

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the :
Application of Ohio Power :
Company for Authority to :
Establish a Standard :
Service Offer Pursuant to : Case No. 23-23-EL-SSO
R.C. 4928.143 in the Form :
of an Electric Security :
Plan. :

- - -

In the Matter of the :
Application of Ohio Power :
Company for Approval of : Case No. 23-24-EL-AAM
Certain Accounting :
Authority. :

- - -

PROCEEDINGS

before Ms. Greta See and Mr. David Hicks, Attorney
Examiners, and Ms. Jenifer French, Chairman, at the
Public Utilities Commission of Ohio, 180 East Broad
Street, Room 11-B, Columbus, Ohio, called at 12:30
p.m. on Monday, May 22, 2023.

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- - -

1 APPEARANCES:

2 American Electric Power
3 By Mr. Michael J. Schuler
4 1 Riverside Plaza, 29th Floor
5 Columbus, Ohio 43215

6 On behalf of the Applicant.

7 Bruce E. Weston, Ohio Consumers' Counsel
8 By Mr. Connor D. Semple,
9 Assistant Consumers' Counsel
10 65 East State, 7th Floor
11 Columbus, Ohio 43215

12 On behalf of the Residential Consumers of
13 Ohio Power Company.

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1 Monday Afternoon Session,
2 May 22, 2023.

3 - - -

4 EXAMINER SEE: The Public Utilities
5 Commission has scheduled for public hearing at this
6 time and place Case No. 23-23-EL-SSO captioned in the
7 Matter of the Application of the Ohio Power Company
8 for Authority to Establish a Standard Service Offer
9 pursuant to Revised Code 4928.143 in the Form of an
10 Electric Security Plan and Case No. 23-24-EL-AAM
11 which is captioned in the Matter of the Application
12 of Ohio Power Company for Approval of Certain
13 Accounting Authority.

14 My name is Greta See, and with me is
15 David Hicks; and we are the Attorney Examiners
16 assigned to the case by the Commission. Also with us
17 today is Chair French.

18 Chair French, would you like to say a few
19 words?

20 CHAIR FRENCH: Thank you very much.

21 I just want to take a moment to thank
22 everyone for being here today. We value public
23 opinion and input at the PUCO, and our five in-person
24 hearings and our one virtual hearing provide an
25 important, really important opportunity for the

1 public to do just that, provide us with your input on
2 this application.

3 So I want to thank everyone again for
4 being here. We really appreciate it. Thank you.

5 EXAMINER SEE: Additionally, as you came
6 in today, you probably were greeted by Staff members,
7 and they are here to help if you have any questions
8 on how to access the case or have other questions
9 about your utility service.

10 At this time I would like to take
11 appearance of the counsel on behalf of the parties
12 that are here today. Let's start with the Company.

13 MR. SCHULER: Good afternoon, your
14 Honors, Chair French, Michael Schuler on behalf of
15 Ohio Power Company, Senior Counsel.

16 With me today I have the pleasure of
17 having a number of great people. I have Vice
18 President of Regulatory Finance for AEP Ohio, Lisa
19 Kelso. I also have Brett Schmied, Regulatory Case
20 Manager. Also have a number of External Affairs. We
21 have Nala Kovach and Renee Shumate and Michael
22 Lascola from our External Affairs Department,
23 External Affairs Managers. And also we have Clay
24 Bullard and Nick Klepper who are Line Service --
25 excuse me, Line Crew Supervisors for AEP Ohio. And

1 we also have Matt Bennett who is a Manager of
2 Distribution Systems.

3 Thank you.

4 EXAMINER SEE: Mr. Schuler, and
5 representatives of AEP Ohio will be present after the
6 hearing to answer questions, correct?

7 MR. SCHULER: That's correct, your Honor.

8 EXAMINER SEE: Okay. Thank you.

9 Counsel for Ohio Consumers' Counsel.

10 MR. SEMPLE: Good afternoon. Connor
11 Semple here on behalf of the Ohio Consumers' Counsel
12 Bruce Weston.

13 EXAMINER SEE: Okay. Is there counsel
14 for any of the other parties here today?

15 Okay. Thank you.

16 Ohio Power Company, also known as AEP
17 Ohio, filed this application on January 6, 2023,
18 requesting authority to establish a Standard Service
19 Offer in the form of an Electric Security Plan for
20 the period commencing June 1, 2024, and continuing
21 through May 31, 2030.

22 The local public hearing scheduled in
23 this case is only one aspect of the process as Chair
24 French indicated. In addition to the hearing today,
25 there will be a hearing tomorrow evening at the Ohio

1 Historic Connection. There were also three local
2 public hearings that have already been held in
3 Findlay, Marietta, and Zanesville to receive public
4 testimony. The evidentiary hearing in this case is
5 scheduled to commence on July 10 at the Commission's
6 offices.

7 AEP's proposing an Electric Security Plan
8 that, among other things, is intended to satisfy its
9 requirement to provide default electric generation
10 service while also addressing certain distribution
11 service for the Company and the continuation or
12 creation of certain riders.

13 The purpose of today's public hearing is
14 to receive comments from the public regarding AEP
15 Ohio's Application. It's not a question and answer
16 session, but it is your opportunity to inform the
17 Commission what you think about the Application.

18 The hearing is being transcribed by a
19 court reporter. If you plan to testify, please speak
20 clearly so that the court reporter can accurately
21 reflect your comments on the record. Also if you
22 have prepared a written statement, it would be
23 helpful for the court reporter's reference if you
24 would provide it after your testimony. It will not
25 be included as part of the transcript, but it is for

1 the court reporter's reference only.

2 Additionally, if you do not wish to
3 testify at this time, written comments may be
4 submitted on the PUCO's website by mail, and you need
5 to make sure that you list the case number which is
6 23-23-EL-SSO.

7 When you arrived, you were offered the
8 opportunity to sign up to testify. Once we get
9 started, we will begin calling the witnesses forward
10 in the order that they signed up. Before you give
11 your comments, I will ask you to state and spell your
12 name for the record and give us your address, and I
13 will ask that you swear or affirm that the
14 information you are about to give is true.

15 Your testimony will be considered part of
16 the official record in this case, and it will be
17 reviewed by the Commission before they make their
18 final decision on the Application.

19 Again, we appreciate your participation
20 in today's hearing, and we want everyone who wishes
21 to make a public statement to have the opportunity to
22 do so.

23 With that, Mr. Hicks will call the first
24 witness forward.

25 EXAMINER HICKS: Thank you. Just a

1 couple people on the list here so we will go down in
2 order, and first up is Frances Panek.

3 MS. PANEK: Come to the?

4 EXAMINER HICKS: Yeah, you can come to
5 the podium.

6 MS. PANEK: It looks like the logical
7 place. This is a first for me.

8 EXAMINER HICKS: I believe the microphone
9 should be on.

10 MS. PANEK: Hello?

11 EXAMINER HICKS: Yes. You should be good
12 to go. If you could just raise your right hand.

13 (Witness sworn.)

14 EXAMINER HICKS: If you could please
15 state and spell your name for the record.

16 THE WITNESS: My name is Frances Panek.
17 It's F-R-A-N-C-E-S, last name P-A-N-E-K.

18 EXAMINER HICKS: And if you could please
19 provide your address for the record.

20 THE WITNESS: I live at 1475 Glenn Avenue
21 in Columbus, ZIP Code 43212.

22 EXAMINER HICKS: Thank you very much and
23 go ahead with your testimony.

24 THE WITNESS: Thank you.

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FRANCES PANEK

being first duly sworn, as prescribed by law, was
examined and testified as follows:

DIRECT EXAMINATION

THE WITNESS: Well, it's my understanding
that AEP has acquired an ESP, this Electric Security
Plan, to request extra money for new or existing
projects. This ESP would raise rates steadily for a
period of about six years. This increase is on top
of another 25 percent increase in prices for Ohio's
default energy product taking effect this summer and
an increase to their fixed charges on the 2021 rate
case where the increase justification was related to
tree trimming.

The new request for 710 million
additional dollars to prevent downed power lines from
trees is on top of the process of collecting nearly
\$154 million from taxpayers for tree trimming and
removal from the current ESP term.

Even with the additional dollars, the
June 2022 statewide outages were very extreme,
especially in the Columbus communities inhabited
primarily by low income populations. Little has been
done to assist these people with viable solutions
such as the legislation that would put some power

1 back into the hands of the communities like the
2 Community Solar Bill introduced in a previous General
3 Assembly session.

4 People need to see progress. Most of us
5 in the Ohio AEP customer region don't have an income
6 of nearly 15 million yearly. Although AEP has been
7 forward thinking about future clean energy
8 operations, and I applaud them for that, they should
9 also acknowledge their part in the slow response to
10 phasing out the remaining dirty coal plants on their
11 watch. The longer coal is the primary answer the
12 further off is the welfare of AEP's Ohio customer
13 base.

14 Thank you.

15 EXAMINER HICKS: Thank you.

16 THE WITNESS: Who do I give the?

17 EXAMINER HICKS: You can give that to the
18 court reporter.

19 EXAMINER SEE: If you want to sit it on
20 the end of the Bench there, that will be fine.

21 EXAMINER HICKS: I will just see if there
22 are any questions from the Bench of the witness?

23 EXAMINER SEE: Not from the Bench, no.

24 EXAMINER HICKS: From AEP counsel?

25 MR. SCHULER: No questions, your Honor.

1 Thank you.

2 EXAMINER HICKS: OCC?

3 MR. SEMPLE: No questions.

4 EXAMINER HICKS: Thank you for your
5 testimony.

6 THE WITNESS: Thank you.

7 EXAMINER HICKS: Up next we have Molly
8 Nichols.

9 MS. NICHOLS: Good afternoon.

10 EXAMINER HICKS: Would you please raise
11 your right hand.

12 (Witness sworn.)

13 EXAMINER HICKS: If you could please
14 state and spell your name for the record.

15 THE WITNESS: Molly Nichols, M-O-L-L-Y
16 N-I-C-H-O-L-S.

17 EXAMINER HICKS: Okay. And if you could
18 please provide your address for the record.

19 THE WITNESS: So I spoke on behalf of
20 myself during the virtual hearing, so today I am
21 going to speak on behalf of the Sierra Club. The
22 Sierra Club address is P.O. Box 163760, Columbus,
23 Ohio 43217.

24 EXAMINER HICKS: Okay. Thank you very
25 much. Go ahead with your testimony when you are

1 ready.

2 - - -

3 MOLLY NICHOLS

4 being first duly sworn, as prescribed by law, was
5 examined and testified as follows:

6 DIRECT EXAMINATION

7 THE WITNESS: Thank you. Thank you for
8 the opportunity to speak. My name is Molly Nichols.
9 I am an organizer with the Sierra Club. We're
10 working on a campaign for lower utility bills and
11 more renewable energy.

12 Thank you for the opportunity to address
13 the Public Utilities Commission of Ohio. This is not
14 the time for AEP to propose increased distribution
15 charges on our electric bills. Due to the high and
16 volatile gas and coal prices, electric prices are
17 skyrocketing this summer. The average residential
18 customer bill is expected to increase \$50, and in
19 this Electric Security Plan case, AEP is asking for a
20 5 percent increase next year and 2 percent more each
21 year until 2030. That's a total increase of almost
22 14 percent and over \$2 billion.

23 Meanwhile, AEP is generating millions in
24 profit paying its executives tens of millions of
25 dollars in salary and paying hundreds of millions in

dividends to shareholders and still asking ratepayers to pay higher distribution charges.

PUCO, please do not allow AEP to place this burden on ratepayers across Ohio. Instead of using ratepayer money for generators that AEP would own, especially in communities that need that support, funding should go directly to community-based organizations to purchase and maintain this infrastructure.

We're also asking you not to approve AEP Ohio's request for deferral of authority on the Ohio Valley Electric Corporation coal plants. We've already paid hundreds of millions of dollars to subsidize these plants that have operated at a loss for decades. According to the Ohio Manufacturers' Association, we are expected to pay \$850 million by 2030.

In this Electric Security Plan case before the Commission, AEP is asking for the option to secure even more funds from ratepayers. Enough is enough. We cannot be expected to continue to pay for these polluting, inefficient coal plants, especially at a time when AEP is seeking a massive rate increase.

Sierra Club does support the energy

1 efficiency program proposal in this plan. Not only
2 are these programs a direct benefit to consumers, for
3 every dollar spent on energy efficiency, over \$2 is
4 saved on customers' electric bills. They also reduce
5 the amount of energy that needs to be produced and
6 give people more control over their electricity
7 costs. This reduces the load on our grid and helps
8 address the climate crisis.

9 These energy savings benefit Ohio's
10 environment and economy, and we've been missing out
11 on those benefits since the passage of HB 6 in 2019.
12 The bill eliminated energy efficiency programs, and
13 since then the PUCO has not approved any programs
14 proposed by utilities and here is a chance for you to
15 approve them.

16 Thank you for your time.

17 EXAMINER HICKS: Thank you for your
18 testimony.

19 Any questions from the Bench?

20 Any questions from AEP counsel?

21 MR. SCHULER: No questions, your Honor.
22 Thank you.

23 EXAMINER HICKS: OCC?

24 MR. SEMPLE: No questions. Thank you.

25 EXAMINER HICKS: Thank you for your

1 testimony.

2 THE WITNESS: Thank you.

3 EXAMINER HICKS: So that was actually the
4 last person that was signed up to testify. I believe
5 I heard some talk that there may have been
6 individuals considering it, so I am going to open it
7 up now if there is anyone here that was on the fence
8 about testifying.

9 Okay.

10 MR. GORT: Yeah. I was on the fence
11 because I didn't really have time to prepare
12 anything, but my name --

13 EXAMINER HICKS: Let me swear you in
14 first.

15 (Witness sworn.)

16 EXAMINER HICKS: Okay. If you could
17 please state and spell your name for the record.

18 THE WITNESS: My name is William Gort.
19 That's W-I-L-L-I-A-M, G as in gorilla, O as in
20 orange, R as in red, T as in tomato.

21 EXAMINER HICKS: And if you could please
22 provide your address for the record.

23 THE WITNESS: It's 3367 North High
24 Street -- no, wait, 3677 North High Street, Columbus,
25 Ohio 43201 -- 43214, apartment house.

EXAMINER HICKS: Please go ahead with
your testimony.

- - -

WILLIAM GORT

being first duly sworn, as prescribed by law, was
examined and testified as follows:

DIRECT EXAMINATION

THE WITNESS: Yes. I am a Volunteer
Benefit Coordinator at Mid-Ohio Workers Association.
What we do is we go door to door and canvass in some
of the poorest, most hard hit neighborhoods in
Columbus. We canvass anywhere -- everywhere from
Whitehall to Wedgewood. We go to the places that you
hear about having high crime rates and high poverty
on the news every night.

And one of the things we do for our
members is that if somebody cannot afford to pay a
utility bill, whether it's to Columbia Gas or AEP or
to a third-party provider, we don't provide money to
them, but we negotiate on their behalf to facilitate
the process because it reduces the stress on them if
somebody can sort through things.

And what we've seen is that every time
rates go up or every time the economy goes down or
even when electricity rates aren't going up but other

1 things in the economy are becoming more expensive, we
2 find people, young -- young mothers with children,
3 older people who are on Social Security, fixed
4 incomes, who simply cannot pay for food and pay for
5 health care and pay for their utility bills and pay
6 for the rent.

7 And food prices and prices for everything
8 people need to survive have been going through the
9 roof in Ohio and throughout the country lately, and
10 it's putting severe stress on people. Utility prices
11 are going up. I know the explanation for the supply
12 price increase is that it had to do with an auction,
13 so it's not under your control, but it still has the
14 same effect. It increases people's costs, and people
15 can't afford it.

16 And then so I think given the fact that
17 all of these things are happening that are increasing
18 everything people have to pay for in order to survive
19 and the people don't have a lot of income and don't
20 have anywhere else to turn, I think it's important
21 that you, the regulatory Commission that regulates
22 all the utilities in the state, whenever you do have
23 control over something, you not increase the rates,
24 especially not at this time. Thank you.

25 EXAMINER HICKS: Thank you. Thank you,

1 sir.

2 Any questions from the Company?

3 Sir, they may have questions.

4 MR. SCHULER: No questions, your Honor.

5 Thank you.

6 EXAMINER HICKS: OCC?

7 MR. SEMPLE: No questions from OCC.

8 Thank you.

9 EXAMINER HICKS: Any from the Bench?

10 CHAIR FRENCH: I don't have a question.

11 I just want to thank you for what you are out there
12 doing every day in our community. Thank you.

13 EXAMINER HICKS: Okay. Is there anyone
14 else -- if I can get my mic on, I would check. Is
15 there anyone else that may have been considering
16 testifying and didn't show up -- or sign up, I'm
17 sorry, and would like to do so now?

18 Okay. We are going -- since we obviously
19 just started here at 12:30, we are going to go off
20 the record and take a break until about 1 o'clock,
21 see if folks perhaps are running late or had some
22 other issues getting here, to see if anyone else is
23 coming to testify. We'll reconvene then and if there
24 is no one else, we will wrap it up. Otherwise, we
25 will take additional testimony then. So hang tight

1 for about 10 minutes.

2 (Recess taken.)

3 EXAMINER HICKS: We will go ahead and go
4 back on the record.

5 We just took a short break to see if any
6 other folks were coming to testify or would like to
7 provide testimony. Waited until 1 o'clock and it
8 does not appear that anyone else has signed up to
9 provide testimony.

10 And so with that, we will move towards
11 wrapping things up here. I just want to thank
12 everyone for coming out today, thank our witnesses
13 who did provide testimony, and again, reiterate what
14 Judge See said, that there are representatives from
15 the Company here if folks would like to speak with
16 them, representatives from the PUCO can help folks
17 that may have questions concerning the docket or
18 subsequent hearings.

19 Again, there is a hearing tomorrow night
20 at Ohio History Connection, and then July 10 the
21 evidentiary hearing is currently scheduled to
22 commence.

23 So with that, I thank everyone again, and
24 we are adjourned.

25 (Thereupon, at 1:01 p.m., the hearing was

1 adjourned.)

2 - - -

3 CERTIFICATE

4 I do hereby certify that the foregoing is
5 a true and correct transcript of the proceedings
6 taken by me in this matter on Monday, May 22, 2023,
7 and carefully compared with my original stenographic
8 notes.

9
10
11 Karen Sue Gibson, Registered
12 Merit Reporter.

13 (KSG-7466)

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Commission of Ohio Docketing Information System on**

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in

Case No(s). 23-0023-EL-SSO, 23-0024-EL-AAM

Summary: Transcript May 22nd 2023 In the Matter of 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 Electric Security Plan. - In the Matter of the Application of Ohio Power Company for Approval of Certain Accounting Authority. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Gibson, Karen Sue Mrs..