

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
OHIO POWER COMPANY TO UPDATE ITS
SMART CITY RIDER.

CASE NO. 20-252-EL-RDR

IN THE MATTER OF THE APPLICATION OF
OHIO POWER COMPANY TO UPDATE ITS
SMART CITY RIDER.

CASE NO. 21-97-EL-RDR

IN THE MATTER OF THE APPLICATION OF
OHIO POWER COMPANY TO UPDATE ITS
SMART CITY RIDER.

CASE NO. 22-71-EL-RDR

FINDING AND ORDER

Entered in the Journal on July 26, 2023

I. SUMMARY

{¶ 1} The Commission approves applications filed by Ohio Power Company to update its Smart City Rider through December 2019, December 2020, and December 2021.

II. DISCUSSION

{¶ 2} Ohio Power Company d/b/a AEP Ohio (AEP Ohio or the Company) is an electric distribution utility, as defined in R.C. 4928.01(A)(6), and a public utility, as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4928.141 mandates that an electric distribution utility shall provide to all consumers within its certified territory, a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including a firm supply of electric generation service. The SSO may be either a market rate offer, in accordance with R.C. 4928.142, or an electric security plan (ESP), in accordance with R.C. 4928.143.

{¶ 4} On April 25, 2018, the Commission issued an Opinion and Order in Case No. 16-1852-EL-SSO (ESP IV) adopting AEP Ohio's proposed Smart City Rider (SCR). Among other things, the ESP IV decision approved the setup of a Microgrid Technology Demonstration project with a cap of \$10.5 million and an Electric Vehicle rebate program with a cap of \$10 million that allows for a 5 percent administration fee. These expenses are collected over the program's four-year life and expired April 28, 2022, except for any remaining true-ups and corrections that remain after the sunset period. The ESP IV decision requires quarterly filings to collect unrecovered program balances and states that these filings are automatically approved 30 days after filing unless otherwise determined by the Commission.

{¶ 5} On January 29, 2020, the Company filed, in Case No. 20-252-EL-RDR, an application to update its SCR. This filing contained the Company's fourth quarter 2019 update to the SCR. This quarterly SCR sought to recover total expenses of \$1,088,895. The rates listed in the filing superseded the rates that became effective in the previous quarterly update and became effective with the first billing cycle of March 2020. As this quarterly update included actual expenses through December 2019, Staff used this application to conduct its annual audit to review all expenses charged to the SCR in 2019.

{¶ 6} On July 8, 2020, Staff filed its review and recommendation of the application filed in Case No. 20-252-EL-RDR. Staff states that it examined the as-filed schedules for consistency with the ESP IV order and to ensure proper accounting and regulatory treatment was applied. Staff conducted its review through a combination of document review, interviews, interrogatories, and on-site physical inspections. Based upon its review, Staff found that the expenses included in the SCR through December of 2019 were prudent and appropriate for recovery.

{¶ 7} On January 29, 2021, the Company filed, in Case No. 21-97-EL-RDR, an application to update its SCR. This filing contained the Company's fourth quarter 2020 update to the SCR. This quarterly SCR sought to recover total expenses of \$2,118,745. The

rates listed in the filing superseded the rates that became effective in the previous quarterly update and became effective on the first billing cycle of March 2021. As this quarterly update included actual expenses through December 2020, Staff used this application to conduct its annual audit to review all expenses charged to the SCR in 2020.

{¶ 8} On November 8, 2021, Staff filed its review and recommendation of the application filed in Case No. 21-97-EL-RDR. Staff states that it examined the as-filed schedules for consistency with the ESP IV order and to ensure proper accounting and regulatory treatment was applied. Staff conducted its review through a combination of document review, interviews, interrogatories, and on-site physical inspections. Based upon its review, Staff found that the expenses included in the SCR through December of 2020 were prudent and appropriate for recovery.

{¶ 9} On January 28, 2022, AEP Ohio filed, in Case No. 22-71-EL-RDR, an application to update its SCR. This filing contained the Company's fourth quarter 2021 update to the SCR. This quarterly SCR sought to recover total expenses of \$830,407. The rates listed in the filing superseded the rates that became effective in the previous quarterly update and became effective on the first billing cycle of March 2022. As this quarterly update included actual expenses through December 2021, Staff used this application to conduct its annual audit to review all expenses charged to the SCR in 2021.

{¶ 10} On December 27, 2022, Staff filed its review and recommendation of the application filed in Case No. 22-71-EL-RDR. Staff states that it examined the as-filed schedules for consistency with the ESP IV decision and to ensure proper accounting and regulatory treatment was applied. Staff conducted its review through a combination of document review, interviews, interrogatories, and on-site physical inspections. Based upon its review, Staff found that the expenses included in the SCR through December of 2021 were prudent and appropriate for recovery.

{¶ 11} By Entry issued April 28, 2023, the attorney examiner directed any party wishing to file comments concerning the applications and/or staff reviews and

recommendations in these case dockets to do so by May 19, 2023, and that any reply comments be filed by May 26, 2023.

{¶ 12} On May 19, 2023, AEP Ohio filed correspondence stating that, it agrees with the conclusions and recommendations contained in the Staff reports filed in each of the three cases.

{¶ 13} No other comments or motions for intervention were filed in this proceeding.

{¶ 14} Upon review, the Commission finds that Staff's recommendations should be adopted from all three cases. Specifically, we find that the expenses included in the SCR through December of 2019, December of 2020, and December of 2021 are prudent and appropriate for recovery in Case Nos. 20-252-EL-RDR, 21-97-EL-RDR and 22-71-EL-RDR. Further, in Case No. 22-71-EL-RDR, Staff noted that the Company identified \$162.88 in transactions that should not have been included in the rider and committed to removing these expenses from the SCR filing for the first quarter of 2022. We agree Staff should confirm that these expenses were properly removed from the rider in the next annual audit. Finally, the Commission additionally finds that it is not necessary to hold a hearing in this matter.

III. ORDER

{¶ 15} It is, therefore,

{¶ 16} ORDERED, That the applications filed by AEP Ohio on January 29, 2020, 2021, and January 28, 2022, be approved in Case Nos. 20-252-EL-RDR, 21-97-EL-RDR, and 22-71-EL-RDR, respectively. It is, further,

{¶ 17} ORDERED, That a copy of this Finding and Order be served upon all parties and interested persons of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair
Daniel R. Conway
Lawrence K. Friedeman
Dennis P. Deters
John D. Williams

IMM/dmh

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Case No(s). 20-0252-EL-RDR, 21-0097-EL-RDR, 22-0071-EL-RDR

Summary: Finding & Order approving applications filed by Ohio Power Company to update its Smart City Rider through December 2019, December 2020, and December 2021. electronically filed by Ms. Mary E. Fischer on behalf of Public Utilities Commission of Ohio.