

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the	:	
Ohio Department of Development for	:	
an Order Approving Adjustments to the	:	Case No. 22-556-EL-USF
Universal Service Fund Riders of	:	
Jurisdictional Ohio Electric Distribution	:	
Utilities.	:	

REPLY TESTIMONY IN SUPPORT OF JOINT STIPULATION

BY

MEGAN MEADOWS

ON BEHALF OF
THE OHIO DEPARTMENT OF DEVELOPMENT

August 26, 2022

**REPLY TESTIMONY OF MEGAN MEADOWS
On Behalf of Ohio Department of Development**

1 **Q. Please state your name and business address.**

2 A. My name is Megan Meadows. My business address is Ohio Department of Development
3 ("Development"), 77 South High Street, 26th Floor, Columbus, Ohio 43216-1001.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Development as Chief of the Community Services Division.

6 **Q. Are you the same Megan Meadows who filed pre-filed direct testimony in support of**
7 **the Stipulation on August 5, 2022?**

8 A. Yes.

9 **Q. What is the purpose of your reply testimony?**

10 A. The purpose of my reply testimony is to address some of the inaccuracies made in the pre-
11 filed direct testimony of James D. Williams, on behalf of the Office of the Ohio
12 Consumers' Counsel. Specifically, my testimony responds to inaccurate statements made
13 with regarding to the Joint Stipulation and Recommendation filed in the proceeding on
14 August 5, 2022 ("Joint Stipulation"). For example, at page 10, lines 7-10, Mr. Williams
15 states that the Joint Stipulation adopts verbatim the Notice of Intent's ("NOI") language
16 regarding the Reserve component of the Universal Service Fund ("USF") rider rate. That's
17 not accurate. The parties to the Joint Stipulation negotiated revised language to the NOI's
18 Reserve component in response to the objection of the FirstEnergy utilities.

19 **Q. At page 14, line 10, Mr. Williams states that the Joint Stipulation permits the current**
20 **PIPP-only auction to continue. Is that statement correct?**

1 A. No. The PIPP auctions for the test year in this proceeding have already concluded and have
2 been approved by the PUCO.

3 **Q. At page 16, line 7, Mr. Williams states that your testimony in support of the Joint**
4 **Stipulation, filed August 5, 2022, fails to explain why the Stipulation benefits**
5 **customers and is in the public interest. Is that statement correct?**

6 A. No. At page 5, line 23 through page 6, line 3 of my direct testimony, I explain that the
7 “Joint Stipulation benefits consumers and the public interest because the methodologies
8 adopted will result in USF rider rates that represent the minimal rates necessary to collect
9 the EDUs’ USF rider revenue requirements.”

10 **Q. Can you elaborate?**

11 A. Yes. As I stated, the PUCO already has conducted and approved the PIPP auctions for the
12 test year in this proceeding. Although I am not an attorney, I have a working knowledge of
13 the PIPP-related statutes and rules, and I have generally reviewed, at a high level, the
14 PUCO’s orders establishing its competitive bid process. Based upon my understanding,
15 review and advice of counsel, the statutes require that PIPP customers are to be aggregated,
16 an auction is to be conducted to provide their electric supply, and the auction is to proceed
17 until a winning bid is selected. Upon Development’s request, the PUCO is responsible for
18 the design, management and supervision of the auction. The PUCO designed the auction
19 first to obtain bids to serve PIPP customers below the SSO price and, if no bids were
20 received, to obtain bids for the best available price even if it is above the SSO price. The
21 process selects the lowest bid offered to supply PIPP customers. This lowest bid is used to
22 calculate the cost of PIPP and, therefore, helps produce the minimal rates necessary to
23 collect the EDU’s USF rider revenue requirements.

1 **Q. At page 26, lines 17-18, Mr. Williams recommends that Development “end the**
2 **practice of aggregating electric PIPP customers.” Do you agree with that**
3 **recommendation?**

4 A. No. Again, I am not an attorney, but based upon my working knowledge of R.C. 4928.54,
5 and upon the advice of counsel, it is mandatory that PIPP customers be aggregated.
6 Development has no discretion.

7 **Q. At page 27, lines 6-9, Mr. Williams recommends that Development calculate USF**
8 **rider rates using the SSO auction price rather than the PUCO-approved PIPP auction**
9 **price. Do you agree with that recommendation?**

10 A. No. Again, I am not an attorney, but based upon my working knowledge of R.C. 4928.54,
11 and upon the advice of counsel, PIPP customers must be aggregated and an auction
12 conducted to supply only PIPP customers. The SSO auction was not conducted to supply
13 PIPP customers.

14 **Q. Does Mr. Williams’ testimony affect your recommendation that the PUCO approve**
15 **the Joint Stipulation and Recommendation?**

16 A. No.

17 **Q. Have you also reviewed the joint reply to OCC’s objections filed July 15, 2022, by**
18 **Ohio Power, AES Ohio, and Duke Energy-Ohio?**

19 A. Yes, the joint reply is attached as Attachment MM-1. The existing PIPP auction process
20 was developed in the PUCO’s RFP Auction Case, *In the Matter of the Implementation of*
21 *Sections 4928.54 and 4928.544 of the Revised Code*, Case No. 16-247-EL-UNC.

1 Development does not oppose the efforts of the parties to the RFP Auction Case to seek
2 similar discussions on processes for the procurement of PIPP electric supply.

3 **Q. Does this conclude your direct testimony?**

4 A. Yes. However, I reserve the right to supplement my testimony.

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Reply Testimony of Megan Meadows* has been served upon the following parties by first class mail, postage prepaid, and/or electronic mail this 26th day of August 2022.



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Summary: Text Reply Testimony of Megan Meadows in Support of Joint Stipulation
on behalf of The Ohio Department of Development electronically filed by Teresa
Orahood on behalf of Dane Stinson