter Lipps & Leland LLP
280 North High Street, Suite 1300
Columbus, OH 43215
bojko@carpenterlipps.com
wygonski@carpenterlipps.com

**Counsel for The Ohio Manufacturers'
Association Energy Group**

Christopher Healey
Ambrosia E. Wilson
John Finnigan
The Office of the Ohio Consumers' Counsel
65 East State Street, 7th Floor
Columbus, OH 43215
christopher.healey@occ.ohio.gov
ambrosia.wilson@occ.ohio.gov
john.finnigan@occ.ohio.gov

**Counsel for The Office of the Ohio
Consumers' Counsel**

Michael L. Kurtz
Kurt J. Boehm
Jody Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202
Mkurtz@BKLawfirm.com
Kboehm@BKLawfirm.com
Jkylercohn@BKLawfirm.com

Counsel for Ohio Energy Group

Angela Paul Whitfield
Carpenter Lipps & Leland LLP
280 North High Street, Suite 1300
Columbus, OH 43215
paul@carpenterlipps.com

Counsel for The Kroger Company

Stephanie M. Chmiel
Kevin D. Oles
Thompson Hine LLP
41 South High Street, Suite 1700
Columbus, OH 43215
Stephanie.Chmiel@ThompsonHine.com
Kevin.Oles@ThompsonHine.com

Counsel for the University of Dayton

Matthew R. Pritchard
Rebekah J. Glover

Bryce A. McKenney
MCNEES WALLACE & NURICK LLC
21 East State Street, 17th Floor
Columbus, 014 43215
mpritchard@mcneeslaw.com
rglover@mcneeslaw.com
bmckenney@mcneeslaw.com

Counsel for Industrial Energy Users-Ohio

Robert Dove
KEGLER BROWN HILL +
RITTER CO., L.P.A.
65 East State Street, Suite 1800
Columbus, OH 43215-4295
rdove@keglerbrown.com

Counsel for Ohio Partners for Affordable Energy

Devin D. Parram
Rachael N. Mains
BRICKER & ECKLER LLP
100 South Third Street
Columbus, OH 43215-4291
dparram@bricker.com
rmains@bricker.com

Counsel for The Ohio Hospital Association

Carrie H. Grundmann
SPILMAN THOMAS & BATTLE, PLLC
110 Oakwood Drive, Suite 500
Winston-Salem, NC 27103
cgrundmann@spilmanlaw.com

Derrick Price Williamson
SPILMAN THOMAS & BATTLE, PLLC
1100 Bent Creek Boulevard, Suite 101
Mechanicsburg, PA 17050
dwilliamson@spilmanlaw.com

Counsel for Walmart Inc.

Mark A. Whitt
Lucas A. Fykes
WHITT STURTEVANT LLP
The KeyBank Building
88 East Broad Street, Suite 1590
Columbus, OH 43215
whitt@whitt-sturtevant.com
fykes@whitt-sturtevant.com

Counsel for Direct Energy Business LLC and Direct Energy Services, LLC

Miranda Leppla
Trent Dougherty
Chris Tavenor
1145 Chesapeake Avenue, Suite I
Columbus, OH 43212-3449
mleppla@theoec.org
tdougherty@theOEC.org
ctavenor@theOEC.org

Counsel for the Ohio Environmental Council

Kara Herrnstein
BRICKER & ECKLER LLP
100 South Third Street
Columbus, OH 43215-4291
kherrnstein@bricker.com

Counsel for ChargePoint, Inc.

Drew Romig
ARMADA POWER, LLC
230 West Street, Suite 150
Columbus, OH 43215
dromig@nationwideenergypartners.com

Christina Wieg
FROST BROWN TODD LLC
10 West Broad Street, Suite 2300
Columbus, OH 43215
cwieg@fbtlaw.com

Darren A. Craig (Pending Pro Hac Vice)
Robert L. Hartley (Pending Pro Hac Vice)
FROST BROWN TODD LLC
201 North Illinois Street, Suite 1900
P.O. Box 44961
Indianapolis, IN 46204
dcraig@fbtlaw.com
rhartley@fbtlaw.com

**Counsel for Nationwide Energy Partners,
LLC**

Trevor Alexander
Kari Heymeyer
Sarah Siewe
BENESCH FRIEDLANDER COPLAN &
ARONOFF
41 South High Street, Suite 2600
Columbus, Ohio 43215
talexander@beneschlaw.com
khehmeyer@beneschlaw.com
ssiewe@beneschlaw.com

Counsel for the city of Dayton

Matthew W. Warnock
Dylan F. Borchers
BRICKER & ECKLER LLP
100 South Third Street
Columbus, OH 43215-4291
mwarnock@bricker.com
dborchers@bricker.com

Marion H. Little, Jr.
Christopher J. Hogan
ZEIGER, TIGGES & LITTLE LLP
41 South High Street

3500 Huntington Center
Columbus, OH 43215
little@litohio.com
hogan@litohio.com

Katie Johnson Treadway
James Dunn
ONE ENERGY ENTERPRISES LLC
Findlay, OH 45840
ktreadway@oneenergylc.com
jdunn@oneenergylc.com

Counsel for One Energy Enterprises, LLC

Michael J. Schuler
The Dayton Power and Light Company
1065 Woodman Drive
Dayton, OH 45432
michael.schuler@aes.com

Jeffrey S. Sharkey
Jeffrey Ireland
Christopher C. Hollon
FARUKI PLL
110 North Main Street, Suite 1600
Dayton, OH 45402
jsharkey@ficlaw.com
djireland@ficlaw.com
chollon@ficlaw.com

**Counsel for The Dayton Power and Light
Company d/b/a AES Ohio**

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on
3/4/2022 4:55:15 PM**

in

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

Summary: Brief IGS Initial Post Hearing Brief AES Ohio Rate Case electronically
filed by Regan Donoughe on behalf of Interstate Gas Supply, Inc.