# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio	)	Case No. 23-0023-EL-SSO
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	)	Case No. 23-0024-EL-AAM
Power Company for Approval of Certain	)	
Accounting Authority.	)	

DIRECT TESTIMONY
OF
MATTHEW BRAKEY
ON BEHALF OF
OHIO ENERGY LEADERSHIP COUNCIL

EXHIBIT NO.

# INDEX TO DIRECT TESTIMONY OF MATTHEW BRAKEY

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1	I.	PERSONAL BACKGROUND
2	Q1.	WHAT IS YOUR NAME AND BUSINESS ADDRESS?
3	A.	My name is Matthew Brakey, and my business address is 8584 East Washington Street,
4		Suite #213, Chagrin Falls, Ohio 44023.
5	Q2.	BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?
6	A.	I am employed as the President of Brakey Energy, which provides comprehensive energy
7		management consulting services in the Ohio market, principally for midsized to large
8		commercial and industrial customers in Ohio. I am also employed as the President of
9		Brakey Energy Retail, which provides commissioned brokerage services, targeting the
10		same market and customer type.
11	Q3.	WHAT IS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND?
12	A.	I received my bachelor's degree in Political Science from Miami University of Ohio in
13		2004 and a law degree from the Cleveland Marshall College of Law in 2014. I have
14		spent my entire post-collegiate professional career consulting with and advising
15		customers on energy usage and management issues in the Ohio market. After I received
16		my bachelor's degree, I joined Brakey Energy in 2004 as the Vice President and then
17		eventually took the role of President of Brakey Energy in 2010, and I have held that same
18		position since that time to the present.
19	Q4.	WHAT ARE YOUR JOB RESPONSIBILITIES?
20	A.	As President of Brakey Energy, I am responsible for all aspects of the operations of the
21		business, including the provision of customer services, management of our employees,

and the day-to-day administrative functions of the business. Most of my time is spent

directly interacting with Brakey Energy's employees and customers in providing our

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#### Q5. WHAT SERVICES DO YOU PROVIDE AT BRAKEY ENERGY?

A. Brakey Energy provides a broad spectrum of services for its commercial and industrial customers, all related to their electricity and natural gas needs and consumption. Brakey Energy has built its business being experts on Ohio's unique rate and regulatory environment. Our services include electric and natural gas procurement, gas and power supply contract negotiations, energy efficiency advice and audits, interruptible and demand response program advice, consulting on transmission and capacity issues and costs, natural gas and electric utility rates and tariffs, and energy cost savings opportunities. Through decades of experience providing its services, Brakey Energy has developed considerable expertise on Ohio's retail energy markets and those aspects of PJM Interconnection and the wholesale energy markets impacting or providing cost savings opportunities for our customers.

# Q6. WHAT TYPE OF ENERGY MARKET KNOWLEDGE AND EXPERIENCE

#### HAVE YOU DEVELOPED IN PROVIDING THESE SERVICES?

My role and responsibilities at Brakey Energy relating to consulting with and advising our customers on numerous and sometimes complex aspects of their energy usage requires that I have a strong working knowledge and expertise on Ohio's retail energy markets, competitive supply markets and products, programs offered in the wholesale market or through PJM Interconnection, and utility rates, procedures and tariff provisions that impact our customer's energy consumption and the cost of energy and utility services. My role and responsibilities at Brakey Energy also requires that I develop an indepth understanding and knowledge of our customers' energy consumption requirements

1		and characteristics, including consumption patterns and variations, energy demand on
2		different hours, days and seasons, energy requirements for the customer's business,
3		demand response and curtailment capabilities, alternative energy options, and operational
4		issues. Through my direct work on energy issues with hundreds of commercial and
5		industrial customers over the past nineteen years at Brakey Energy, I have developed a
6		deep knowledge of how such customers use energy, can manage energy, and the steps
7		they can take to save money on energy. Our customers are in a wide variety of industries
8		and business segments, including manufacturing, chemicals, steelmaking and metals
9		processing, data centers, machine shops, and retail establishments, and through my
10		immersion in the energy requirements and consumption in those various industries, I
11		have developed a strong working knowledge of how tariff rates and terms impact utility
12		and energy charges and how commercial and industrial customers can manage their
13		energy in ways that both save on energy expenses and also provide grid-wide benefits.
14	Q7.	IS BRAKEY ENERGY CERTIFIED BY THE COMMISSION?
15	A.	We provide our energy procurement and brokering services through Brakey Energy
16		Retail LLC, which is certified by the Public Utilities Commission of Ohio as a Power
17		Broker in the State of Ohio in PUCO Case No. 13-2034-EL-AGG. Brakey Energy Retail
18		LLC also recently obtained a CRNGS certificate from the Commission in PUCO Case
19		No. 23-0402-GA-AGG. Brakey Energy provides energy consulting and other related non-
20		commissioned energy services through a separate entity, Brakey Energy, Inc.
21	Q8.	WHAT IS YOUR RELATIONSHIP WITH OHIO ENERGY LEADERSHIP
22		COUNCIL ("OELC")?
23	A.	Many of Brakey Energy's clients have their interests represented in the Ohio Energy

1		Leadership Council ("OELC") through the Brakey Energy Client Group (BECG). I
2		represent BECG in OELC meetings and otherwise for purposes of OELC membership. I
3		have also held officer positions with OELC, and am currently serving as the
4		Secretary/Treasurer of the organization.
5	Q9.	WHAT IS BRAKEY ENERGY'S RELATIONSHIP WITH OELC?
6	A.	Brakey Energy provides energy consulting services to OELC on a flat-fee basis in
7		support of OELC's advocacy before the Commission and advice to OELC members.
8	Q10.	HAVE YOU EVER TESTIFIED BEFORE THE COMMISSION?
9	A.	No.
10	Q11.	HAVE YOUR EVER SUBMITTED TESTIMONY IN ANY OTHER
1		REGULATORY PROCEEDING?
12	A.	No.
13	Q12.	HAVE YOUR EVER BEEN ENGAGED AS AN EXPERT IN ANY TYPE OF
14		PROCEEDING?
15	A.	Yes, I was engaged as an expert witness on behalf of the plaintiff in the Schwebel Baking
16		Company, et al. v. FirstEnergy Solutions Corp. litigation relating to surcharges assessed
L <b>7</b>		to commercial and industrial customer electric bills following the 2014 polar vortex.
18	Q13.	ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS CASE?
19	A.	I am providing testimony in this case on behalf of OELC.
20	II.	PURPOSE OF TESTIMONY
21	Q14.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?
22	A.	The purpose of my testimony is to discuss certain features of AEP Ohio's fifth Electric
23		Security Plan (ESP V) application in this case. Specifically, I summarize AEP Ohio's

1		Basic Transmission Cost Rider (BTCR) Pilot Program and AEP Ohio's Interruptible
2		Power (IRP) programs, and offer testimony in support of the continuation of both of
3		those programs with modifications. I also summarize the Distribution Investment Rider
4		(DIR Rider) and offer testimony regarding the bill impacts of the DIR Rider to lower
5		voltage nonresidential customers.
6	III.	BASIC TRANSMISSION COST RIDER PILOT PROGRAM
7	Q15.	WHAT IS AEP OHIO'S BASIC TRANSMISSION COST RIDER ("BTCR")?
8	A.	PJM assesses transmission charges based on PJM's Open Access Transmission Tariff
9		(OATT) to Load Serving Entities (LSEs), which include electric distribution utilities.
10		AEP Ohio's Basic Transmission Cost Rider (BTCR) is the rider through which AEP
11		Ohio recovers non-market based transmission costs that PJM charges AEP Ohio. BTCR
12		charges do not necessarily reflect the billing methodology of PJM's OATT. Under the
13		terms of the OATT, PJM charges each LSE for transmission based on the LSE's share of
14		the load it serves during the 1 Coincident Peak (1CP). The 1CP is the one hour of the
15		year when demand on the electric grid within the zone is the highest.
16	Q16.	HOW ARE BTCR CHARGES CALCULATED UNDER AEP OHIO'S TARIFFS?
17	A.	Depending on the AEP Ohio tariff, or rate schedule, that a customer is served on,
18		standard BTCR charges are calculated based on monthly billing consumption in kilowatt
19		hours (kWh) or a combination of billed kWh and monthly billed demand in kilowatts
20		(kW). Residential, non-demand metered, lighting, and county fair rate schedules are
21		billed BTCR charges based on monthly kWh consumption. General service demand
22		metered customers are also billed for BTCR charges based on monthly billed demand.
23		AEP Ohio's current \$/kWh and \$/kW BTCR rates were filed on March 23, 2023, in Case

1 No. 23-0057-EL-RDR.

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#### Q17. WHEN AND HOW DID THE BTCR TAKE EFFECT?

3 A. Prior to June 1, 2015, AEP Ohio customers that were competitively sourcing power paid 4 for transmission as part of their Competitive Retail Electric Service (CRES) provider 5 rate. For customers that elected to have transmission costs passed through on a variable 6 basis, CRES providers calculated transmission charges according to PJM's OATT. 7 Specifically, on February 25, 2015, the Public Utilities Commission of Ohio issued an 8 opinion modifying and approving the electric security plan proposed by AEP Ohio in 9 Case No. 13-2385-EL-SSO ("ESP III"). Following that opinion approving ESP III, AEP 10 Ohio filed compliance tariffs and rates in that case that became effective June 1, 2015, 11 which terminated the bypassable Transmission Cost Recovery Rider (TCRR) and 12 implemented the new non-bypassable BTCR.

#### Q18. WHAT IS THE BTCR PILOT PROGRAM?

14 A. The BTCR Pilot Program originated in a global settlement between AEP Ohio and 15 numerous signatory parties filed in a series of consolidated cases on December 21, 2016, 16 under the main Case No. 10-2929-EL-UNC, which was approved by the Commission on 17 February 23, 2017. AEP Ohio agreed to continue the BTCR Pilot Program as a part of a 18 settlement reached with numerous signatory parties in AEP Ohio's ESP IV, Case No. 16-19 1852-EL-SSO, which was approved by the Commission on April 25, 2018. More 20 recently, AEP Ohio agreed to continue the BTCR Pilot Program, with modifications, as a 21part of a settlement reached on March 12, 2021, with numerous signatory parties in AEP 22Ohio's most recent distribution rate case, Case No. 16-1852-EL-SSO, which was 23approved by the Commission on November 17, 2021. The BTCR Pilot Program allows

1		eligible customers the opportunity to opt-in to a pilot mechanism that bills the demand
2		component of the BTCR Rider based on each eligible customer's Network Service Peak
3		Load (NSPL) value, instead of receiving BTCR charges based on monthly billed demand.
4		In this ESP V case, AEP Ohio is proposing to continue the BTCR Pilot Program
5		essentially unchanged, with a 1,000 Megawatt (MW) cap on participation in the program
6		through the proposed term of ESP V (June 1, 2024-May 31, 2030).
7	Q19.	COULD YOU EXPLAIN WHAT NETWORK SERVICE PEAK LOAD ("NSPL")
8		IS AND HOW IT THAT VALUE IS DETERMINED?
9	A.	Network Service Peak Load (NSPL) is a customer's load, that may be scaled for line
10		losses, weather normalization and/or other factors, during the annual single coincident
11		peak (1CP) demand within the AEP transmission zone (AEP Zone), which is the single
12		hour in the measurement year with the highest metered demand for electricity in that
13		zone. 1 The demand in kW at which a customer consumes power during the AEP Zone's
14		1CP between the 12-month measurement period spanning November 1 and October 31
15		establishes a customer's NSPL value for the following calendar year. For example, a
16		customer's load during the AEP Zone's 1CP between November 1, 2022 through October
17		31, 2023 will establish a customer's NSPL value for the entire calendar year of 2024
18		(January 1, 2024 through December 31, 2024). Then, effective January 1, 2025, the
19		customer's NSPL value will change based on the customer's load during the AEP Zone's
20		1CP between November 1, 2023 through October 31, 2024. The NSPL value for the
21		account at issue will continue to change on an annual basis depending on the customer's

<sup>&</sup>lt;sup>1</sup> The AEP Zone encompasses Ohio Power Company's service territory, but also includes a number of other utilities owed by AEP in Indiana, Kentucky, Michigan, Tennessee, Virginia, and West Virginia. *See* <a href="https://www.pjm.com/library/~/media/about-pjm/pjm-zones.ashx">https://www.pjm.com/library/~/media/about-pjm/pjm-zones.ashx</a>

1		demand during the AEP Zone's 1CP.
2	Q20.	WHAT OUTCOME OR CONDUCT DOES BTCR BILLING BASED ON NSPL
3		VALUES INCENTIVIZE?
4	A.	BTCR billing based on NSPL values incentivizes customers who are able to reschedule,
5		curtail, or minimize their load ("peak load shaving") during the times when the load on
6		AEP's transmission zone threatens to reach its highest annual level or 1 CP. That is
7		because customers billed for BTCR charges based on NSPL values will have their BTCR
8		billing determinant for an entire calendar year set by the customer's load during that one-
9		hour 1 CP event in the AEP Zone. If a customer is not actively managing its load during
10		that 1 CP event by curtailing or minimizing electricity usage during that hour, that
11		customer could end up paying significantly more for transmission charges through the
12		BTCR. Because it is not possible to predict a 1 CP event with 100% accuracy, a customer
13		actively managing its load for minimize the NSPL value must necessarily conduct peak
14		load shaving during multiple periods throughout the year, depending on numerous factors
15		driven predominantly by the weather. Accordingly, BTCR billing based on NSPL values
16		actually incentivizes peak load shaving during multiple periods of potential 1 CP events
17		during the year.
18	Q21.	DOES PEAK LOAD SHAVING PRESENT ANY BENEFITS TO THE UTILTY,
19		ITS SYSTEMS OR OTHER UTILITY CUSTOMERS?
20	A.	Yes.
21	Q22.	COULD YOU DESCRIBE THOSE BENEFITS?
22	A.	Peak load shaving provides stability to the AEP Zone in particular and the PJM electric
23		grid as a whole during times when the balance of the supply and demand on the zonal or

regional grid may be the most vulnerable. A good example if this is the December 2022
winter storm event discussed in more detail in response to Question Nos. 39 through 46
in my testimony below, an event during which Brakey Energy alerted many of its
customers in the AEP Zone to consider curtailing load due to the probability that the 1 CP
for the year could be set during that winter storm. The result of such voluntary
curtailments by customers seeking to minimize NSPL values is greater stability to the
local utility and regional electric grids during times of elevated demand by other
customers. That means other utility customers can continue to rely on the electric grid to
keep their homes and businesses powered on without interruption, especially during times
when residential and small commercial customers rely on it the most, such as extreme
storm and weather events. In particular, the AEP Zone's 1CP has historically occurred on
very cold winter mornings and on very hot and humid summer afternoons. During those
times, customers in AEP Ohio's territory, especially the most vulnerable populations, are
relying upon the electric grid to keep their heat and air-conditioning on, respectively.
Maintaining grid stability and electricity availability during such storm and extreme
weather events can literally be a life-and-death issue, as demonstrated by the widespread
power outage crisis in ERCOT in February 2021. <sup>2</sup> Peak load shaving thus plays a critical
role in supporting grid stability during times of high demand. From a cost perspective,
peak load shaving also allows for AEP Ohio's transmission system to operate more
efficiently, requiring less iron-in-the-ground investments thus helping to keep
transmission costs down for all customers. The benefits of voluntary peak load shaving
by customers able to curtail their load is especially important at this time, with AEP Ohio

<sup>2</sup> Source: <a href="https://en.wikipedia.org/wiki/2021\_Texas\_power\_crisis">https://en.wikipedia.org/wiki/2021\_Texas\_power\_crisis</a>

1		forecasting significant load growth in its Ohio service territory over the proposed term of
2		ESP V (June 1, 2024 – May 31, 2030). <sup>3</sup> AEP Ohio's forecasted load growth is also
3		consistent with inquiries Brakey Energy has received from high-consumption companies
4		looking to locate in that service territory.
5	Q23.	WHAT TYPES OF COMMERCIAL OR INDUSTRIAL CUSTOMERS MAY BE
6		BENEFITTED BY USING NSPL VALUES FOR TRANSMISSION CHARGES?
7	A.	Commercial and industrial customers that may benefit from BTCR billing based on their
8		NSPL values instead of monthly billed demand are customers that are not weather
9		sensitive (i.e., those with minimal space heating and space cooling loads), those that
10		operate predominantly during off-peak hours, those that have the ability to curtail load
11		during on-peak hours and/or shift load to off-peak hours, or those who have on-site
12		generation or battery storage resources that can provide power to the customer without
13		drawing from the grid. Examples of such customers include steel mills, data centers, and
14		certain manufacturers that are able to curtail business operations on short notice. It should
15		be noted that in my experience the universe of commercial and industrial customers that
16		can feasibly curtail load on short notice while maintaining overall business viability is
17		relatively modest in number, although those customers are typically large energy users
18		and thus represent a disproportionately large portion of the overall system load. For
19		instance, a single steel mill may be able to voluntarily curtail 50 MW or more of load
20		during anticipated system peaks, which would be the equivalent of dozens or even
21		hundreds of smaller businesses curtailing electricity usage simultaneously. Thus, large

<sup>&</sup>lt;sup>3</sup> Source: AEP Ohio's Annual Peak Demand Forecasts for the term of ESP V attached as **Exhibit MB-1**, produced by AEP Ohio as OELC\_RPD-01-014, and designated as "Confidential" pursuant to the Protective Agreement between AEP Ohio and OELC.

1		users performing peak load shaving can have a significant beneficial impact on system
2		reliability when compared to smaller users for which it is not economically or logistically
3		feasible to curtail load.
4	Q24.	WOULD ALL COMMERCIAL AND INDUSTRIAL CUSTOMERS BENEFIT
5		FROM USING NSPL VALUES FOR TRANSMISSION CHARGES?
6	A.	No. Many commercial and industrial customers, particularly those that are weather
7		sensitive and must condition facilities for building occupants, operate predominantly
8		during on-peak hours and do not have the ability to curtail their load or shift their
9		operations to off-peak hours. Those customers would not benefit from using NSPL values
10		for transmission charges. Over the long term, such customers would likely end up paying
11		significantly more for transmission charges than under the current monthly billing
12		demand framework. For example, a weather sensitive customer such as an office building
13		could have a relatively high NSPL value assigned to it if the customer was running air
14		conditioning during a hot summer afternoon that ends up setting the AEP Zone's 1CP.
15		That high NSPL value would be used to bill the BTCR charges to that customer during an
16		entire calendar year, even during the cooler shoulder months where the customer's
17		monthly peak demand would be significantly lower. This example demonstrates the
18		important of the BTCR Pilot Program, as the program permits eligible customers able to
19		conduct peak load shaving to be part of that program, while not burdening many other
20		customers that are not able to curtail with high billing determinants that form the basis for
21		the calculation of BTCR transmission charges from AEP Ohio.
22		
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#### Q25. DOES THE CURRENT BTCR PILOT PROGRAM PROVIDE BENEFITS TO

#### AEP OHIO'S SYSTEM AND CUSTOMERS?

3 A. Yes.

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#### Q26. COULD YOU PLEASE DESCRIBE THOSE BENEFITS?

By billing pilot program participants for BTCR charges based on the assigned NSPL value, the BTCR Pilot Program incentivizes voluntary peak load saving. The many benefits of incentivizing voluntary peak load shaving, particularly among large energy users, are described in detail in my response to Question No. 22. To recap, BTCR pilot program participants who have the ability to peak load shave are incentivized to curtail their load during times when the demand and strain on AEP Ohio's and PJM's electric grid are the highest. In this way, BTCR pilot participants help AEP Ohio's system and customers by offsetting any potential imbalances between supply to and demand on the grid in a way that helps ensure the resiliency and reliability of the electric grid for all customers. The impact of that voluntary peak load shaving is evident in the information produced by AEP Ohio in this case, and in particular the information shown in Exhibit MB-2 attached to this testimony which shows that for the term of ESP IV the aggregate monthly 1 CP demand for participating customers has consistently been substantially lower than the aggregate monthly billed demand, ranging from about 17% to about 43% of the aggregate monthly billing demand, representing a reduction in real terms of up to 646 MW in 2021 with substantial reductions in other years as well. These benefits are particularly critical to preserve at this time in light of the significant peak demand load growth forecasted by AEP Ohio for its service territory during the term of ESP V, which growth could present challenges to reliability as demand increases and extreme weather

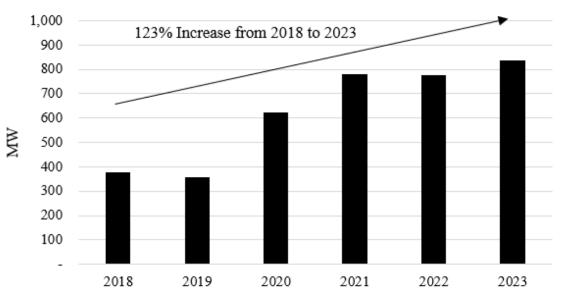
1		events continue to occur.		
2	Q27.	WILL THE CONTINUATION OF THE BTCR PILOT AS PROPOSED BY AEP		
3		OHIO ENSURE THE CONTINUATION OF THESE BENEFITS?		
4	A.	Yes. By proposing to keep the BTCR Pilot Program essentially unchanged from ESP IV		
5		to ESP V, AEP Ohio is taking a prudent step by ensuring that peak load shaving among		
6		program participants is incentivized and continues to confer the benefits described above.		
7	Q28.	ARE YOU FAMILIAR WITH THE MEGAWATT CAPS CURRENTLY IN		
8		PLACE FOR THE BTCR PILOT?		
9	A.	Yes. I am aware that the current overall cap for the BTCR Pilot Program is 1,000 MW.		
10	Q29.	IS THE 1,000 MEGAWATT CAP PROPOSED FOR THE BTCR PILOT FOR		
11		THE SIX YEAR TERM OF ESP V SUFFICIENT?		
12	A.	No. AEP Ohio is proposing to keep the current 1,000 MW cap for the BTCR Pilot		
13		Program unchanged during the entire six-year term of ESP V (June 1, 2024 – May 31,		
14		2030). As discussed in response to the next question, that proposed cap is insufficient.		
15	Q30.	WHY IS THE 1,000 MEGAWATT CAP PROPOSED FOR ESP V TOO LOW?		
16		The BTCR Pilot Program currently has 838.4 MW enrolled in the program for 2023, <sup>4</sup>		
17		which is only 161.6 MW below the proposed 1,000 MW cap. Although enrollment in the		
18		BTCR Pilot Program was moderately low in previous years as shown in Figure MB-1		
19		below, enrollment in the program over the term of AEP Ohio's ESP IV has increased by		
20		123% since 2018, with the number of customers participating in the program has grown		

<sup>&</sup>lt;sup>4</sup> Source: OELC-INT-02-005 Attachment 1, attached as **Exhibit MB-2**. This figure excludes the program allocation for the school participants. For background on OELC-INT-02-005 Attachment 1, see Ohio Power Company's Response to Ohio Energy Leadership Council's Discovery Request PUCO Case 23-0023-EL-SSO Second Set, attached as **Exhibit MB-5**.

from 23 customers in 2018 to 56 customers in 2023.<sup>5</sup> Even with the exclusion of 2018 and 2019, enrollment in the BTCR Pilot Program has increased at an average rate of 11% each year since 2020. Assuming that rate of growth continues, which I expect it will, based on upward trajectory of transmission costs and load growth in AEP Ohio territory, enrollment in the BTCR Pilot Program may reach the 1,000 MW cap by 2025. Based on that analysis, it is my recommendation that the BTCR Pilot Program cap be increased from 1,000 MW by at least 50 MW for each year during the six-year term of AEP Ohio's ESP V. Another alternative is to eliminate the MW cap altogether, as the program provides system-wide benefits which should be encouraged and incentivized for those customers that are able to conduct peak load shaving during times of increased demand on the grid.

### Figure MB-1.

# Load Enrolled in BTCR Pilot Program Over Term of AEP Ohio's ESP IV



<sup>&</sup>lt;sup>5</sup> Excluding the school participants.

	1	IV.	INTERRUPTIBLE PROGRAMS
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$^{2}$	O31.	ARE YOU FAMILIAR WITH AEP OHIO'S INTERRUPTIBLE	RATE

3	<b>PROGRAMS?</b>	
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- 4 A. Yes, I am familiar with AEP Ohio's Interruptible Power Discretionary Legacy (IRP-
- 5 L) and Interruptible Power Discretionary Expanded (IRP-E) programs.

#### **Q32.** COULD YOU PLEASE SUMMARIZE THE IRP-L AND IRP-E PROGRAMS

#### 7 **CURRENTLY IN PLACE?**

- 8 A. The IRP-L and IRP-E programs currently in place are designed to attract high-9 consumption customers to curtail their load when a local event in AEP Ohio's service
- territory or a regional event in the PJM grid threatens the reliability of the grid.
- 11 According to AEP Ohio's tariff, the current IRP-L program is limited to 200 MW, and
- the customers in that program must agree to interrupt, or curtail, their designated
- curtailable load within 10-minutes notice in the event of a local emergency or if AEP
- Ohio receives an interruptible notice from PJM. Enrollment in IRP-L is limited to
- customers that participated in the IRP-Discretionary (IRP-D) program since 2015. IRP-L
- customers bid their interruptible capacity into PJM capacity auctions and pay AEP Ohio
- any emergency demand response capacity and energy payments the customer receives
- from PJM. The current IRP-E program bears some similarities and some differences with
- the IRP-L program. Enrollment in the IRP-E program is limited to the first 160 MW of
- load from existing customers as of the start of AEP Ohio's ESP IV. An additional 120
- MW of load in the IRP-E program was allocated to customers that were not existing
- customers at the start of AEP Ohio's ESP IV. Similar to the IRP-L program, IRP-E
- customers agree to interrupt their load in the event of a local emergency called by AEP

1		Ohio or PJM. Unlike IRP-L customers, IRP-E customers are not required to bid their		
2		curtailable load into PJM's capacity auctions, but they can elect to participate in PJM's		
3		demand response program if they wish. IRP-E customers that choose to participate in		
4		PJM demand response customers are permitted to retain any capacity and energy		
5		payments they receive from PJM. In return for providing interruptible load to AEP Ohio,		
6		IRP-L and IRP-E customers receive monthly interruptible demand credits on their AEP		
7		Ohio electric bills. Customers participating in the IRP-L and IRP-E program must have		
8		not less than 1 MW of interruptible capacity.		
9	Q33.	HOW DO THOSE PROGRAMS WORK FROM THE CUSTOMER		
10		PERSPECTIVE?		
11	A.	Customers enrolled in the IRP-L and IRP-E programs enter into service agreements with		
12		AEP Ohio which specify the firm service contract capacity or level for the customer's		
13		account. When IRP-L and IRP-E customers receive a dispatch notice from AEP Ohio that		
14		is either called by AEP Ohio or PJM, those customers are obligated to curtail their load		
15	down to their firm service level, at a minimum, or risk facing costly penalties.			
16	Q34.	WHAT OBLIGATIONS AND RISKS DOES A CUSTOMER UNDERTAKE BY		
17		PARTICIPATING IN AEP OHIO'S INTERRUPTIBLE RATE PROGRAMS?		
18	A.	According to AEP Ohio's tariff for the IRP-L and IRP-E programs, interruptible		
19		customers must interrupt load when requested by AEP Ohio for a local event or by PJM		
20		through AEP Ohio for a regional emergency. Interruptible customers are obligated to		
21		curtail load at any time and for any duration of time, no matter how burdensome the		
22		timing of or number of hours the dispatch may be. If an interruptible customer does not		
23		meet the obligations of a dispatch, they will be required to refund all rate discounts they		

1		received under the IRP-L or IRP-E rider during the 12 months preceding the event for	
2		their uninterrupted demand. If IRP-L and IRP-E customers materially fail to interrupt	
3		their load two or more times during any 12-month period as requested, AEP Ohio	
4		reserves the right to terminate the customers' participation in the IRP-L or IRP-E	
5		programs. In addition, if an IRP-L customer fails to interrupt their load as requested, AEI	
6		Ohio reserves the right to unilaterally interrupt the customer's entire interruptible load.	
7	Q35.	WHAT ARE THE POTENTIAL BENEFITS FOR A CUSTOMER THAT	
8		PARTICIPATES IN AEP OHIO'S INTERRUPTIBLE RATE PROGRAMS?	
9	A.	In return for providing interruptible load to AEP Ohio, IRP-L customers receive a	
10		monthly generation demand credit of \$9.00 per kW of interruptible load, where	
11		interruptible load is the difference between the customer's monthly billing demand and	
12		the customer's firm service contract capacity, capped at the customer's contracted	
13		interruptible service capacity. In return for providing interruptible load to AEP Ohio,	
14		IRP-E customers receive a monthly demand credit of 70% of the PJM Base Residual	
15		Auction capacity rate per kW of interruptible load.	
16	Q36.	DO AEP OHIO'S INTERRUPTIBLE RATE PROGRAMS PROVIDE ANY	
17		BENEFIT TO AEP OHIO'S SYSTEMS OR ITS OTHER CUSTOMERS?	
18	A.	Yes.	
19	Q37.	COULD YOU PLEASE DESCRIBE THOSE BENEFITS?	
20	A.	AEP Ohio's interruptible programs provide stability to the AEP Zone and PJM electric	
21		grid as a whole during times when the balance of the supply and demand on the zonal or	
22		regional grid may be the most vulnerable. Providing stability to the local utility and	
23		regional electric grids in turn benefits other utility customers so that they can rely on the	

electric grid to keep their homes and businesses powered without interruption, especially when residential and commercial customers rely on it the most. While this has been very valuable to maintaining grid stability as recently shown by the events of the winter storm of December 2022, the benefit of this curtailable load will be all the more invaluable if AEP Ohio's load grows during the term of ESP V as AEP Ohio projects.<sup>6</sup>

# Q38. WHY IS IT IMPORTANT TO HAVE BOTH AEP OHIO'S BTCR PILOT

#### PROGRAM AND INTERRUPTIBLE RATE PROGRAMS?

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Both the BTCR Pilot Program and the Interruptible Rate programs provide stability to the AEP Zone and PJM electric grid as a whole during times when the balance of the supply and demand on the zonal or regional grid may be the most vulnerable. While both programs provide similar grid resiliency and stability benefits, their operational differences demonstrate why it is important to have both programs in place in AEP Ohio territory. The BTCR Pilot Program has the effect of shaving peak demand on higher demand days of the year, as customers in that program voluntarily seek to lower their NSPL value during periods of demand that may set the AEP Zone's 1 CP. However, the peak demand shaving that occurs as a result of that program is a result of voluntary conduct on the part of the customer incentivized by market mechanisms and economic outcomes to reduce load when the entire system load is elevated and may set a 1 CP for the year. In contrast to the BTCR Pilot Program, the Interruptible Rate programs provide robust demand reductions during times when PJM or AEP Ohio issue interruption notices to the customers in that program, and in particular when the electric grid is in a state of emergency. In this way, the IRP-L and IRP-E programs directly provide AEP Ohio with a

<sup>&</sup>lt;sup>6</sup> See Footnote 3 above and Exhibit MB-1.

1		mechanism that the utility can use to significantly reduce load in a short timeframe to	
2		maintain system stability and functionality, which will be more even more valuable as	
3		load continues to grow in AEP Ohio's service territory. While IRP-L and IRP-E	
4	customers still need to respond to interruption notices, they face significant penalties to		
5		failing to curtail their load, and AEP Ohio reserves the right to unilaterally interrupt IRP-	
6		L customers, as discussed above.	
7	Q39.	ARE YOU FAMILIAR WITH HOW ENERGY MARKETS AND CUSTOMERS	
8		IN OHIO WERE IMPACTED BY THE DECEMBER 2022 WINTER STORM?	
9	A.	Yes.	
10	Q40.	COULD YOU DESCRIBE THOSE IMPACTS?	
11	A.	Real-time locational marginal pricing across the PJM system reached a peak price of	
12		\$3,700 per megawatt hour <sup>7</sup> during the hour ending (HE) 6:00 PM Eastern Prevailing	
13		Time (EPT) on December 23, 2022. Customers in Ohio faced blizzard-like conditions	
14		with rapidly dropping temperatures that ultimately settled well below zero for most of the	
15		AEP zone. Many BTCR Pilot customers engaged in peak shaving through HE 6:00 PM	
16		followed by a sustained emergency interruption of Interruptible Rate customers. These	
17		customers' actions helped all customers not experience a grid failure, which would have	
18		undoubtedly resulted in loss of life given the weather conditions. <sup>8</sup>	
19			
20	Q41.	ARE YOU FAMILIAR WITH PJM'S ELECTRICITY USAGE FORECASTS FOR	

<sup>&</sup>lt;sup>7</sup> https://dataminer2.pjm.com/feed/rt\_hrl\_lmps

8 The events in ERCOT in February 2021 illustrate with sobering reality how grid failures during winter storm events can lead to the loss of life. See https://en.wikipedia.org/wiki/2021 Texas power crisis

#### AEP OHIO TERRITORY AND HOW THOSE FORECASTS CORRELATED

#### 2 WITH ACTUAL USAGE?

3 A. Yes.

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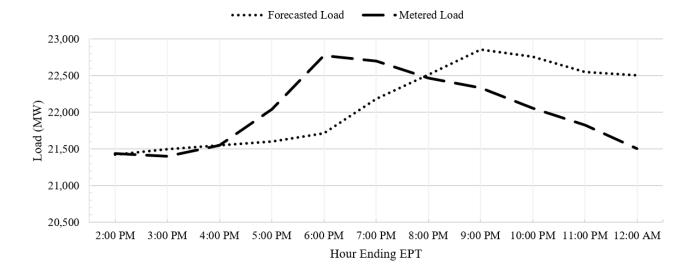
11

#### O42. COULD YOU DESCRIBE THOSE PJM FORECASTS AND THEIR

#### **CORRELATION TO ACTUAL USAGE?**

On the afternoon of December 23, 2022, employees of Brakey Energy assessed and saved the PJM seven-day forecasted load for the AEP Zone updated at 1:17 PM EPT. <sup>9</sup> That forecasted load for December 23 is shown in Figure MB-2 below alongside the actual metered load <sup>10</sup> for the AEP Zone between the HE 2:00 PM EPT on December 23 through the HE 12:00 AM EPT on December 24.

#### Figure MB-2.



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As the graph illustrates, a significant divergence occurred between the forecasted load and the actual load beginning with the HE 5:00 PM EPT. From the HE 5:00 PM EPT through HE 8:00 PM EPT, PJM forecasted a load that was significantly lower than where

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<sup>&</sup>lt;sup>9</sup> Source: <a href="https://dataminer2.pjm.com/feed/load\_frcstd\_7\_day">https://dataminer2.pjm.com/feed/load\_frcstd\_7\_day</a>
<a href="https://dataminer2.pjm.com/feed/hrl">100</a> Bource: <a href="https://dataminer2.pjm.com/feed/hrl">https://dataminer2.pjm.com/feed/hrl</a> load metered

1		actual load registered.		
2	Q43.	DID PJM OR AEP OHIO ISSUE CURTAILMENT DIRECTIVES DURING THE		
3		DECEMBER 2022 WINTER STORM EVENT?		
4	A.	Yes. PJM issued two NERC EEA2 emergency load response events during that winter		
5		storm. 11 One curtailment directive was issued on December 23 and one curtailment		
6		directive was issued on December 24. As a result of PJM's emergency events, AEP Ohio		
7		dispatched interruption notices to IRP-L and IRP-E customers on December 23 and 24,		
8		2022.		
9	Q44.	WERE YOU MONITORING THOSE CURTAILMENT DIRECTIVES DURING		
10		THE DECEMBER 2022 WINTER STORM?		
11	A.	Yes.		
12	Q45.	COULD YOU PLEASE DESCRIBE WHAT OCCURRED IN TERMS OF THOSE		
13		CURTAILMENT DIRECTIVES DURING THE DECEMBER 2022 WINTER		
14		STORM?		
15	A.	Over the course of December 23 and 24, 2022, PJM dispatched two NERC EEA2 events		
16		which resulted in AEP Ohio issuing dispatches to its IRP-L and IRP-E customers. As a		
17		result of those dispatches, 24 AEP Ohio IRP-L and IRP-E customers were asked to		
18		curtail their loads for 84 curtailment hours, or 3.5 hours per customer, on December 23,		
19		2022. Similarly on December 24, those 24 customers were asked to curtail a total of 336		
20		hours, 14 hours per customer. 12 Figure MB-3 below from data made available from AEP		

<sup>11</sup> Source: <a href="https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx">https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx</a>

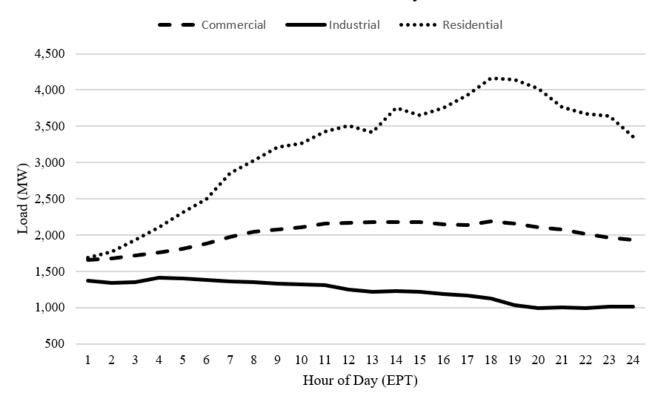
12 Source: Ohio Power Company's Response to Ohio Energy Leadership Council's Discovery

Request PUCO Case 23-0023-EL-SSO First Set, attached as **Exhibit MB-3**.

Ohio<sup>13</sup> illustrates how the load across AEP Ohio varied by customer class on December 23, 2022. While residential load increased throughout the day, peaking between 5:00 PM and 8:00 PM EPT, industrial load which includes interruptible customers, decreased over the course of the day, particularly after the curtailment directives were issued from PJM through AEP Ohio.

#### Figure MB-3.

# December 23, 2022 AEP Ohio Load by Customer Class



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<sup>&</sup>lt;sup>13</sup> Source: OELC-INT-02-001 Attachment 1, attached as **Exhibit MB-4.** For background on OELC-INT-02-001 Attachment 1, see Ohio Power Company's Response to Ohio Energy Leadership Council's Discovery Request PUCO Case 23-0023-EL-SSO Second Set, attached as **Exhibit MB-5**.

#### Q46. WHAT COULD HAVE OCCURRED IN TERMS OF ENERGY USAGE DURING

#### THE DECEMER 2022 WINTER STORM WITHOUT AEP OHIO'S

#### INTERRUPTIBLE RATE PROGRAMS?

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With AEP Ohio's interruptible rate programs, it is very possible that energy consumption A. and demand in the AEP Zone, and effectively the PJM grid as a whole, may have exceeded supply on December 23 and 24, 2022. Using Figure MB-2 as an example, if load did not curtail on the evening of December 23, 2022, PJM's preliminary analysis on Winter Storm Elliott<sup>14</sup> indicates that the actual load following the HE 6:00 PM EPT would have continued to outpace the forecasted load. Meanwhile, as load continued to climb into the late afternoon and evening hours on December 23, 2023 in the AEP Zone and across PJM, generator outages in PJM also climbed. By 6:00 PM EPT on December 23, 2022, generator outages in PJM exceeded 30,000 MW, which is greater than approximately 16% of PJM's total fleet capacity. Without peak shaving and demand response resources, including AEP Ohio's interruptible load totaling 486 MW reacting expeditiously within 10-30 minutes of notification to reduce their load down to 228 MW on December 23<sup>15</sup>, PJM and AEP Ohio residential customers could have experienced widespread blackouts resulting in the inability to heat their homes during a multi-day period where wind chill temperatures across the region approached -30 degrees Fahrenheit. The uncertainty about whether PJM would have enough capacity to meet its demand only grew more worrisome in the early morning hours of December 24.

<sup>&</sup>lt;sup>14</sup> Source: <a href="https://www.pjm.com/-/media/committees-">https://www.pjm.com/-/media/committees-</a>
groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx

<sup>&</sup>lt;sup>15</sup> Source: Ohio Power Company's Response to Ohio Energy Leadership Council's Discovery Request PUCO Case 23-0023-EL-SSO First Set, attached as **Exhibit MB-3**.

1		Approximately 57,000 MW, or 30%, of PJM's generation fleet was unavailable during		
2		the morning peak on December 24. According to PJM, over 92% of any forced generator		
3		outages were reported to PJM with less than an hour's notice or no notice at all. 16 The		
4		nimble, flexible, and sizeable loads of demand response resources, particularly AEP		
5		Ohio's IRP-L and IRP-E customers, curtailed their capacity quicker than any other		
6		generation resource could have responded, and helped prevent what may have been a		
7		catastrophic failure of the AEP Ohio transmission zone and the PJM electric grid.		
8	Q47.	WHAT IS AEP OHIO PROPOSING FOR ESP V IN TERMS OF ITS		
9		INTERRUPTIBLE RATE PROGRAMS?		
10	A.	AEP Ohio is proposing to continue its interruptible rate programs, with modification.		
11	Q48.	SHOULD AEP OHIO REDUCE THE CREDIT PAID UNDER THE IRP-L		
12		INTERRUPTIBLE PROGRAM?		
13	A.	No. AEP Ohio should not reduce the IRP-L credit. At a time when AEP Ohio's system		
14		has grown increasingly dependent on interruptible resources, and trends suggest this will		
15		only continue, it is hard to imagine a worse time to reduce credits to the customers that		
16		are ensuring life-saving grid stability. This is especially true given where both energy		
17		prices and overall inflation have been trending significantly higher, effectively lessening		
18		the overall bill and competitiveness impacts of the IRP-L credit, even if left unchanged.		
19	Q49.	SHOULD AEP OHIO KEEP THE IPR-E PROGRAM WITH THE SAME		
20		MEGAWATT CAP AS ITS CURRENT PROGRAM?		
21	A.	No. AEP Ohio should continue, but also modify, the IRP-E program with a higher		

<sup>&</sup>lt;sup>16</sup> Source: <a href="https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx">https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx</a>

1		program cap. Like IRP-L interruptible customers, IRP-E customers ensure potentially
2		life-saving grid stability to AEP Ohio territory. It is difficult to understand arguments to
3		restrictively cap such critical grid stability, especially given forecasted load growth in
4		AEP Ohio territory and the changing mix of the generation fleet in the PJM region.
5	Q50.	IS YOUR ANSWER INFORMED IN ANY WAY BY THE TRENDS IN NEW
6		GENERATION RESOURCES IN PJM?
7	A.	Yes. Due to PJM's projected increase in intermittent and limited-duration generation
8		resources, projected load growth in the PJM footprint due to the expansion of data
9		centers, and planned retirements of existing generation units, 17 now is not the time to
10		reduce incentives and access to such incentives for sizeable capacity resources to provide
11		stability to the PJM and AEP Zone electric grids during grid emergencies.
12	Q51.	COULD YOU PLEASE SUMMARIZE WHY INTERRUPTIBLE PROGRAMS
13		ARE IMPORTANT FOR SYSTEM RELIABIITY?
14	A.	Interruptible programs are important for system reliability because PJM's generation
15		resources continue a shift towards resources that are non-dispatchable and resources that
16		have proven to be unreliable during extremely cold winter storms. As I previously
17		discussed in my testimony, a significant portion of PJM's generation resources were not
18		able to perform as the system demanded from them during the winter storm on December
19		23 and 24, 2022. Over 32 MW of natural gas fired generators were unable to procure fuel
20		during the subzero temperatures and accounted for approximately 70.1% of the total
21		forced generator outages in PJM on December 24, 2022. Currently gas generators make

<sup>&</sup>lt;sup>17</sup> Source: <a href="https://www.pjm.com/-/media/library/reports-notices/special-reports/2023/energy-transition-in-pjm-resource-retirements-replacements-and-risks.ashx">https://www.pjm.com/-/media/library/reports-notices/special-reports/2023/energy-transition-in-pjm-resource-retirements-replacements-and-risks.ashx</a>

1		up 46.2% of PJM's total generator fleet. 18 In my opinion, the events of December 23 and		
2		24, 2022 are a clear indication that interruptible capacity resources that have proven their		
3		ability to respond within 10-30 minutes notice are becoming increasingly more importa		
4	to preventing imbalances between supply and demand on the electric grid. Unlike			
5		customers that only participate in PJM demand response programs, AEP Ohio		
6		interruptible customers may be utilized by both PJM and AEP Ohio, in the event that		
7		AEP Ohio needs the capacity to respond to local emergency events.		
8	V.	DIR RIDER PROPOSAL		
9	Q52.	ARE YOU FAMILIAR WITH WHAT AEP IS PROPOSING FOR ITS DIR RIDER		
10		FOR THE TERM FOR ITS ESP V?		
11	A.	Yes.		
12	Q53.	COULD PLEASE SUMMARIZE AEP OHIO'S PROPOSED DIR RIDER?		
13	A.	AEP Ohio has proposed significant increases to its DIR Rider over the term of its ESP V.		
14		Effective March 1, 2023, AEP Ohio's current DIR Rider rate is 8.26965% of the		
15		customer's base distribution charges. Over the course of its ESP V, AEP Ohio has		
16		proposed that its DIR Rider rate as a percentage of a customer's base distribution charges		
17		will increase from 27.17870% in June through December 2024 to 74.49295% in January		
18		through May 2030.		
19	Q54.	IF AEP OHIO'S PROPOSED DIR RIDER IS APPROVED, WHAT TYPE OF		
20		BILL IMPACTS WOULD COMMERCIAL AND INDUSTRIAL CUSTOMERS		
21		EXPERIENCE OVER THE TERM OF ESP V?		

<sup>&</sup>lt;sup>18</sup> Source: <a href="https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx">https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx</a>

A. If AEP Ohio's proposed DIR Rider is approved, General Service customers served at
 Secondary and Primary voltages will experience significant increases on their distribution
 charges.

# Q55. COULD YOU PLEASE PROVIDE A COUPLE OF EXAMPLES BASED ON THE TYPES OF CUSTOMERS SERVED BY BRAKEY ENERGY?

Yes. I have prepared analysis to illustrate the impact of the proposed DIR Rider rates on one General Service – Secondary and two General Service – Primary customers that are served by Brakey Energy. As shown in Table MB-1 below, a sample AEP Ohio Power (OP) General Service – Secondary customer with a billed consumption of 3,029 kWh, billed demand of 10.1 kW, and 0 reactive energy (kVARh) in April 2023 paid \$6.63 in DIR charges on their April 2023 AEP Ohio bill. Based on the proposed DIR rates for January through May 2030, that customer would pay \$59.74, which is more than 800% higher than their April 2023 DIR charges.

#### Table MB-1.

	Actual April 2023 Bill Charges	Calculated Monthly Charges June-December 2024	Calculated Monthly Charges January – May 2030
Customer Charge (1)	\$9.40	\$9.40	\$9.40
Demand Charge (2)	\$70.80	\$70.80	\$70.80
Excess Reactive Demand Charge (3)	\$0.00	\$0.00	\$0.00
Total Base Distribution Charges $(4) = (1) + (2) + (3)$	\$80.20	\$80.20	\$80.20
DIR Rider Rate (5)	8.26965%	27.17870% <sup>19</sup>	$74.49295\%^{20}$
DIR Charges (6) = (4) x (5)	\$6.63	\$21.80	\$59.74

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<sup>19</sup> Source: Ohio Power Company witness Heitkamp Testimony Exhibit CMH-2

<sup>&</sup>lt;sup>20</sup> See Footnote 19 above.

- 1 As shown in Table MB-2 below, sample AEP OP General Service Primary customer with a
- 2 billed consumption of 67,200 kWh, billed demand of 547.2 kW, and 38,400 kVARh in April
- 3 2023 paid \$309.77 in DIR charges on their April 2023 AEP Ohio bill. Based on the proposed
- 4 DIR rates for January through May 2030, that customer would pay \$2,684.44, which is more
- 5 than 766% higher than their April 2023 DIR charges.

#### 6 Table MB-2.

	Actual April 2023 Bill Charges	Calculated Monthly Charges June-December 2024	Calculated Monthly Charges January – May 2030	
Customer Charge (1)	\$138.50	\$138.50	\$138.50	
Demand Charge (2)	\$3,606.05	\$3,606.05	\$3,463.78 <sup>21</sup>	
Excess Reactive Demand Charge (3)	\$1.33	\$1.33	\$1.33	
Total Base Distribution Charges (4) = (1) + (2) + (3)	\$3,745.88	\$3,745.88	\$3,603.61	
DIR Rider Rate (5)	8.26965%	27.17870%22	74.49295% <sup>23</sup>	
DIR Charges (6) = (4) x (5)	\$309.77	\$1,018.08	\$2,684.44	

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As shown in Table MB-3 below, a second sample AEP OP General Service – Primary customer

9 with a billed consumption of 196,800 kWh, billed demand of 1,147.2 kW, and 177,600 kVARh

in April 2023 paid \$659.34 in DIR charges on their April 2023 AEP Ohio bill. Based on the

proposed DIR rates for January through May 2030, that customer would pay \$5,717.12, which is

more than 767% higher than their April 2023 DIR charges.

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<sup>21</sup> GS Primary demand charge calculation is based on the \$6.33 per kW migration rate effective December 2024.

<sup>&</sup>lt;sup>22</sup> See Footnote 19 above.

<sup>&</sup>lt;sup>23</sup> See Footnote 19 above.

#### 1 Table MB-3.

	Actual April 2023 Bill	Calculated Monthly Charges	Calculated Monthly Charges
	Charges	June-December 2024	January – May 2030
Customer Charge (1)	\$138.50	\$138.50	\$138.50
Demand Charge (2)	\$7,560.05	\$7,560.05	\$7,261.78 <sup>24</sup>
Excess Reactive	\$274.43	\$274.43	\$274.43
Demand Charge (3)	\$274.43	\$274.43	\$274.43
Total Base Distribution Charges (4) = (1) + (2) + (3)	\$7,972.98	\$7,972.98	\$7,674.71
DIR Rider Rate (5)	8.26965%	27.17870% <sup>25</sup>	$74.49295\%^{26}$
DIR Charges (6) = (4) x (5)	\$659.34	\$2,166.95	\$5,717.12

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#### Q56. HOW WILL THESE BILL INCREASES AFFECT ENERGY RELATED

#### **DECISIONS BY OHIO BUSINESSES IN AEP OHIO TERRITORY?**

In my experience advising businesses on energy costs and matters for all of my professional life, I would expect that these increases would have a detrimental effect on commercial and industrial businesses served on low to medium voltage accounts located in AEP Ohio's territory. As with any sizable cost increase, these projected increases in rider DIR charges may drive businesses on the margins of profitability out of business, and it may prompt other businesses to consider relocating or expanding to other states with less pronounced distribution rate increase. This could stifle economic development and job growth in the state of Ohio.

# Q57. IN YOUR NEARLY TWO DECADES OF EXPERIENCE MANAGING ENERGY MATTERS FOR OHIO BUSINESSES, HAVE YOU EVER SEEN SUCH LARGE DISTRIBUTION RIDER INCREASES BY AN ELECTRIC UTILITY?

16 A. No, I have not.

<sup>&</sup>lt;sup>24</sup> See Footnote 21 above.

<sup>&</sup>lt;sup>25</sup> See Footnote 19 above.

<sup>&</sup>lt;sup>26</sup> See Footnote 19 above.

# 1 VI. <u>CONCLUSION</u>

# 2 Q58. DOES THIS CONCLUDE YOUR TESTIMONY?

- 3 A. Yes. However, I reserve the right to supplement my testimony or file rebuttal testimony
- 4 as new information becomes available or in response to positions taken by other parties in
- 5 this proceeding.

#### **CERTIFICATE OF SERVICE**

I certify that a true copy of the foregoing document was served by e-mail upon the persons listed below this 9<sup>th</sup> day of June, 2023.

/s David F. Proaño
David F. Proaño (0078838)
Counsel for Ohio Energy Leadership Council

#### **SERVICE LIST**

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# **EXHIBIT MB-1**

AEP Ohio - Annual Peak Demands (MW), June 2024 - May 2030

Produced by AEP Ohio as OELC\_RPD-01-014

CONFIDENTIAL - EXHIBIT FILED UNDER SEAL

# **EXHIBIT MB-2**

# BTCR Pilot Program Participation During Term of AEP Ohio ESP IV Produced by AEP Ohio as OELC-INT-02-005 Attachment 1

Ohio Power Co.
Case No. 23-23-EL-SSO
Exhibit MB-2 xlsx

Pilot BTCR	# Customers	Total Monthly 1CP kW	Average Monthly Billed Demand kW	Schools Pilot BTCR	# Customers	Total Monthly 1CP kW	Average Monthly Billed Demand kW	EXHIBIT IVIB-2.XISX
2018	23	162,625.35	376,101.63	2018				
2019	24	111,178.78	357,842.88	2019	1	10,766.10	17,242.53	
2020	31	143,053.16	621,597.91	2020				
2021	41	135,489.99	781,584.10	2021	20	668.17	1,551.83	
2022	50	150,966.21	775,273.20	2022	16	639.99	1,306.75	
2023	56	314,501.39	838,391.76	2023	17	426.90	1,071.92	

# **EXHIBIT MB-3**

Ohio Power Company's Response to Ohio Energy Leadership Council's Discovery Request PUCO Case 23-0023-EL-SSO First Set

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-001

Please identify the total load in MW that was curtailed or interrupted in AEP Ohio territory on December 23, 2022, as a result of any interruptible notice originating from PJM (including, but not limited to, any Pre-Emergency Load Management Reduction Action, Emergency Load Management Reduction or NERC level EEA2 initiated or issued by PJM at any time on December 23, 2022).<br/>[FOOTNOTE]Please refer to this publicly-available PJM presentation if further details are required on the terms used in this interrogatory: https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx

### **RESPONSE**

AEP Ohio objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving this objection or any general objections the Company may have, the Company states as follows. The Company interprets this question as the amount of AEP Ohio load (Capacity) in MW that was reduced by customers under the Company's interruptible (IRP) programs during the PJM event issued on December 23, 2022. The total interruptible load capacity available under the Company's IRP programs at that time was 486 MW. All IRP program customers are contracted to reduce to their Firm Capacity level to total of 395 MW. The total amount of load during the period for the event for the IRP Program customers was 228 MW. The result of the IRP programs for the period of the event was load reduced to less than the Customer's Firm Capacity levels under the IRP program.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **INTERROGATORY**

**OLEC-INT-01-002** 

For the load identified in response to ROG-01-001, please identify: a.: the total number of AEP Ohio accounts included in that curtailed or interrupted load;

b.: for the accounts included in the response to subpart (a) of this interrogatory, the total number of those accounts that were participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E on December 23, 2022;

c.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the total load in MW that was curtailed or interrupted at any time on December 23, 2022;

d.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the cumulative total number of hours that those accounts were curtailed or interrupted at any time on December 23, 2022; e.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the aggregate total amount of the peak load contribution (PLC) values for those accounts for the current 2022/2023 delivery year and future 2023/2024 delivery year; and f.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the aggregate total monthly billed demand for those accounts for the 12 billing cycles with service periods ending in January 2022 through December 2022.

#### **RESPONSE**

AEP Ohio objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. The Company further objects that the requested information is not within the possession of AEP Ohio. Without waiving this objection or any general objections the Company may have, the Company states as follows:

- a. b. 24 Total IRP (IRP-E and IRP-L) customers.
- c. The total contracted interruptible load was 486 MW based on a total contracted firm capacity of 395 MW. However, not all IRP customers performed as contracted and so the total capacity during interruption was 516 MW.
- d. The Company further objects to the form of the question as this request seeks information that is not kept in the ordinary course of business and would unduly burdensome to compile in the

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

format requested. Without waiving this objection or any general objections the Company may have, the Company states as follows. The total event lasted approximately 3.5 hours:

24 IRP total customers total available curtailment hours of: 84
Aggregate total hours curtailed by the 24 IRP Customers: 63.5
8 total customers did not curtail for total hours of: 20.5
5 of the 8 customers did not curtail for total hours of: 17.5
3 of the 8 customers partially curtailed for total hours of: 3

e. Total NSPL for the 24 accounts for 2022 was 321 MW and the PLC was 353 MW and Total NSPL for the 24 accounts for 2023 was 442 MW and the PLC was 361 MW. f. Total aggregate monthly billed demand for the 24 accounts in 2022 was 10,644 MW.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

**OLEC-INT-01-003** 

Please identify the total load in MW that was curtailed or interrupted in AEP Ohio territory on December 24, 2022, as a result of any interruptible notice originating from PJM (including, but not limited to, any Pre-Emergency Load Management Reduction Action, Emergency Load Management Reduction or NERC level EEA2 initiated or issued by PJM at any time on December 24, 2022).<br/>
[FOOTNOTE]Please refer to this publicly-available PJM presentation if further details are required on the terms used in this interrogatory: https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230111/item-0x---winter-storm-elliott-overview.ashx

# **RESPONSE**

AEP Ohio objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving this objection or any general objections the Company may have, the Company states as follows. The Company interprets this question as the amount of AEP Ohio load (Capacity) in MW that was reduced by customers under the Company's interruptible (IRP) programs during the PJM event issued on December 24, 2022. The total interruptible load capacity available under the Company's IRP programs at that time was 486 MW. All IRP program customers are contracted to reduce to their Firm Capacity level to total of 395 MW. The total amount of load during the period for the event for the IRP Program customers was 235 MW. The result of the IRP programs for the period of the event was load reduced to less than the Customer's Firm Capacity levels under the IRP program.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S **DISCOVERY REQUEST** PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-004

For the load identified in response to ROG-01-003, please identify: a.: the total number of AEP Ohio accounts included in that curtailed or interrupted load;

b.: for the accounts included in the response to subpart (a) of this interrogatory, the total number of those accounts that were participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E on December 24, 2022;

c.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the total load in MW that was curtailed or interrupted at any time on December 24, 2022;

d.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the cumulative total number of hours that those accounts were curtailed or interrupted at any time on December 24, 2022; e.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the aggregate total amount of the peak load contribution (PLC) values for those accounts for the current 2022/2023 delivery year and future 2023/2024 delivery year; and f.: for the accounts included in the response to subpart (b) of this interrogatory as participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E, the aggregate total monthly billed demand for those accounts for the 12 billing cycles with service periods ending in January 2022 through December 2022.

### **RESPONSE**

AEP Ohio objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. The Company further objects that the requested information is not within the possession of AEP Ohio. Without waiving this objection or any general objections the Company may have, the Company states as follows:

a. – b. 24 Total IRP (IRP-E and IRP-L) customers

c. The total contracted interruptible load was 486 MW based on a total contracted firm capacity of 395 MW. However, not all IRP customers performed as contracted and so the total capacity during interruption was 470 MW.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

d. The Company further objects to the form of the question as this request seeks information that is not kept in the ordinary course of business and would unduly burdensome to compile in the format requested. Without waiving this objection or any general objections the Company may have, the Company states as follows. The total event lasted approximately 14 hours:

24 IRP Total Customers total available curtailme	336
Aggregate total hours curtailed by the 24 IRP Cus	254.5
7 Total Customers did not curtail for total hours c	81.5
4 of the 7 Customers did not curtail for a total hor	56
3 of the 8 Customers partially curtailed for a total	25.5

e. Total NSPL for the 24 accounts for 2022 was 321 MW and the PLC was 353 MW and Total NSPL for the 24 accounts for 2023 was 442 MW and the PLC was 361 MW.

f. Total aggregate monthly billed demand for the 24 accounts in 2022 was 10,644 MW.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **INTERROGATORY**

OLEC-INT-01-005

Please identify the number of AEP Ohio accounts that were participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E on December 23, 2022, that failed to curtail or interrupt load on that day in response to any interruptible notice originating from PJM or AEP Ohio, and for those accounts identify the total aggregate amount of load in MW that should have been curtailed or interrupted on that day.

# **RESPONSE**

Please see the Company's response to OLEC-INT-01-002 subpart d, the objections and response to which are incorporated by reference.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-006

Please identify the number of AEP Ohio accounts that were participating or being served under AEP Ohio's Rider IRP-L or Rider IRP-E on December 24, 2022, that failed to curtail or interrupt load on that day in response to any interruptible notice originating from PJM or AEP Ohio, and for those accounts identify the total aggregate amount of load in MW that should have been curtailed or interrupted on that day.

# **RESPONSE**

Please see the Company's response to OLEC-INT-01-004 subpart d, the objections and response to which are incorporated by reference.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-007

Please list all criteria that AEP Ohio proposes to use during the term of its proposed ESP V to differentiate between "customer projects" and "reliability investments" under AEP Ohio's DIR Work Plan, as those terms are used in the answer to Q5 in the testimony of Ryan J. Forbes filed in this Proceeding.

### **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, undefined and overbroad. The Company further objects to this request seeking a narrative response and it would be unduly burdensome to provide an exhaustive list of all criteria. Without waiving the foregoing objection or any general objections the Company may have the Company states as follows. Please see the Company's response to OMAEG-INT-02-008 Attachment 1 for a description of the process and criteria that the Company proposes to be used to classify customer projects and reliability projects. The Company reserves the right to supplement its explanation of the "customer projects" category.

Prepared by:

Counsel

Ryan J. Forbes

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-008 Please describe in detail all of the reasons why "customer projects" are

"outside of the Company's control" as stated by Ryan J. Forbes in his

answer to Q5 in his testimony filed in this Proceeding.

### **RESPONSE**

AEP Ohio objects to the extent the request mischaracterizes filed testimony. The Company further objects that this request calls for a legal conclusion. The Company further objects to the form of the question as this request is vague, undefined and overbroad. AEP Ohio objects to this request seeking a narrative response and it would be unduly burdensome to provide an exhaustive list of reasons. Without waiving the foregoing objection or any general objections the Company may have the Company states as follows. The Company is required by law to provide retail electric distribution service to customers within the Company's certified territory absent certain exceptions. Thus, as a general matter, AEP Ohio does not have control over what customers, the size of customers, or when customers choose to locate, expand, or relocate within the Company's certified territory and in relation to the Company's existing electrical distribution infrastructure.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-009

Under the terms of Schedule GS in AEP Ohio's current tariff identified as P.U.C.O. No. 21, please state whether it is mandatory for AEP Ohio to serve a customer that is required to enter into an electric service contract as specified in Sheet No. 220-5 of Schedule GS at the capacity requested by that customer.

### **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. The Company further objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects that this request calls for a legal conclusion. The Company further objects because it is unable to fully answer the hypothetical question posed in the absence of all of the pertinent assumptions and facts/circumstances that apply to the hypothetical scenario. Without waiving these objections or any general objections the Company may have, the Company states as follows. Sheet No. 220-5 of Schedule GS speaks for itself.

Prepared by:

Counsel Curtis M. Heitkamp

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **INTERROGATORY**

OLEC-INT-01-010

Please provide a description of the term "Service Restoration" as that term is used in the chart titled "Forecast by Investment Category" appearing on page 3 of Exhibit RJF-3 attached to the testimony of Ryan J. Forbes filed in this Proceeding, and identify in detail all of the different types of investments by AEP Ohio that would fall within the "Service Restoration" category as used in the chart.

### **RESPONSE**

AEP Ohio objects to the extent the request mischaracterizes filed testimony. The Company further objects to the form of the question as this request is vague, undefined and overbroad. The Company further objects to this request seeking a narrative response and it would be unduly burdensome to provide an exhaustive list of reasons. Without waiving these objections or any general objections the Company may have, the Company states as follows. Service Restoration is described in further detail on page 6 of Exhibit RJF-3. Some of the types of investments include Major Event, Non-Major Event, Failed Equipment, and Damage by 3<sup>rd</sup> Party.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-011

Please explain why "Service Restoration" as that term is used in the chart titled "Forecast by Investment Category" appearing on page 3 of Exhibit RJF-3 attached to the testimony of Ryan J. Forbes filed in this Proceeding, would include "unplanned system issues resulting from major and non-major weather events" as described on page 6 of Exhibit RJF-3 attached to the testimony of Ryan J. Forbes filed in this Proceeding, and why costs related to "unplanned system issues resulting from major and non-major weather events" should not instead be recovered through AEP Ohio's Storm Damage Recovery Rider.

## **RESPONSE**

AEP Ohio objects to the extent the request mischaracterizes filed testimony. The Company further objects to the form of the question as this request is vague, undefined and overbroad. The Company further objects to this request seeking a narrative response. The Company further objects that this request calls for a legal conclusion. The Company further objects to the extent this request seeks information protected by the work product doctrine and attorney-client privilege. Without waiving these objections or any general objections the Company may have, the Company states as follows. Capital components needed for service restoration flows through the DIR as it has since the inception of the DIR and such recovery is incremental to what is recovered in base rates. Service Restoration is described in further detail on page 6 of Exhibit RJF-3 because it is implicitly reduces the amount the Company can timely recover to execute on its DIR Work Plan. The Storm Damage Recovery Rider only recovers operations & maintenance (O&M) costs.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **INTERROGATORY**

OLEC-INT-01-012

Please provide a description of the term "Externally Requested Work" as that term is used in the chart titled "Forecast by Investment Category" appearing on page 3 of Exhibit RJF-3 attached to the testimony of Ryan J. Forbes filed in this Proceeding, and identify in detail all of the different types of investments by AEP Ohio that would fall within the "Externally Requested Work" category as used in the chart.

### **RESPONSE**

AEP Ohio objects to the extent the request mischaracterizes filed testimony. The Company further objects to the form of the question as this request is vague, undefined and overbroad. The Company further objects to this request seeking a narrative response and it would be unduly burdensome to provide an exhaustive list of reasons. Without waiving the foregoing objection or any general objections the Company may have the Company states as follows. Externally Requested Work is described in further detail on page 7 of Exhibit RJF-3. Some of the types of investments include Residential, C&I, Government & Authority (PPR), Make-Ready, Transformers, and Meters.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **INTERROGATORY**

OLEC-INT-01-013

Please provide a description of the term "Capacity Planning" as that term is used in the chart titled "Forecast by Investment Category" appearing on page 3 of Exhibit RJF-3 attached to the testimony of Ryan J. Forbes filed in this Proceeding, and identify in detail all of the different types of investments by AEP Ohio that would fall within the "Capacity Planning" category as used in the chart.

### **RESPONSE**

AEP Ohio objects to the extent the request mischaracterizes filed testimony. The Company further objects to the form of the question as this request is vague, undefined and overbroad. The Company further objects to this request seeking a narrative response and it would be unduly burdensome to provide an exhaustive list of reasons. Without waiving the foregoing objection or any general objections the Company may have the Company states as follows. Capacity Planning is a long-term investment identified through the Company's system planning process that helps ensure adequate levels of capacity for customers. Capacity Planning is also described in further detail on page 8 of Exhibit RJF-3.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **INTERROGATORY**

OLEC-INT-01-014

Please describe all of the reasons why AEP Ohio believes a customer served by AEP Ohio at transmission voltage should be required to pay the Distribution Investment Rider proposed by AEP Ohio for ESP V.

### **RESPONSE**

AEP Ohio objects to this request seeking a narrative response and it would be unduly burdensome to provide an exhaustive list of reasons. "Transmission customers" is somewhat of a misnomer because those customers are actually distribution service customers served by at transmission voltage. The Company further objects that this request calls for a legal conclusion and is argumentative as the DIR has been approved and charged to all distribution customers, including those served at transmission voltage, for over a decade. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states some of the primary reasons as follows. Existing rates for transmission voltage customers are designed with the assumption that those customers will still pay other distribution rates and riders in order to cover their overall cost of service. Depending on the station configurations, distribution breaker failure/outages could cause outages on the Transmission system. Ensuring standard and newer equipment enhances distribution and transmission reliability. Moreover, the Company's distribution load is served from transmission sources, so when a capacity project is executed, it diversifies the load distribution. Organically, this also benefits transmission lines by relieving heavily loaded lines and distributing the load better across the system. Additionally, transmission voltage customers directly benefit from installation of certain distribution equipment such as meters, current transformers and potential transformers because the accuracy of standard and modern meters help reduce potential billing errors for transmission voltage customers.

Prepared by:

Counsel Jaime L. Mayhan Ryan J. Forbes

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-015 Please describe all of the reasons why AEP Ohio believes a customer

served by AEP Ohio at subtransmission voltage should be required to pay the Distribution Investment Rider proposed by AEP Ohio for ESP V.

## **RESPONSE**

AEP Ohio objects to this request seeking a narrative response and it would be unduly burdensome to provide an exhaustive list of reasons. The Company further objects that this request calls for a legal conclusion and is argumentative as the DIR has been approved and charged to transmission customers for over a decade. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states some of the primary reasons as follows. Pursuant to Paragraph 13 in the Company's terms and conditions, as updated in Case No. 20-585-EL-AIR, the Company no longer has subtransmission voltage customers as transmission level voltage service includes customers that take service from 23,000 volts through 765,000 volts. For a further response about transmission voltage customers, please see the Company's response to OELC-INT-01-014.

Prepared by:

Counsel Jaime L. Mayhan

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-016 Please provide AEP Ohio's current estimate of the total aggregate load in

MW that may be interruptible or curtailable in AEP Ohio territory, whether or not that load currently participates in any PJM or AEP Ohio

demand response or interruptible program.

### **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. The Company further objects because it is unable to fully answer the hypothetical question posed in the absence of all of the pertinent assumptions and facts/circumstances that apply to the hypothetical scenario. The Company further objects that the request seeks information about future events that are not currently known. Without waiving these objections or any general objections the Company may have, the Company states as follows. The Company does not have a current estimate. In theory all customers are interruptible and curtailable if such programs are designed and approved by regulatory bodies.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **INTERROGATORY**

OLEC-INT-01-017

Please identify, for each partial or full calendar year of the proposed term for ESP V, AEP Ohio's forecasts of the annual peak demand for all AEP Ohio customers in AEP Ohio's service territory for that partial or full calendar year.

# **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see OELC-RPD-01-014 Confidential Attachment 1.

Prepared by:

Counsel

Glenn R. Newman

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

# **REQUEST FOR PRODUCTION**

OELC-RPD-01-001 Please produce copies of all formal or informal requests (e.g.,

interrogatories, data requests) made to AEP Ohio (or its counsel) by the Commission, any Commission Staff, or the Ohio Attorney General's Office in this Proceeding or related in any way to this Proceeding, and

AEP Ohio's responses to those requests.

### **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. To the extent required by the Ohio Administrative Code, the Company will serve responses to discovery requests and data requests. Any confidential responses will be provided only after execution of an appropriate protective agreement.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

# **REQUEST FOR PRODUCTION**

OELC-RPD-01-002 Please produce copies of all Documents (including workpapers and data)

produced or provided by AEP Ohio (or its counsel) to the Commission, any Commission Staff, or the Ohio Attorney General's Office in connection with this Proceeding or related in any way to this Proceeding.

### **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection or any general objections the Company may have, see OMAEG-RFP-01-005 Attachments 1 through 4 for the Company's workpapers filed as part of this proceeding.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **REQUEST FOR PRODUCTION**

OELC-RPD-01-003

Please provide copies of all Documents, communications, workpapers, and other materials received from Staff in this Proceeding or related in any way to this Proceeding.

## **RESPONSE**

The Company objects to this request as vague, overbroad, and/or unduly burdensome. The Company also objects to a request to produce all communications to the extent such communications were not in writing or documented and therefore cannot be discovered through a request for production of documents. The Company further objects to this request to the extent it could be read as requesting that the Company produce publicly-filed documents, which are equally available to both parties. Subject to and without waiving the foregoing objections or any general objections the Company may have, the Company states that it will serve responses to Staff data requests. Any confidential responses will be provided only after execution of an appropriate protective agreement.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

# **REQUEST FOR PRODUCTION**

OELC-RPD-01-004 Please provide copies of all responses and documents provided in response to any subpoenas AEP Ohio served relating to this Proceeding.

# **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. To the extent required by the Ohio Administrative Code, the Company will serve copies of responses and documents responsive to subpoenas issued in this proceeding. The Company further states that as of the date of this response it has not received any subpoenas to date.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

# **REQUEST FOR PRODUCTION**

OELC-RPD-01-005 Please produce copies of all discovery requests received by AEP Ohio (or

its counsel) from any other party or proposed intervenor in this Proceeding, and AEP Ohio's responses to those discovery requests.

# **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. To the extent required by the Ohio Administrative Code, the Company will serve responses to discovery requests and data requests. Any confidential responses will be provided only after execution of an appropriate protective agreement.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **REQUEST FOR PRODUCTION**

OELC-RPD-01-006 Please produce copies of all Documents provided or produced by AEP

Ohio (or its counsel) to any other party or proposed intervenor in this Proceeding in response to any discovery requests in this Proceeding.

# **RESPONSE**

AEP Ohio objects to this request as vague, overbroad, and/or unduly burdensome. Subject to and without waiving the foregoing objections or any general objections the Company may have, the Company states that to the extent required by the Ohio Administrative Code, the Company will serve responses to discovery requests and data requests. Any confidential responses will be provided only after execution of an appropriate protective agreement.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **REQUEST FOR PRODUCTION**

OELC-RPD-01-007 Please produce copies of all discovery requests served by AEP Ohio (or

its counsel) to any other party or proposed intervenor in this Proceeding,

and the responses to those discovery requests.

# **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. To the extent required by the Ohio Administrative Code, the Company will serve discovery requests served to other parties or proposed Intervenors in this case. The Company further states that as of the date of this response it has not issued any discovery in this matter.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **REQUEST FOR PRODUCTION**

OELC-RPD-01-008 Please produce copies of all Documents provided or produced to AEP

Ohio (or its counsel) by any other party or proposed intervenor in this Proceeding in response to any discovery requests in this Proceeding.

# **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. The Company further objects that to the extent AEP Ohio issues discovery, the responses will be provided to OELC as required by the Ohio Administrative Code.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **REQUEST FOR PRODUCTION**

OELC-RPD-01-009

Please produce all workpapers, Excel files, calculations, and worksheets used or relied upon by AEP Ohio to prepare the chart identified as Figure RJF–8 in the testimony of Ryan J. Forbes filed in this Proceeding. If any workpapers, worksheets or notes exist in Excel format, please produce those documents in native format.

### **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see OELC-RPD-01-009 Confidential Attachment 1.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **REQUEST FOR PRODUCTION**

OELC-RPD-01-010

Please produce all workpapers, Excel files, calculations, and worksheets used or relied upon by AEP Ohio to prepare the load forecast for June 2024 through May 2030 chart appearing on page 1 of Exhibit CMM-1 attached to the testimony of Christine M. Minton filed in this Proceeding. If any workpapers, worksheets or notes exist in Excel format, please produce those documents in native format.

### **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see OELC-RPD-01-10 Confidential Attachments 1-6. Proprietary modeling used by the Company from a third party is not producible. For those calculations, please OELC-RPD-01-10 Attachment 1.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

## **REQUEST FOR PRODUCTION**

OELC-RPD-01-011

Please produce all workpapers, Excel files, calculations, and worksheets used or relied upon by AEP Ohio to prepare the "Forecast by Investment Category" chart appearing on page 3 of Exhibit RJF-3 attached to the testimony of Ryan J. Forbes filed in this Proceeding. If any workpapers, worksheets or notes exist in Excel format, please produce those documents in native format.

# **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, overbroad and would be unduly burdensome provide. Without waiving these objections or any general objections the Company may have, the Company states as follows. The Company is currently conducting a good faith search for responsive documents and will supplement this response as necessary.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

# **REQUEST FOR PRODUCTION**

OELC-RPD-01-012 Please produce in native format all workpapers, worksheets or

spreadsheets that are attached to or filed as part of the testimony of Curtis M. Heitkamp filed in this Proceeding that were originally prepared in

Excel format.

# **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see OMAEG-RFP-01-005 Attachments 1 - 4.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

# **REQUEST FOR PRODUCTION**

OELC-RPD-01-013 Please produce all forecasts prepared by AEP Ohio of anticipated

transmission investments required to serve its customer load for any

portion or all of the proposed term of ESP V.

### **RESPONSE**

The Company objects to this request as seeking information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company also objects to the form of the question as this request is vague and overbroad. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. Refer to the 2022 EEI Handout on aep.com. Page 66 provides the AEP Ohio 2023-2027 Capital by Function.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

### **REQUEST FOR PRODUCTION**

OELC-RPD-01-014 Please produce all peak demand forecasts prepared by AEP Ohio for its customer load for any portion or all of the proposed term of ESP V.

### **RESPONSE**

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see OELC-RPD-01-014 Confidential Attachment 1.

### Respectfully submitted

### /s/ Michael J. Schuler

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# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

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**Counsel for Ohio Power Company** 

#### **CERTIFICATE OF SERVICE**

I hereby certify that a service copy of the foregoing Responses to Ohio Energy Leadership Council's First Set of Interrogatories and Request for Production of Documents was sent by, or on behalf of the undersigned counsel to the follow parties on this 31<sup>st</sup> day of May 2023, via e-mail:

/s/ Michael J. Schuler Michael J. Schuler (0082390)

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

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# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO FIRST SET

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# **EXHIBIT MB-4**

Hourly Metered Load by Class in AEP Ohio Territory on December 23 and 24, 2023

Produced by AEP Ohio as OELC-INT-02-001 Attachment 1

Ohio Power Co. Case No. 23-23-EL-SSO Exhibit MB-4.xlsx

recorderid	state	SUMMARYNAME	TIME_ZONE	DATE	HR1	HR2	HR3	HR4	HR5	HR6	HR7	HR8	HR9	HR10	HR11	HR12	HR13	HR14	HR15	HR16	HR17	HR18	HR19	HR20	HR21	HR22	HR23	HR24
Commercial	OH	OHO OH COM CLASS	EPT	23-Dec-22	1653.763	1681.586	1716.01	1759.44	1814.653	1883.216	1972.061	2052.139	2079.202	2113.363	2155.207	2169.148	2181.674	2182.499	2183.68	2148.097	2139.819	2192.323	2158.793	2111.645	2073.308	2012.421	1961.784	1932.759
Industrial	OH	OHO OH IND CLASS	EPT	23-Dec-22	1372.553	1345.388	1351.522	1412.521	1400.408	1381.972	1366.463	1356.548	1334.226	1316.542	1314.974	1248.43	1224.087	1227.148	1216.267	1185.137	1164.192	1126.395	1032.704	998.911	1003.068	995.574	1011.255	1016.111
Residential	OH	OHO OH RES CLASS	EPT	23-Dec-22	1686.571	1775.009	1934.774	2109.915	2313.468	2500.056	2852.149	3029.142	3216.876	3265.283	3426.564	3510.276	3421.019	3751.172	3648.137	3756.366	3928.244	4167.275	4144.058	4024.872	3760.673	3677.215	3641.959	3350.659
Commercial	OH	OHO OH COM CLASS	EPT	24-Dec-22	1937.103	1922.581	1918.672	1920.318	1924.329	1950.114	1955.92	1985.856	1995.485	2023.598	2026.181	2025.558	2014.648	2002.292	1984.749	1964.533	1966.196	1992.236	1967.692	1927.632	1899.434	1882.05	1860.212	1845.332
Industrial	OH	OHO OH IND CLASS	EPT	24-Dec-22	1018.072	997.168	1000.619	1013.991	999.033	960.895	925.811	908.612	896.676	879.022	868.188	863.352	862.496	848.09	846.913	851.36	846.462	852.621	857.739	861.703	861.508	864.836	863.733	858.384
Residential	OH	OHO OH RES CLASS	EPT	24-Dec-22	3372,497	3231.32	3204.103	3134.433	3101.603	3115.993	3203.754	3409.111	3620.27	3758.849	3625.501	3706.83	3574.975	3562.961	3526.894	3325.407	3484.387	3416.586	3377.783	3368,746	3361.188	3347.44	3166.961	2922.652

# **EXHIBIT MB-5**

Ohio Power Company's Response to Ohio Energy Leadership Council's Discovery Request PUCO Case 23-0023-EL-SSO Second Set

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **INTERROGATORY**

OELC-INT-02-001

For AEP Ohio's total hourly metered load consumed in AEP Ohio's service territory for the 24-hour period beginning at 00:00 EST on December 23, 2022 and ending at 23:59 EST on December 23, 2022, please provide the following information:

- a. For each hour in that 24-hour period, please identify in MW with as much specificity as available what portion of that load was consumed by different customer classes within AEP Ohio's service territory (i.e., Residential, Commercial, Industrial); and
- b. If available, also provide the 15-minute interval data for the metered load consumed in AEP Ohio's service territory for that 24-hour period and, if also available, identify in MW with as much specificity as available what portion of that load was consumed by different customer classes within AEP Ohio's service territory (i.e., Residential, Commercial, Industrial).

## **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, undefined and overbroad. The Company also objects to the extent this request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the form of the question as this request seeks information that is not kept in the ordinary course of business and would unduly burdensome to compile in the format requested. Without waiving these objections or any general objections the Company may have, the Company states as follows:

- a. Please see OELC-INT-02-001 Attachment 1.
- b. The Company does not have this information available in 15-minute intervals.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **INTERROGATORY**

OELC-INT-02-002

For AEP Ohio's total hourly metered load consumed in AEP Ohio's service territory for the 24-hour period beginning at 00:00 EST on December 24, 2022 and ending at 23:59 EST on December 24, 2022, please provide the following information:

- a. For each hour in that 24-hour period, please identify in MW with as much specificity as available what portion of that load was consumed by different customer classes within AEP Ohio's service territory (i.e., Residential, Commercial, Industrial); and
- b. If available, also provide the 15-minute interval data for the metered load consumed in AEP Ohio's service territory for that 24-hour period and, if also available, identify in MW with as much specificity as available what portion of that load was consumed by different customer classes within AEP Ohio's service territory (i.e., Residential, Commercial, Industrial).

# **RESPONSE**

Please see the Company's response to OELC-INT-02-001 Attachment 1, the objections and response to which are incorporated by reference.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

# **INTERROGATORY**

OELC-INT-02-003

Please provide AEP Ohio's current estimate of the total aggregate load in MW for all <u>non-residential customers</u> that may be interruptible or curtailable in AEP Ohio territory, whether or not that load currently participates in any PJM or AEP Ohio demand response or interruptible program.

# **RESPONSE**

Please see the Company's response to OELC-INT-01-016, the objections and response to which are incorporated by reference.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **INTERROGATORY**

OELC-INT-02-004 Please identify the following:

- a. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 1,000 kW but less than 2,500 kW in calendar year 2022;
- b. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 2,500 kW but less than 5,000 kW in calendar year 2022;
- c. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 5,000 kW but less than 10,000 kW in calendar year 2022;
- d. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 10,000 kW but less than 25,000 kW in calendar year 2022;
- e. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 25,000 kW but less than 50,000 kW in calendar year 2022;
- f. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 50,000 kW but less than 75,000 kW in calendar year 2022;
- g. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 75,000 kW but less than 100,000 kW in calendar year 2022;
- h. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 100,000 kW but less than 250,000 kW in calendar year 2022; and
- i. The number of electricity service accounts in AEP Ohio's service territory that had a peak demand equal to or greater than 250,000 kW in calendar year 2022.

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, undefined and overbroad. The Company also objects to the extent this request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the form of the question as this request seeks information that is not kept in the ordinary course of business and would unduly burdensome to compile in the format requested. Without waiving these objections or any general objections the Company may have, the Company states that the customer counts for calendar year 2022 were as follows:

- a. 430
- b. 157
- c. 71
- d. 36
- e. 11
- f. 4
- g. 2
- h. 5
- i. 0

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **INTERROGATORY**

OELC-INT-02-005

For each program year (April 1- March 31) of AEP Ohio's Basic Transmission Cost Rider (BTCR) Pilot during the term of ESP IV, please identify:

- a. the total number of AEP Ohio service accounts enrolled in the BTCR Pilot;
- b. the aggregate total sum of the Network Service Peak Load values in kW or MW for all AEP Ohio service accounts enrolled in the BTCR Pilot (note: please use the Network Service Peak Load values for those enrolled accounts as of the start of each program year); and
- c. the aggregate total sum of the average monthly billed demand in kW or MW for all accounts enrolled in the BTCR Pilot (note: please use the average monthly billed demand values for those enrolled accounts as of the start of each program year, based on the 12 months preceding the program term).

## **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, undefined and overbroad. The Company also objects to the extent this request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the form of the question as this request seeks information that is not kept in the ordinary course of business and would unduly burdensome to compile in the format requested. Without waiving these objections or any general objections the Company may have, the Company states that the customer counts for calendar year 2022 were as follows. Please see OELC-INT-02-005 Attachment 1 which includes a breakout for the BTCR Pilot participation based on the program specific eligibility requirements. Specifically, the information for those customers eligible under the sponsor groups and those accounts under the eligible school participation.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **INTERROGATORY**

OELC-INT-02-006

Please describe in detail the Interim Pilot 1CP rate adjustment mechanism or procedure AEP Ohio uses or employs under ESP IV if the MW cap for the BTCR Pilot is exceeded in any given program year (April 1-March 31).

## **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, undefined and overbroad. The Company further objects to this request seeking a narrative response. The Company also objects to the extent this request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objection or any general objections the Company may have the Company states as follows. While this has only happened one time in the existence of the Interim Pilot, after consulting with Staff and interested parties, the Company implemented the following process:

- 1. Determine the MW values that exceeded the MW cap.
- 2. Allocate the exceeded values by class.
- 3. Remove that load from the Demand Cost by class for the standard BTCR rate calculation.
- 4. Calculate the standard rate increase for the load that exceeded the MW cap by taking the allocated cost that was removed from the standard calculation and multiply that by the class values that exceeded the cap.
- 5. The rate increase to collect the extended cap cost is then added to the 1CP rates for each class.
- 6. The total is considered the proposed Pilot 1CP rate for the upcoming program year.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **INTERROGATORY**

OELC-INT-02-007 Please describe in detail the Interim Pilot 1CP rate adjustment

mechanism or procedure AEP Ohio proposes to use or employ in ESP V if the 1,000 MW cap proposed for the BTCR Pilot during the term of

ESP V is exceeded in any given program year.

## **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, undefined and overbroad. The Company further objects to this request seeking a narrative response. Without waiving the foregoing objection or any general objections the Company may have the Company states as follows. The Company is proposing to use the same procedure as set forth in response to OELC-INT-02-006.

Prepared by:

Counsel

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **INTERROGATORY**

OELC-INT-02-008

For each program year (April 1- March 31) of AEP Ohio's Basic Transmission Cost Rider (BTCR) Pilot during the term of ESP IV, please identify:

- a. the total number of AEP Ohio service accounts enrolled in the BTCR Pilot;
- b. the aggregate total sum of the Network Service Peak Load values in kW or MW for all AEP Ohio service accounts enrolled in the BTCR Pilot (note: please use the Network Service Peak Load values for those enrolled accounts as of the start of each program year); and
- c. the aggregate total sum of the average monthly billed demand in kW or MW for all accounts enrolled in the BTCR Pilot (note: please use the average monthly billed demand values for those enrolled accounts as of the start of each program year, based on the 12 months preceding the program term).

## **RESPONSE**

AEP Ohio objects to the form of the question as this request is vague, undefined and overbroad. The Company also objects to the extent this request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the form of the question as this request seeks information that is not kept in the ordinary course of business and would unduly burdensome to compile in the format requested. Without waiving these objections or any general objections the Company may have, the Company states that the customer counts for calendar year 2022 were as follows. Please see OELC-INT-02-005 Attachment 1 which includes a breakout for the BTCR Pilot participation based on the program specific eligibility requirements. Specifically, the information for those customers eligible under the sponsor groups and those accounts under the eligible school participation.

Prepared by:

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## Respectfully submitted

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**Counsel for Ohio Power Company** 

# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

## **CERTIFICATE OF SERVICE**

I hereby certify that a service copy of the foregoing Responses to Ohio Energy Leadership Council's Second Set of Interrogatories and Request for Production of Documents was sent by, or on behalf of the undersigned counsel to the follow parties on this 1<sup>st</sup> day of June 2023, via e-mail:

/s/ Michael J. Schuler Michael J. Schuler (0082390)

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# OHIO POWER COMPANY'S RESPONSE TO OHIO ENERGY LEADERSHIP COUNCIL'S DISCOVERY REQUEST PUCO CASE 23-0023-EL-SSO SECOND SET

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