

In the Matter of the Legacy Generation :
Resource Rider for Ohio Power Company. : Case No. 20-1118-EL-RDR
:

The Commission should deny the Ohio Manufacturers’ Association Energy Group’s (“OMAEG”) misguided Application for Rehearing (“AfR”) filed in response to the auto-approval of the Company’s Legacy Generation Resource Rider (“LGR”) update filing filed on November 30, 2023, proposing rates that clearly fall under the \$1,500.00 cap set forth in R.C. 4928.148. Despite sitting on its hands during the thirty-day tariff window, OMAEG proceeds to blast a shotgun challenge, copying a nearly identical argument from the application for rehearing it filed in the AES Ohio docket,¹ while glossing over the individual nature of each of the proposed tariffs. In fact, OMAEG’s AfR never even specifically identifies the rates that AEP Ohio proposed as part of its LGR Rider tariff filing. Assuming no ill intent, AEP Ohio’s counsel brought what appears to be a gross oversight to OMAEG’s attention within days of the filing, but OMAEG has taken no action to correct the docket by withdrawing the AfR. Such gamesmanship should not be rewarded by this Commission; especially when there is absolutely no merit to the argument with respect to AEP Ohio.

On November 21, 2019, in Case No. 19-1808-EL-UNC, the Commission established a non-bypassable rate mechanism for the retail recovery of net legacy generation resource (“LGR

¹ See, *In Re the Application of The Dayton Power and Light Company d/b/a AES Ohio for Approval to Update its Legacy Generation Rider*, Case No. 23-1034-EL-RDR, Application for Rehearing of The Ohio Manufacturers' Association Energy Group (January 30, 2024).

Rider”) costs pursuant to R.C. 4928.148. The Commission established the LGR Rider rate design to provide for a semi-annual update of the statewide rate (“Part A Rate”) and a specific EDU true-up rate (“Part B Rate”).² Both Parts are combined/netted to formulate a total rate that is capped at \$1,500.00 per month for non-residential customers in accordance with R.C. 4928.148(A)(2) and the Commission’s Entry in Case No. 19-1808-EL-UNC.³ Moreover, the LGR Rider rate is only charged on the first 833,000 kWh usage of a non-residential customer.

OMAEG confoundingly raises a single assignment of error – “the Commission’s automatic approval of AEP’s updated Rider LGR rates and calculations were unjust, unreasonable, and unlawful because AEP failed to apply the statutorily required rate caps to both Part A and Part B of the rider.”⁴ OMAEG further explains that “AEP seemingly only applied the statutory monthly rate cap to Part A of Rider LGR.”⁵ On its face, however, AEP Ohio’s November 30, 2023 semi-annual filing proposed a total rate of \$00.001783 for the LGR Rider, which results in an LGR charge that is capped at \$1,485.24. As set forth on the redline tariffs filed by AEP Ohio, the Company proposed a rate of \$0.0018007 for the Part A Rate and credit of 0.000018 for the Part B Rate. At a maximum billing of 833,000 kWh, this amounts to \$1,499.98 for Part A and a credit of \$14.99 for Part B. More importantly, the Company proposes a total net rate of 0.001783 per kWh, which equates to \$1,485.24 for the maximum billable usage of 833,000 kWh for the LGR. Thus, contrary to OMAEG’s assertions, Part A, Part B, ***and the combination of both parts of the LGR*** as the Company has proposed for the January 1, 2024 through June 30, 2024 time period fall below the \$1,500.00 cap set forth in R.C. 4928.148.

² *In Re Establishing the Nonbypassable Recovery Mechanism for Net Legacy Generation Resource Costs Pursuant to R.C. 42982.148*, Case No. 19-1808-EL-UNC, Entry at ¶ 33 (Nov. 21, 2019) (“LGR Entry”).

³ *Id.* at ¶ 4.

⁴ Application for Rehearing of OMAEG (“OMAEG AfR”) at 2 (Jan. 30, 2024).

⁵ *Id.* at 3.

There is no conceivable way to interpret AEP Ohio's November 30, 2023, tariff update as falling afoul of R.C. 4928.148's rate cap or the Commission's LGR Entry. For these reasons, the Commission should duly and summarily reject OMAEG's AfR in this matter.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing was e-filed with the Public Utilities Commission of Ohio on February 9, 2024. The PUCO's e-filing system will electronically service notice of the filing of this document on the following parties:

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Summary: Memorandum Memorandum Contra The Application for Rehearing
electronically filed by Mr. Michael J. Schuler on behalf of Ohio Power Company.