

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)
Power Company to Update Its) Case No. 18-783-EL-RDR
gridSMART Phase 2 Rider Rates.)

In the Matter of the Application of Ohio)
Power Company to Update Its) Case No. 19-1029-EL-RDR
gridSMART Phase 2 Rider Rates.)

**COMMENTS FOR CONSUMER PROTECTION
BY
OFFICE OF THE OHIO CONSUMERS' COUNSEL**

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I. INTRODUCTION

This case involves the PUCO's review of AEP Ohio's gridSMART Phase 2 investments for the years 2018 and 2019, where consumers were charged over \$27 million through its gridSMART Rider.¹ Importantly, the PUCO's approval of gridSMART Phase 2 was based on AEP Ohio's business plan that promised benefits to consumers over two times the \$516 million investment that consumers were required to underwrite.² Those benefits have not materialized for consumers.

Over one billion dollars of the alleged benefits were supposed to come from reliability improvements associated with the DACR deployment.³ But the DACR deployment has been slow. And AEP's utility service to consumers has been less reliable.

¹ *In the Matter of the Application of Ohio Power Company to Update Its gridSMART Phase 2 Rider*, Case No. 18-783-EL-RDR. *In the Matter of the Application of Ohio Power Company to Update Its gridSMART Phase 2 Rider*, Case No. 19-1029-EL-RDR, Entry (December 7, 2023).

² *Id.*

³ *In the Matter of the Application of the Ohio Power Company to Initiate Phase 2 of Its gridSMART Project and to Establish the gridSMART Phase 2 Rider*, Case No. 13-1939-EL-RDR, Direct Testimony of AEP Ohio Witness Scott Osterholt (April 20, 2016) at Exhibit SSO-1, p. 9.

And more consumers are being disconnected. And meters being replaced are prematurely failing. AEP consumers are not receiving the benefits promised by AEP Ohio for its massive deployment of gridSMART.

OCC appreciates the opportunity to file these consumer protection comments regarding the slow deployment of distributed automation circuit reconfiguration (“DACR”), AEP’s large number of disconnections, and AEP’s reliability.

II. COMMENTS

A. **The annual PUCO Staff audit of AEP Ohio’s gridSMART 2 rider focuses on whether consumers are getting the reliability they paid for.**

In Case No. 18-783-EL-RDR, the PUCO Staff initially recommended reducing the 2018 revenue requirement by \$114,077 due to AEP Ohio including improper expenses associated with: maintenance of station equipment, travel and entertainment expenses, use of outdated depreciation rates, and accounting of server expenses.⁴ AEP Ohio replied that the depreciation adjustments had been made, and that it limited the amount of excluded travel and entertainment expenses. Accordingly, the PUCO Staff subsequently revised its recommendations reducing the exclusion to \$105,842.⁵

The 2018 PUCO Staff review was limited to only a financial audit even though AEP Ohio filed an annual non-financial metrics report in the case that should have also been reviewed by PUCO Staff. Review of the non-financial metrics report demonstrates an upward trend in the number of AMI meters that are failing and increasing numbers of AEP Ohio consumers being disconnected for nonpayment (which is facilitated by AMI).

⁴ *In the Matter of the Application of Ohio Power Company to Update Its gridSMART Phase 2 Rider Rates*, Case No. 18-783-EL-RDR, Staff Review and Recommendations (October 31, 2019).

⁵ *Id.*, Revised Staff Review and Recommendation (March 3, 2020).

This means that consumers are not getting the reliability benefits promised by AEP Ohio. Annual reviews of the non-financial metrics reports by PUCO Staff are important in obtaining additional PUCO visibility into these and other issues protect consumers.

B. Consumers should not pay for financial incentives paid to employees as part of gridSMART Phase 2.

In Case No. 19-1029-EL-RDR, the PUCO Staff identified \$115,412 in O&M expense and \$546,225 in capital costs related to financial incentives that AEP Ohio has incorrectly included in the gridSMART Phase 2 charge.⁶ The PUCO Staff explained that it does not support the collection of financial incentives based upon a utility company's financial goals because that passes the costs associated with investor financial goals directly onto consumers.⁷ In a recent PUCO Order regarding Duke, the PUCO found that PUCO Staff appropriately excluded costs associated with financial incentives from being passed onto customers of another electric utility.⁸

AEP Ohio says that its employee compensation package includes base wages and short and long-term compensation as part of its incentive plan.⁹ AEP Ohio criticizes PUCO Staff's analysis of its incentive plan and lack of review of the financial metrics embedded in its incentive plan.¹⁰ AEP Ohio claims that it is not in consumers' best interest to eliminate these financial incentives from the gridSMART Phase 2 charge

⁶ See 2019 Staff Review at 4.

⁷ See *id.*

⁸ *In the Matters of the Applications of Duke Energy Ohio, Inc. for Recovery of Program Costs, Lost Distribution Revenues, and Performance Incentives Related to its Energy Efficiency and Demand Response Programs*, Case No. 16-664-EL-RDR, Finding and Order (May 15, 2019) at 6.

⁹ See AEP Ohio's Comments at 2-3.

¹⁰ See *id.*

because it may impede its ability to attract and retain employees with the skills and experience needed to provide efficient and effective service to customers.¹¹

The PUCO should adopt its Staff's recommendation to remove the financial incentives from AEP Ohio's gridSMART Phase 2 revenue requirement. Including financial incentives that would result in customers paying unjust and unreasonable charges is contrary to law¹² and precedent.¹³ Further, the gridSMART Phase 2 charge provides AEP Ohio with the authority to greatly accelerate collecting a return on and of its capital investments with updates that are performed on a quarterly basis.

The PUCO should require AEP Ohio to exclude the \$155,412 in O&M expense and to remove \$546,225 in capital costs from the 2019 gridSMART Phase 2 charge as recommended by PUCO Staff. As an additional protection for consumers, OCC recommends that the PUCO should require PUCO Staff to examine the gridSMART Phase 2 charge since its inception to verify that financial incentives were not charged to consumers. If they were, the PUCO should adjust AEP Ohio's gridSMART Phase 2 revenue requirement in an equal amount to protect consumers.

C. Consumers should not pay for excess inventory for meters held more than three months.

The 2019 PUCO Staff review¹⁴ found that AEP Ohio purchased and stored Smart Meters in inventory for a much longer period than permitted by the PUCO Order that approved the gridSMART Phase 2 charge.¹⁵ In that Order, the PUCO established clear

¹¹ *See id.*

¹² R.C. 4905.22.

¹³ *See* footnote 9, *supra*.

¹⁴ 2019 Staff Review.

¹⁵ Case No. 13-1939-EL-RDR, Opinion and Order (February 1, 2017) at 13.

guidelines regarding the amount of time that the new Smart Meters could be retained in inventory because they are capitalized at the time they are purchased. The PUCO stated: “Because meters are capitalized at the time of purchase, the value of uninstalled gridSMART meters authorized for recovery through this Rider shall, on average, include only the aggregate supply necessary for approximately three months of meter deployment activity. Uninstalled meters in excess of this limitation will not be eligible for recovery through any other rider.”¹⁶ The PUCO Staff found here that AEP Ohio is holding Smart Meters in inventory for an average duration of 128.62 days – nearly 30 days longer than permissible.¹⁷

AEP Ohio claims, without authority, that there are exceptions to the requirement that Smart Meters can be held in inventory for only 90 days.¹⁸ AEP Ohio asserts that the meters are installed by contractors and that due to access and opt-out issues, and routine maintenance, Smart Meter inventory stock can be held for longer periods of time.¹⁹ AEP Ohio further claims that it would be difficult and expensive to track on a meter-to-meter basis the duration of time that meters are held in the inventory.²⁰ AEP Ohio’s arguments should be rejected.

Consumers should not be required to pay AEP Ohio for Smart Meters that are not used and useful. Further, AEP Ohio controls the timing of its procurement of Smart Meters, the quantity of Smart Meters it purchases, and the contracting activities involved

¹⁶ *Id.*

¹⁷ *See* Staff Review at 5.

¹⁸ *See* AEP Ohio’s Comments at 6-9.

¹⁹ *See id.*

²⁰ *See id.*

in installing Smart Meters. AEP Ohio can manage its Smart Meter inventory, and the costs of any failure to do so should not be passed to consumers. OCC recommends that the PUCO adopt Staff's recommendation and require AEP Ohio to reduce the Smart Meter capital account by \$8,222,874.

D. The failure rates for AEP Smart Meters are alarming and costly to consumers. To protect consumers, the PUCO should order its Staff to examine AEP Ohio's Smart Meter failures and recommend ways to mitigate the cost of premature failures.

Approximately 6,251 of the approximate one million AMI smart meters installed by AEP Ohio failed between 2017 and 2019 and required replacement.²¹ Between 2020 and 2022, an additional 6,732 AMI meters failed and required replacement by AEP Ohio.²² AMI smart meters are expensive and at a cost of \$180 per meter (as estimated under the gridSMART Phase 2 program),²³ over \$1.2 million has been spent solely for the purpose of replacing meters that failed prematurely. A failure rate of approximately 0.63 percent for Smart Meters is excessive and costly to consumers, and it suggests that even higher premature failure rates may occur in the coming years.²⁴

The accounting life of AEP Ohio's Smart Meters is 15 years. Earlier generations of a Smart Meter's accounting life were projected based on failure rates of 0.5 percent.²⁵ But as noted above, AEP Ohio AMI Smart meters' actual failure rates exceed the earlier

²¹ *See id.* Attachment 3, Certified Smart Meter Failures.

²² *See* the non-financial metrics reports filed in Case Nos. 20-939-EL-RDR, 21-499-EL-RDR, and 22-473-EL-RDR on January 29, 2021, January 28, 2022 and January 27, 2023, respectively.

²³ *In the Matter of the Application of the Ohio Power Company to Initiate Phase 2 of Its gridSMART Project and to Establish the gridSMART Phase 2 Rider*, Case No. 13-1939-EL-RDR Application, Attachment A (September 13, 2013) at 8.

²⁴ Security Risks and Technology Obsolescence Reduce Smart Meter Expected Lifetimes | Smart Grid Awareness.

²⁵ <https://www.elstersolutions.com/assets/downloads/20-Questions.pdf>.

projections. This indicates that despite technological and manufacturing improvements in the design of Smart Meters, a 15-year accounting life could be unlikely.²⁶

The PUCO should require the PUCO Staff to examine AMI smart meters' failure rate to determine what (if any) alternatives exist to reduce it. Additionally, PUCO Staff should examine AEP Ohio's policies regarding replacing prematurely failing AMI smart meters. The PUCO Staff should do so to establish a failure rate standard to use in determining who is responsible for replacing prematurely failing meters. It should also do so to verify that consumers are protected from paying for prematurely failing meters (and adjust AEP Ohio's revenue requirement downward if they have). AEP should be required to pursue AMI smart meter failures with the manufacturer and make any and all warranty claims.

- E. AEP's deployment of DACR, the main source of purported gridSMART 2 savings, has been slow tracked. The PUCO should review AEP Ohio's DACR technology to determine why AEP Ohio is slow to deploy it. Additionally, AEP Ohio should comply with the settlement in Case No. 13-1939-EL-RDR to improve the SAIFI performance on circuits with DACR by 15.8 percent on a rolling 3-year basis.²⁷**

The gridSMART Phase 2 program includes deploying DACR technology on 250 circuits. DACR provides the capability to automatically reroute power around failure areas during certain outage events to reduce the number of customers who would otherwise be interrupted. AEP Ohio justified its gridSMART Phase 2 program based in

²⁶ See footnote 25.

²⁷ *In the Matter of the Application of the Ohio Power Company to Initiate Phase 2 of Its gridSMART Project and to Establish the gridSMART Phase 2 Rider*, Case No. 13-1939-EL-RDR, Stipulation and Recommendation (April 7, 2016) at 6.

part on over a billion dollars in estimated savings that were supposed to result from the DACR deployment.²⁸

While the gridSMART Phase 2 program went into effect nearly 6 years ago, the majority of AEP Ohio's DACR deployment occurred in 2021 and 2022.²⁹ It was supposed to be fully deployed within 72 months of the PUCO's approval of the Settlement authorizing the program.³⁰ Yet through December 2019, AEP Ohio had managed to install DACR on only a total of nine circuits (or 3.6% of the total circuits).³¹ And there have been only three outage events where these nine circuits were available to help customers avoid outages.³² With the delay in DACR deployment on the remaining 241 circuits, consumers did not realize the reliability improvements and the financial benefits that DACR is intended to provide in 2018 and 2019. And while the DACR performance in 2020 through 2022 was better, the number of avoided customer interruptions and customer minutes interrupted have not resulted in a significant improvement in SAIFI.

AEP Ohio's lack of progress in deploying DACR is a contributing factor to why it failed to meet its minimum reliability performance standards in 2018³³ and again in

²⁸ *In the Matter of the Application of the Ohio Power Company to Initiate Phase 2 of Its gridSMART Project and to Establish the gridSMART Phase 2 Rider*, Case No. 13-1939-EL-RDR, Application, Attachment C (September 13, 2013).

²⁹ *In the Matter of the Application of the Ohio Power Company to Update Its gridSMART Rider Rates*, Case No. 22-473-EL-RDR, Revised Tariff PUCO No. 21 gridSMART Rider, 4th Quarter Update 2022 Filing Schedule (January 27, 2023).

³⁰ *In the Matter of the Application of the Ohio Power Company to Initiate Phase 2 of Its gridSMART Project and to Establish the gridSMART Phase 2 Rider*, Case No. 13-1939-EL-RDR, Opinion and Order (February 1, 2017) at 8.

³¹ GridSMART Phase 2 Fourth Quarter Update, Attachment 3 Non-financial Metrics (January 28, 2020).

³² *Id.*

³³ *See In the Matter of the Annual Report of Electric Distribution System Reliability (Rule 10 for 2018)*, Case No. 19-992-EL-ESS (March 29, 2019).

2019.³⁴ Failing to meet the minimum reliability performance standards means that AEP Ohio consumers are experiencing more interruptions and for longer durations of time despite the assurance of improved reliability through DACR. And despite consumers paying millions of dollars for the technology.

Had AEP Ohio prioritized installing DACR when the PUCO first approved the program in February 2017, almost half of the DACR deployments could have been completed by December 2019. And more importantly, had DACR been deployed on 125 circuits, consumers would have incurred fewer consumer interruptions and consumer minutes interrupted in 2018 and 2019. As illustration, for the three outage events that occurred in 2019 where DACR was used to reroute power during outages, over 400,000 consumer minutes interrupted were avoided.³⁵ If AEP Ohio had completed the DACR deployment on 125 circuits and there was an opportunity for DACR to be used on a third of those circuits, approximately 5.5 million consumer minutes interrupted could have been avoided.

As part of the 2020 review of the gridSMART Phase 2 charge, the PUCO should require the PUCO Staff to perform a review of AEP Ohio's gridSMART Phase 2 DACR deployment and determine the underlying causes for AEP Ohio's lack of progress in deploying DACR. Additionally, the PUCO Staff should assess the impact of AEP Ohio's delay in deploying DACR on the billion dollars in reliability savings that AEP Ohio promised.³⁶ If the projected reliability savings are not being realized due to delayed

³⁴ See *In the Matter of the Annual Report of Electric Distribution System Reliability (Rule 10 for 2019)*, Case No. 20-992-EL-ESS (March 30, 2020).

³⁵ GridSMART Phase 2 Fourth Quarter Update, Attachment 3 Non-financial Metrics (January 28, 2020).

³⁶ Case No. 13-1939-EL-RDR, Application, Attachment C (September 13, 2013).

deployment, the PUCO should protect consumers by denying any more charges for DACR until reliability savings are proven.

F. To protect consumers, the PUCO Staff should have verified that gridSMART Phase 2 investments are used and useful and were prudently incurred due to missing the minimum reliability performance standards in 2018 and 2019.

AEP Ohio's residential consumers are spending millions of dollars on the deployment of smart grid technology through the gridSMART charge, but not receiving the benefits of improved electric reliability. These technology deployments through gridSMART Phase 2 included AMI, DACR, and VVO, which AEP Ohio promised would improve electric reliability.³⁷

According to AEP Ohio's 2018³⁸ and 2019³⁹ Rule 10 Reports, AEP Ohio missed their System Average Interruption Frequency Index (SAIFI) minimum performance standard, which is a violation of O.A.C. 4901:1-10-10. AEP Ohio also missed their Customer Average Interruption Duration Index (CAIDI) minimum performance standard in 2018.⁴⁰ Failing to meet the minimum SAIFI and CAIDI reliability performance standards means that AEP Ohio consumers experienced more interruptions and for longer durations of time.

With the amount of money residential consumers are spending on gridSMART Phase 2, they should be seeing a major improvement in the SAIFI and CAIDI reliability

³⁷ See, e.g., note 3, supra.

³⁸ *In the Matter of the Annual Report of Electric Distribution System Reliability (Rule 10 for 2018)*, Case No. 19-992-EL-ESS, Ohio Power Company Rule 10 Report for 2018 (March 29, 2019) at 2.

³⁹ *In the Matter of the Annual Report of Electric Distribution System Reliability (Rule 10 for 2019)*, Case No. 20-992-EL-ESS, Ohio Power Company Rule 10 Report for 2019 (March 31, 2020) at 2.

⁴⁰ *In the Matter of the Annual Report of Electric Distribution System Reliability (Rule 10 for 2018)*, Case No. 19-992-EL-ESS, Ohio Power Company Rule 10 Report for 2018 (March 29, 2019) at 2.

performance standards. In the gridSMART Phase 2 settlement, AEP Ohio committed to achieve a SAIFI three-year annual average improvement of 15.8% (excluding major events).⁴¹ But instead of residential consumers seeing improved reliability, they actually experienced a decline in 2018 and 2019.

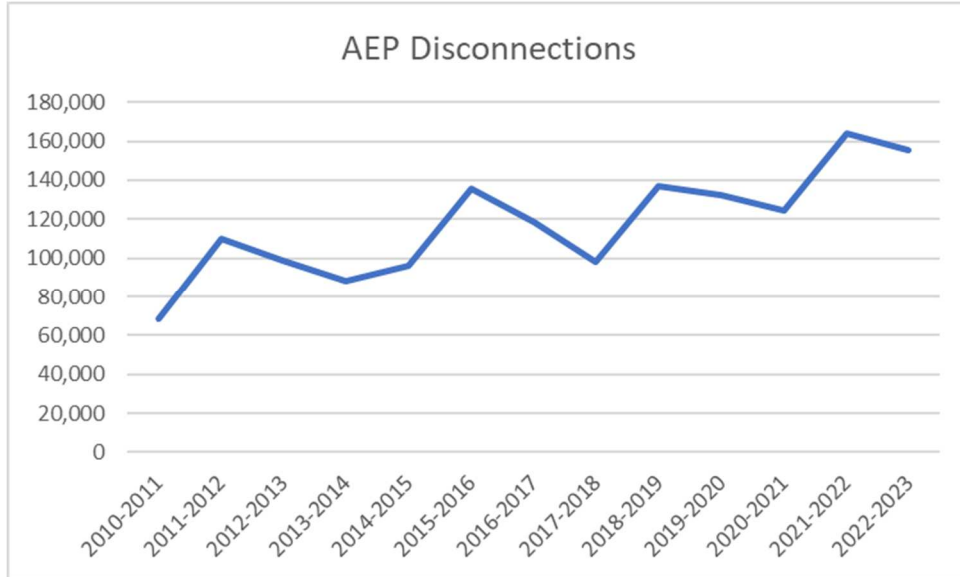
OCC recommends that the PUCO require the PUCO Staff to verify as part of the next audit of the gridSMART Rider whether all gridSMART Phase 2 investments are used and useful and were prudently incurred. Residential consumers should not be charged for gridSMART technology that does not satisfy these standards.

G. To protect consumers, the PUCO Staff should have investigated the high number of consumers disconnected by AEP Ohio for non-payment as reported in AEP Ohio's non-financial metrics.

The PUCO Staff should have reviewed service disconnection data for non-payment as part of the annual 2018 and 2019 audits of the gridSMART charge, especially given that AEP Ohio disconnected a high number of consumers for nonpayment. From the time AEP Ohio started deploying AMI smart meters, there has been a steady increase in the number of AEP Ohio residential consumers disconnected for non-payment as shown in Table 1.

⁴¹ *In the Matter of the Application of the Ohio Power Company to Initiate Phase 2 of Its gridSMART Project and to Establish the gridSMART Phase 2 Rider*, Case No. 13-1939-EL-RDR, Stipulation and Recommendation (April 7, 2016) at 6.

Table 1



Over an 11-year period, AEP Ohio has seen a 126% increase in service disconnections for non-payment during a time when AMI smart meters were being deployed through gridSMART. In 2011, AEP Ohio reported 68,526⁴² service disconnections compared to 163,749⁴³ in 2022. Also, AEP Ohio has more than doubled the number of service disconnections in 2022 (163,749⁴⁴) and 2023 (155,398⁴⁵) compared to 68,526⁴⁶ in 2011 as shown in Table 2.

⁴² Case No. 11-2682-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Columbus Southern Power and Ohio Power Company (June 30, 2011).

⁴³ Case No. 22-513-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2022).

⁴⁴ Case No. 22-513-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2022).

⁴⁵ Case No. 23-532-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2023).

⁴⁶ Case No. 11-2682-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Columbus Southern Power and Ohio Power Company (June 30, 2011).

Table 2

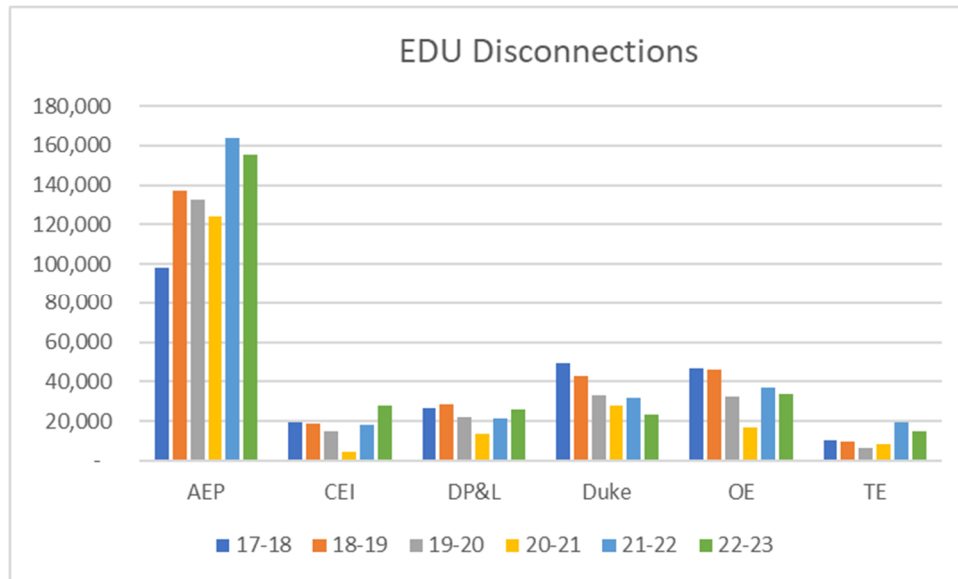
Year	Disconnections
2010-2011	68,526
2011-2012	110,224
2012-2013	98,917
2013-2014	88,390
2014-2015	96,456
2015-2016	135,872
2016-2017	118,447
2017-2018	97,867
2018-2019	137,025
2019-2020	132,337
2020-2021	124,157
2021-2022	163,749
2022-2023	155,398

* Each year's data starts on June 1 through May 31 as required in R.C. 4933.123.⁴⁷

Alarming, AEP Ohio disconnects more consumers for non-payment than all other electric distribution utilities (“EDU”) in Ohio. Table 3 provides the number of disconnections for each EDU from 2017 through 2023, based on the EDU’s annual disconnection reports filed by each EDU as part of R.C. 4933.123.

⁴⁷ Case No. 11-2682-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Columbus Southern Power and Ohio Power Company (June 30, 2011); 12-1449-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 29, 2012); 13-1245-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 26, 2013); 14-846-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2014); 15-882-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2015); 16-1224-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2016); 17-1069-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 21, 2017); 18-757-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (July 5, 2018); 19-974-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 11, 2019); 20-937-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 16, 2020); 21-548-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 11, 2021); 22-513-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2022) and 23-532-GE-UNC, Annual Report of Service Disconnections for Non-Payment of Ohio Power Company (June 30, 2023).

Table 3⁴⁸



AEP Ohio’s percentage of all EDU disconnections has increased as the Company continues to deploy AMI smart meters. In 2018-2019, AEP accounted for 48% of all disconnections among all EDU’s. From 2019-2023, *AEP Ohio has disconnected a higher percentage of consumers than all EDUs combined*, as shown in Table 4.

⁴⁸ Case No. 17-1069-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 18-757-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 19-974-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 20-937-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 21-548-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 22-513-GE-UNC and 23-532-GE-UNC, Annual Report of Service Disconnections for Nonpayment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison.

Table 4⁴⁹

	17-18	18-19	19-20	20-21	21-22	22-23
AEP	39%	48%	55%	64%	56%	55%
Combined EDU's*	61%	52%	45%	36%	44%	45%

*Includes AES Ohio, Cleveland Electric Illuminating, Duke Energy Ohio, Ohio Edison, and Toledo Edison.

Due to the increasing number of AEP Ohio service disconnections, the PUCO Staff should have analyzed how the deployment of AMI smart meters is causing a substantial increase in service disconnections. The primary operational benefit of AMI smart meters should not be AEP Ohio's ability to easily disconnect a residential consumer remotely. It is important for consumers to pay their bill on time and in full, but it is past due time for the PUCO to review AEP Ohio's service disconnections and credit and collections policies.

To reduce the number of service disconnections in the AEP Ohio's service territory, the PUCO should also revise AEP Ohio's current waiver⁵⁰ of providing personal notice on the day of disconnection in Ohio Administrative Code 4901:1-18-06(A)(2), which should include the following modifications:

- Expanding current payment plan options that work with the consumer's budget;

⁴⁹ Case No. 17-1069-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 18-757-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 19-974-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 20-937-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 21-548-GE-UNC, Annual Report of Service Disconnections for Non-Payment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison; 22-513-GE-UNC and 23-532-GE-UNC, Annual Report of Service Disconnections for Nonpayment of AEP Ohio, AES Ohio, Cleveland Electric Illuminating, Duke Energy, Ohio Edison, and Toledo Edison.

⁵⁰ *In the Matter of the Application of Ohio Power Company for a Limited Waiver of Ohio Adm. Code 4901:1-18-06(A)(2)*, Case No. 17-1380-EL-WVR, Finding and Order (April 11, 2018).

- Explore methods to target consumers who could qualify for federal and state bill payment assistance;
- Increase annual shareholder funding to the Neighbor-to-Neighbor program, along with expanding eligibility;
- Allow consumers to extend a disconnection notice past Company's policy; and
- Survey consumers who were disconnected to learn what type of options offered by AEP Ohio could have prevented the disconnection of service.

Electricity is a necessity, not a luxury service for residential households. The PUCO and AEP Ohio should be doing everything possible to keep consumers connected , especially those at-risk.

III. CONCLUSION

Consumers are being charged hundreds of millions of dollars for AEP Ohio's gridSMART program. In return, they deserve (at a minimum) the consumer protections recommended above by OCC.

Respectfully submitted,

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CERTIFICATE OF SERVICE

It is hereby certified that a true copy of the foregoing Comments for Consumer Protection was served by electronic transmission upon the parties below this 8th day of January 2024.

/s/ William J. Michael
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The PUCO's e-filing system will electronically serve notice of the filing of this document on the following parties:

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Case No(s). 18-0783-EL-RDR, 19-1029-EL-RDR

Summary: Comments Comments for Consumer Protection by Office of the Ohio
Consumers' Counsel electronically filed by Alana M. Noward on behalf of Michael,
William J..