

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of	)	
Ohio Power Company to Revise Reliability	)	
Performance Standards Pursuant to	)	Case No. 20-1111-EL-ESS
O.A.C. 4901:1-10-10(B)(7)	)	
	)	

OHIO POWER COMPANY’S REPLY COMMENTS

I. INTRODUCTION

On July 1, 2020, Ohio Power Company (“AEP Ohio” or the “Company”) filed an application to reset its minimum reliability standards in accordance with Ohio Adm.Code 4901: 1-10-10(B). On November 3, 2020, this proceeding was stayed until March 2, 2022. AEP Ohio then filed a Revised Application on April 29, 2022. On September 7, 2022, AEP Ohio held a technical conference at the offices of the Public Utilities Commission of Ohio (“the Commission”) to discuss the filing and to answer any questions interested parties might have regarding the proposed reliability standards. In attendance were members of Commission Staff as well as representatives from the Office of the Ohio Consumers’ Counsel (“OCC”) and the Ohio Manufacturers’ Association Energy Group (“OMAEG”). On September 28, 2022, the OCC and OMAEG filed comments regarding the application. On October 7, 2022, Staff filed its comments regarding the application. AEP Ohio now offers these reply comments in support of its Revised Application asks that the Commission adopt the minimum reliability standards proposed in that Revised Application.

In this proceeding, AEP Ohio is not trying to increase the metrics to make it easier to comply with them. Instead, it is resetting AEP Ohio’s reliability standards to reflect the guidance prescribed in Ohio Adm. Code 4901: 1-10-10(B) and the current state of the

Company's distribution system. For the reasons set forth below, and in the Company's Revised Application, the proposed reliability standards contained on page 13 of the Revised Application should be adopted by the Commission.

II. RESPONSE TO STAFF AND INTERVENOR COMMENTS ON REVISED APPLICATION

A. AEP Ohio's use of the actual five-year historical baseline average is appropriate.

Ohio Adm. Code 4901:1-10-10(B)(4)(a) states that "[p]erformance standards should reflect," among other factors, "historical system performance * * *." Accordingly, AEP Ohio's application used a five-year historical average as its starting point. Indeed, this approach was required by the Commission opinion and order issued in the Company's last minimum reliability performance standards case. In Case No. 16-1511-EL-ESS, the Commission approved a stipulation under which "AEP Ohio agree[d] to file an application to establish new reliability standards by June 1, 2020, for 2021 and beyond." *In the Matter of the Establishment of Minimum Reliability Performance Standards, Pursuant to Ohio Adm.Code 4901:1-10-10(B), for Ohio Power Co.*, Case No. 16-1511-EL-ESS, Opinion and Order ¶ 15(g) (Feb. 7, 2018). The approved stipulation further stated that AEP Ohio would "include at least five years of current historical reliability performance data to calculate a historical performance baseline." *Id.* OCC did not oppose that stipulation, *see id.* ¶ 11, and the Commission adopted it in its entirety, *see id.* ¶¶ 1, 29. Thus, AEP Ohio's reliance on five years of historical reliability performance data to calculate a historical performance baseline was entirely appropriate.

Yet the OCC, OMAEG, and Staff assert that actual historical system performance should not be used. Instead, for years in which the actual measured performance was above the current standards, OCC and Staff assert that the Commission should adjust the historical system performance to that of the then-current SAIFI or CAIDI standard. (*See* OCC Comments at 12-

13; Staff Comments at 4, 10-11.) OMAEG, in turn, recommends that the Commission simply “exclude any years from the baseline that were in violation of AEP Ohio’s then-existing reliability standards.” (OMAEG Comments at 8.) OCC, OMAEG, and Staff’s novel proposed approaches are inconsistent with the plain language of the rule. The rule does not state that performance standards are to reflect historical performance adjusted to the current standards or exclude performance not meeting current standards. It says that “[p]erformance standards should reflect historical system performance * * *.”

OCC and Staff’s proposals are also inconsistent with Staff’s approach in other similar cases. In AES Ohio’s current reliability standards case, Staff recommends a CAIDI target of 131.87 and a SAIFI target of 0.81, based on the average of AES Ohio’s actual, 5-year historical system performance, even though AES Ohio missed its CAIDI standard in 2017, 2019, and 2020. *See, In the Matter of the Application of The Dayton Power and Light Co. d/b/a AES Ohio for Establishing New Reliability Standards*, Case No. 21-956-EL-ESS (“*AES Ohio Reliability Standards Case*”), Amended Staff Comments at 1 (Apr. 28, 2022) (CAIDI standard was 125.04 beginning in calendar 2013) and 11 (CAIDI was 133.07, 133.29, and 132.17 in 2017, 2019, and 2020). (*See id.*) The Commission should not hold AEP Ohio and AES Ohio to different standards.

Ohio Adm. Code 4901:1-10-10(B)(4)(a) is designed to incorporate actual historical performance to reflect the current state of a distribution utility’s system. It is not a valid assumption that minimum reliability standards targets should or will continually decrease. (OMAEG Comment at 7-8). Indeed, countless factors contribute to reliability performance, many of which are out of AEP Ohio’s control, and must be considered when setting a minimum reliability standard. AEP Ohio’s proposed historical performance baseline is lawful and

consistent with other utilities' practice. For all of these reasons, the Commission should reject OCC, OMAEG, and Staff's novel alternative approaches that are not consistent with Ohio Adm. Code 4901:1-10-10(B)(4)(a).

B. AEP Ohio's Proposal for a two standard deviation variance adjustment is appropriate.

AEP Ohio's application in this case is based on a five-year average, as discussed above, with a two-standard-deviation adder to account for normally expected annual fluctuations. As explained in AEP Ohio's Revised Application, the purpose of the adder is to account for expected fluctuations due to factors outside AEP Ohio's control. These can include but are not limited to outages due to trees outside of rights-of-way (TOR), vehicle accidents, and annual weather challenges in an environment of increasingly dramatic weather. (*See id.* at 14.) OCC characterizes the reliability standards as representing blue sky days. (*See* OCC Comments at 3.) But that is not true. Major events are excluded, but there are plenty of gray sky days and bad wind/thunder/ice storms that are not excluded as major events. These are significant drivers in the annual variations in performance.

And despite the suggestions that the proposed adder would make it difficult for AEP Ohio to fail (*see* OCC Comments 11), it only equates to a 10% adjustment for SAIFI (0.12, added to a five-year average of 1.20) and a 12% adjustment for CAIDI (17, added to a five-year average of 141). (*See* Revised Application at 13, Fig. 4.) This is consistent with what Staff has previously endorsed in prior reliability standard cases. *See, In the Matter of the Application of The Dayton Power and Light Co. for Establishing New Reliability Standards*, Case No. 09-754-EL-ESS, Opinion and Order (July 29, 2010) (describing Staff's proposal, in comments, "to use the electric utility's most recent five-year average plus ten percent" to "account[] for annual variations in system reliability performance"); *In the Matter of the Application of Duke Energy*

Ohio, Inc. for Approval of Proposed Reliability Standards, Case No. 13-1539-EL-ESS, Opinion and Order at 4 (Sept. 17, 2014) (noting that Staff had filed comments arguing that Duke’s new CAIDI standard should be calculated using “a 10 percent adder to account for weather variances”).

In this case, Staff continues to recognize the need for an adjustment “to account for variability.” (*See* Staff Comments at 16.) But this time, Staff proposes only a one-standard-deviation adjustment. (*See id.*) Additionally, as noted above, Staff did not calculate an average based on actual performance. (*See supra.*) The impact of this recommendation is compounded because Staff revised the historical system performance in 2018 and 2019 to match the SAIFI and CAIDI standards for those years, with minor adjustments to reflect the recent changes to the rules. (*See* Staff Comments at 10-11.) And the impact is further exacerbated by the fact that Staff appears to have misunderstood that in its Revised Application, AEP Ohio already made adjustments to the actual performance using the new definition of major event day that went into effect with the November 1, 2021. Thus, Staff’s recommended adjustment results in a 0.03 SAIFI (2.6% of Staff’s adjusted five-year baseline) and 1.57 CAIDI (1.1%) (*see id.* at 11, Table 5 (adjusted historical baseline) and 16, Table 13 (standard deviation)), which basically equates to including no variance factor at all. Staff offers no justification as to why a one-standard-deviation adjustment is more appropriate than the Company’s two-standard-deviation approach, or why they are deviating from their historic practice.

While Staff’s current position is inconsistent with its past positions, OMAEG’s position on AEP Ohio’s adder is inconsistent with itself. OMAEG begins by suggesting that an adder to account for variability would be appropriate, and “urges the Commission to investigate and consider a standard margin of error or methodology to use among all of Ohio’s EDUs.”

(OMAEG Comments at 9.)¹ Then, OMAEG seems to suggest that no adder is necessary, asserting that the Commission’s rules “already account [] for year-to-year variability” because Ohio Adm.Code 4901:1-10-10(E) allows an electric utility to fail to meet a performance standard for one year without labeling that failure a violation. (OMAEG Comments at 9.) But OMAEG overlooks the fact that the Commission’s rules still require the electric utility to file an “action plan” if its annual performance does not meet its CAIDI or SAIFI standard for a single year. *See* Ohio Adm.Code 4901:1-10-10(D). As AEP Ohio explained in its Revised Application, a two-standard-deviation adder ensures that this “action plan” requirement will be triggered only if AEP Ohio misses the standard by a statistically significant amount. In other words, the reliability performance “miss” is due to some tangible factor or cause and not due to normal variability. (*See* Revised Application at 12.) Finally, OMAEG argues that no adder is necessary to account for year-to-year variation because “independent variables” like trees and vehicle accidents are “already considered as causes of outages when setting the existing standards.” (OMAEG Comments at 9.) But OMAEG does not explain how such factors were taken into consideration when setting AEP Ohio’s existing reliability performance standards, or why that should prevent the Commission from taking them into consideration when setting its new standards.

Unlike Staff and (perhaps) OMAEG, OCC objects to the concept of any variance adjustment at all. OCC claims that the rule does not allow for a variance adjustment. (*See* OCC Comments at 10.) However, the rule outlining the calculation of the minimum reliability standards notes that the electric utility’s standards should “reflect historical system performance,

¹ If the Commission were to choose such a methodology, it would be more appropriate to do so in a rulemaking proceeding where every electric utility and other interested parties would have an opportunity to comment on that methodology.

... and other relevant factors,” which could include a variance adjustment. Normally expected annual fluctuations is a relevant factor in setting a target. Further, as described above, historical practices in setting standards account for a variance factor, and a statistical approach of a two-standard deviation adjustment is supported, quantifiable, and objective. Indeed, the statistical variation calculation of standard deviations is well-known and commonly used in the utility industry. There are normal annual fluctuations to the system performance, and they need to be factored in to have a meaningful standard. The Company’s proposal for a two-standard-deviation adjustment is justifiable and should be accepted as proposed.

C. AEP Ohio appropriately adjusted its proposed standards to reflect projected reliability savings from ongoing Distribution Automation Circuit Reconfiguration (DACR) installations as part of gridSMART Phase 2.

AEP Ohio’s Revised Application proposes adjustments of -0.02 to SAIFI in both 2022 and 2023 to reflect projected improvements in reliability from its installation of DACR on dozens of circuits in 2021 and 2022. (*See* Revised Application at 12-13 and Figure 4.) AEP Ohio’s recommendations for future improvements in SAIFI as a result of DACR are reasonable and prudent.

OCC asserts that the Commission should further adjust the Company’s SAIFI standard to reflect reliability benefits from its installation of DACR on 70 circuits as part of gridSMART Phase I. (OCC Comments at 13-14.) In particular, OCC argues that those installations “should be providing recurring quantifiable reliability benefits for consumers.” (*Id.* at 14.) But as AEP Ohio explained in its application, “the associated reliability savings have [already] been included in the historical reliability metrics * * *.” (Revised Application at 7.) In other words, improvements from DACR investments made over the last ten years are already built into the year-to-year average.

Additionally, Staff and OCC argue that the Commission should further adjust the SAIFI targets for 2022 through 2026 based upon a misunderstanding of commitments in the Case No. 13-1939-EL-RDR. *See In the Matter of the Application of Ohio Power Co. to Initiate Phase 2 of its gridSMART Project and to Establish the gridSMART Phase 2 Rider*, Case No. 13-1939-EL-ESS (“*gridSMART Phase 2 Case*”), Opinion and Order ¶ 24 (Feb. 1, 2017). (See Staff Comments at 5, 11-12; OCC Comments at 13.) The stipulation adopted in that proceeding stated, in relevant part:

The Company commits to achieve a 3-year average annual SAIFI improvement of 15.8%, excluding major events, on the aggregated performance of that group of circuits. In other words, the performance metric is expected to show that SAIFI performance (based on a 3-year rolling average for the group of circuits that have had DACR technology installed for at least six months is 15.8% better than SAIFI performance on the same group of circuits would have been without DACR. This performance metric shall continue to be calculated annually through 2021.

gridSMART Phase 2 Case, Stipulation at 6 (Apr. 7, 2016); *see also gridSMART Phase 2 Case*, Opinion and Order ¶ 24. But Staff and OCC misunderstand the *gridSMART Phase 2 Stipulation* and the calculations that AEP Ohio used to propose the SAIFI reductions. The 15.8% commitment in the *gridSMART Phase 2 Stipulation* was a one-time improvement over a three-year rolling average after full implementation, not continuous year-over-year improvements. AEP Ohio utilized the projected improvements of 15.8% and factored the CI reductions it would have on the mainline outages the Company had experienced. The proposal by Staff appears to project continuous year-over-year CI reductions through 2026, when the final DACR circuit will be installed in 2023. However, AEP Ohio has not yet received authority to move forward with DACR investments with *gridSMART Phase 3*. Therefore, the avoided CI benefits from DACR will levelize and calculating a continuous reduction is based upon an improper assumption.

For all of these reasons, the Commission should reject Staff and OCC's proposals to adjust the Company's SAIFI standard beyond that shown in the Company's application to reflect past or future reliability improvements due to DACR.

D. It is not appropriate to adjust the Company's proposed reliability standards related to investments made under the Distribution Investment Rider ("DIR").

AEP Ohio's proposal does not specifically make an adjustment for the investments made in the DIR because the reliability benefits of this rider mechanism are included in the historical average performance of the grid that were used to develop the Company's proposed standards. Nevertheless, Staff, OCC, and OMAEG recommend a reduction for DIR investments. However, these recommendations fail to consider that "the DIR facilitates the timely replacement of aging infrastructure, improving and *maintaining* service reliability." *See, In Re the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143, in the Form of an Electricity Security Plan*, Case No. 16-1852-EL-SSO, Opinion and Order at ¶ 189 (Apr. 25, 2018).

Staff goes on to specifically calculate the impact of the DIR on CMI (customer minutes interrupted) and recommends "an adjustment of 0.75% to estimated CMI to each of the next five years." (Staff Comments at 13.) Staff's adjustments (which overlap with concepts raised by OCC and OMAEG) are not appropriate for a myriad of reasons. The savings accounted for by the DIR have already been reflected in historic performance, and a further reduction would be duplicative. Many of these selected outage causes are also impacted by the Phase 2 DACR investments already accounted for in the Company's proposal. Staff is also very selective in the type of outage causes used in its calculation – only selecting the "Controllable Causes" as set forth in the 20-585-EL-AIR Stipulation. (*See* Staff Comments at 6.) Although these "Controllable Causes" have improved over the five-year period, Staff did not consider other

outage causes that are not considered “Controllable Causes” that influence the Company’s overall reliability. For example, the “Controllable Causes” in Case No. 20-585-EL-AIR don’t reflect TOR, which has a significant impact on reducing reliability.² Vehicle accidents are also not included in the “Controllable Causes” considered by Staff, which had a 5.82 SAIDI (34%) increase in 2021. In addition, revenue caps have only been established for the DIR through May 2024, yet Staff makes reliability adjustments for the DIR for all of 2024, 2025 and 2026. *See In the Matter of the Application of Ohio Power Company for an Increase in Electric Distribution Rates*, Case No. 20-585-EL-AIR, Opinion and Order ¶¶ 53-54 (Nov. 17, 2021).

For all of these reasons, the Company’s proposal not to include an adjustment for the DIR is reasonable and should be adopted.

E. The Commission should not adjust the Company’s proposed reliability performance standards based on outdated predictions related to the Danger Tree program.

The Emerald Ash Borer infestation had a significant negative impact throughout the AEP Ohio territory since the last minimum reliability standards case. Because of this unique issue, AEP Ohio was authorized to adopt the Danger Tree program, which addressed dead trees outside the rights-of-way (ROW). This program was initially conducted through the DIR and successfully reduced CI (customers interrupted) and CMI. However, those reductions are included in the historic performance of the system. Moreover, per the stipulation adopted in Case No. 20-585-EL-AIR, the Danger Tree program will end in 2023. *See In the Matter of the Application of Ohio Power Company for an Increase in Electric Distribution Rates*, Case No. 20-585-EL-AIR, Opinion and Order ¶ 61 (Nov. 17, 2021).

² *See*, Section II.E. for a further discussion about the impacts of the Danger Tree Program that were also raised by Staff and OCC.

Despite this, Staff is recommending a reduction to AEP Ohio's reliability standards to reflect the effects of the Danger Tree program, based on a statement made in the original application that AEP Ohio filed in this docket. (See Staff Comments at 13-14.) In its original application, filed in July 2020, the Company predicted that "the SAIDI contribution from [dead] trees outside ROW [would] drop to 29.8 minutes by the end of 2024 at the proposed spend levels, resulting in a SAIDI improvement of 53%." (Application at 8.) That prediction was made more than two years ago, based on the system and environmental conditions at the time. Since then, however, CI and CMI caused by *live* trees falling from outside of ROW have increased significantly. That was a development that was not foreseen at the time. Because Staff's adjustment for the Danger Tree program does not take into account that increased CI and CMI over the last two years, Staff's adjustment would be inappropriate.

F. The Company's has appropriately taken customer expectations into account in the proposed reliability standards.

In its Revised Application, the Company concludes that its 2021 customer satisfaction survey results warrant no adjustment to its proposed CAIDI and SAIFI standards. (See Revised Application at 10-11 and Attachment 2.) Staff addresses customer expectations and asserts that the Company "should strive for continuous improvement and not arbitrarily loosen the reliability standards." (Staff Comments at 15.) But the Company is not "arbitrarily" loosening its reliability standards. It is proposing to reset its reliability standards based on historical system performance and other factors. AEP Ohio continues working to maintain a reliable distribution system, as evidenced by the programs discussed in these comments. Moreover, Staff makes no specific recommended adjustments to the Company's proposed reliability standards based upon customer expectations.

G. The Commission should not adjust the Company’s proposed reliability performance standards to reflect estimated increases in customer count.

While it is unclear how it impacts Staff’s recommended reliability targets, Staff also proposes to adjust AEP Ohio’s proposed reliability standards to reflect an increase in customer count. (*See* Staff Comments at 16.) Staff’s estimates of future increases in customer counts assume that AEP Ohio’s customer base will continue to grow from 2022 to 2026 at the same average rate it has grown from 2017 to 2021. (*See id.*) But Staff offers no explanation for how it used these estimated increases in customer count in calculating its proposed reliability standards. And it also offers no justification or support for its assumption of continued growth at recent average rates.

Regardless, reliability indices are already normalized by customer count. If customer counts are increasing, a “typical outage” will interrupt customers for the same amount of time. SAIFI (CI / customers served) is not impacted because both the annual CI and the customer count will increase proportionally. There is also no impact on CAIDI (CMI/CI), since the annual CI and CMI would both increase proportionally. If anything, increased customer count will actually make it more challenging for the Company to improve its system because there are more customers/infrastructure to operate and maintain without additional funding. Accordingly, the Commission should reject Staff’s proposal to modify AEP Ohio’s proposed reliability performance standards to reflect assumed future customer count increases.

H. The Commission should not accept without clarifications the mathematical calculations used throughout Staff’s reply comments in forming their recommended reliability performance standards.

Staff makes several comments about adjustments to the indices to incorporate Rule 10’s “major event day” definition change and the impacts of DACR Phase 2, the DIR, danger trees, and annual customer growth. Utilization of these adjustments is then itemized in Section G of

their reply comments. Staff’s description of steps 3 through 6 of that methodology implies that Staff made adjustments to only CI or CMI, depending on the cited program. (*See* Staff Comments at 16.) Each of these factors, however, will actually impact both CI and CMI. Because Staff did not consider both CI and CMI impacts, its index calculations are skewed.

I. The Commission should reject the multiple requests from OCC and OMAEG to go beyond the scope of this proceeding.

1. The June 2022 power outages should not be considered as part of this proceeding.

For months, OCC has attempted to convert this proceeding, which is exclusively about distribution reliability metrics, into an investigation of the June 2022 power outages in AEP Ohio’s service territory. In its comments on AEP Ohio’s Revised Application, OCC continues those efforts. OCC asks the Commission to grant its prior motion to investigate “the underlying causes for the June 2022 outages and AEP Ohio’s response to them” (OCC Comments at 1; *see also id.* at 19-20) and further exhorts the Commission to “examine the impact that distribution automation [, vegetation management, the DIR, and AEP Ohio’s inspection, maintenance, repair, and replacement programs and policies] had on reducing the number of consumers who were impacted [by the outages] and for how long.” (*Id.* at 14, 15, 18, and 19). In its Comments, OMAEG similarly asks the Commission to use this proceeding to investigate certain aspects of the Company’s response to PJM’s load shedding directive. In particular, OMAEG asks the Commission to weigh in on “AEP Ohio’s failure to use the interruptible service tariff to relieve overloading circuits” during the June 2022 outages. (OMAEG Comments at 6-7.) OMAEG also invites the Commission to “investigate the thoroughness of AEP Transmission’s contingency analysis” during the June 2022 outages (*id.* at 15) and asks the Commission to “instruct AEP Ohio * * * to take steps to formalize a response to LOS, MED, and Transmission stress events” based on an investigation of the load shedding events in June 2022. (*Id.* at 17).

AEP Ohio has addressed OCC and other groups' efforts to improperly expand the focus of this proceeding to include the June 2022 outages, and will not repeat its prior briefing here. (See Ohio Power Company's Memorandum Contra the July 11, 2022 Motion Filed by Office of the Ohio Consumers' Counsel, Ohio Poverty Law Center, and Pro Seniors, Inc. (July 26, 2022); Ohio Power Company's Motion for Protective Order (Sept. 2, 2022); Reply of Ohio Power Company in Support of Motion for Protective Order (Sept. 26, 2022); and Ohio Power Company's Memorandum Contra to the Office of the Ohio Consumers' Counsel's Motion to Compel (Oct. 17, 2022).) AEP Ohio will simply summarize that the purpose of this case is solely to amend the Company's reliability performance standards. The outages of June 2022 have no impact on the 2022 reliability standards-based performance or the proposed distribution reliability metrics included in this case because the outages were part of a major event and transmission, both of which are excluded from distribution reliability calculations. And the Commission is already investigating the June 22 power outages outside of this proceeding, with AEP Ohio's full cooperation. Accordingly, the Commission should give no weight to the comments of OCC and OMAEG that have no relevance to this distribution reliability metrics case.

2. The Commission should disregard comments related to reviews of the DIR Work Plan, the gridSMART Rider, and the ESRR.

OMAEG's comments also veer into the Commission's review of Ohio Power's Distribution Investment Rider Work Plan for 2022, which is the subject of a separate proceeding (Case No. 22-0037-EL-RDR). OMAEG asserts that the Work Plan and AEP Ohio's gridSMART filings should more thoroughly quantify the "reliability benefit from the[] proposed projects"; questions the inclusion of "projects with no expected reliability improvement"; and encourages the Commission to "conduct a thorough review of" AEP Ohio's spending under the

DIR, the gridSMART Rider, and the ESRR “to assure that AEP Ohio is not irresponsibly spending its customers’ money.” (OMAEG Comments at 11-12.) The Commission should disregard these comments in this proceeding, as they are irrelevant to the purpose for which the Commission has invited comments. When the Attorney Examiner set a deadline for interested parties to file comments in this proceeding, she specified that the comments should be “on [AEP Ohio’s] application,” and that the purpose of the comments was “to assist the Commission with its review of AEP Ohio’s proposed reliability standards * * *.” Entry ¶ 10(c) (Aug. 2, 2022). OMAEG’s comments on the Commission’s future review of AEP Ohio’s DIR Work Plan, gridSMART Rider, and ESRR do not comply with the Attorney Examiner’s Entry and should be disregarded.

3. This case is not an appropriate forum for amending the Commission’s rules to add or change performance indices.

Finally, OMAEG argues for an amendment to Ohio Adm.Code 4901:1-10-10(B)(4)(c) to change or add performance indices to include loss of service (LOS) and “major event day.” (OMAEG Comments at 13). A change to the Ohio Administrative Code cannot be a part of this case and would only be appropriate as a part of the five-year rule review. Moreover, OMAEG does not dispute that AEP Ohio followed existing law in proposing its amended reliability performance standards. The rule states that “Performance data during major events and transmission outages shall be excluded from the calculation of the indices, proposed standards, and any revised performance standards, as set forth in paragraph (B) of this rule,” by excluding major event days (“MEDS”) and transmission outages. Ohio Adm.Code 4901:1-10-10(B)(4)(c). OMAEG is free to raise this suggestion in a future proceeding in which the Commission is considering amendments to Rule 4901:1-10-10. But the group’s proposed amendments are out-of-place and off-topic in this proceeding.

J. To the extent the Commission does not summarily grant the Company's Revised Application, the Commission should hold a hearing.

AEP Ohio's Revised Application, coupled with these Reply Comments, establish that the Company has provided good cause such that the Company's proposed reliability standards, set forth on page 13 of the Revised Application, should be adopted. To the extent the Commission is not inclined to grant AEP Ohio's Revised Application, however, the Commission should order an evidentiary hearing prior to issuing a ruling on the Company's Revised Application. Some of the issues that have been raised in this case involve complex calculations that require the expertise of highly trained individuals. The Company should be afforded the opportunity to put on evidence from those experts prior to any ruling that does not otherwise adopt the Revised Application.

III. CONCLUSION

For the reasons provided above, AEP Ohio stands behind its Revised Application for proposed reliability standards of 1.28 for SAIFI and 158 for CAIDI. AEP Ohio urges the Commission to adopt the metrics in the Company's Revised Application.

Respectfully submitted,

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CERTIFICATE OF SERVICE

In accordance with Ohio Adm.Code 4901-1-05, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing was sent by, or on behalf of, the undersigned counsel to the following parties of record this 28th day of October, 2022, via email.

/s/ Michael J. Schuler
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