



Legal Department

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March 27, 2024

The Honorable Greta See
The Honorable David Hicks
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215-3793

Michael J. Schuler
Senior Counsel
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Re: *In the Matter of the Application of Ohio Power Company to Revise
Reliability Performance Standards Pursuant to O.A.C. 4901:1-10-10(B)(7),
Case No. 20-1111-EL-ESS*

Dear Examiners:

I'm pleased to submit the enclosed Joint Stipulation and Recommendation for the Commission's consideration in resolving this case, which is unanimously supported by all parties in the case as well as the Commission Staff.

Thank you for your attention to this matter.

Respectfully submitted,

/s/ Michael J. Schuler
Michael J. Schuler

Cc: Parties of Record

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)	
Power Company to Revise its Reliability)	Case No. 20-1111-EL-ESS
Performance Standards Pursuant to Ohio)	
Adm. Code 4901:1-10-10)	

JOINT STIPULATION AND RECOMMENDATION

I. INTRODUCTION

Rule 4901-1-30 of the Ohio Administrative Code provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in such a proceeding. This document sets forth the understanding and agreement of the parties who have signed below (“Signatory Parties”) and jointly present to the Public Utilities Commission of Ohio (“Commission”) this unanimous Joint Stipulation and Recommendation (“Stipulation”) in order to resolve in consumers’ interest all of the issues raised in this proceeding through the Amended Application filed by Ohio Power Company (“AEP Ohio”) on April 29, 2022.

This Stipulation is a product of lengthy, serious, arm’s-length bargaining among the Signatory Parties (all of whom are capable, knowledgeable parties), which negotiations were undertaken by the Signatory Parties to settle this proceeding. All intervenors were invited to discuss and negotiate this Stipulation and it was openly negotiated among those stakeholders who responded and chose to participate. This Stipulation is supported by adequate data and information. As a package, the Stipulation benefits consumers and the public interest, and represents a just and reasonable resolution of all issues in this proceeding, violates no regulatory principle or practice, and complies with and promotes the policies and

requirements of Title 49 of the Ohio Revised Code. This Stipulation represents an accommodation of the diverse interests represented by the Signatory Parties and, though not binding, is entitled to careful consideration by the Commission. For purposes of resolving the issues raised by these proceedings, the Signatory Parties agree to fully support adoption of the Stipulation without modification in this proceeding and stipulate, agree, and recommend as set forth below.

II. RECITALS

WHEREAS, pursuant to the Commission directives in Case No. 16-1511-EL-ESS and 17-1842-EL-ORD, AEP Ohio filed an Application to establish new reliability standards under Ohio Adm. Code 4901:1-10-10 on July 1, 2020;

WHEREAS, on November 3, 2020, the Commission stayed this proceeding because Chapter 4901:1-10 of the Ohio Administrative Code, which contains the reliability standards, were under review in Case No. 17-1842-EL-ORD and not yet finalized;

WHEREAS, on January 27, 2021, the Commission issued an Entry on Rehearing finalizing changes to Ohio Adm. Code Chapter 4901:1-10;

WHEREAS, on October 6, 2021, the Commission issued an Entry notifying stakeholders that the rules in Ohio Adm.Code Chapter 4901:1-10, amended as a part of the 17-1842-EL-ORD proceeding, would become effective on November 1, 2021;

WHEREAS, on March 2, 2022, the Commission issued an Entry lifting the stay in this proceeding and ordered AEP Ohio to file a revised application reflecting reliability performance data from 2017-2021 within 60 days of the Entry;

WHEREAS, on April 29, 2022, AEP Ohio timely filed an Amended Application to establish new reliability standards under Ohio Adm. Code 4901:1-10-10;

WEHREAS, on August 2, 2022, the Commission set a procedural schedule whereby motions to intervene were required to be filed by August 16, 2022, AEP Ohio was instructed to hold a technical conference on September 8, 2022, interested parties were instructed to file Comments by September 28, 2022, Staff Comments were due by October 7, 2022, and Reply Comments were due by October 28, 2022;

WHEREAS, the Office of the Ohio Consumers' Counsel ("OCC"), and the Ohio Manufacturers' Association Energy Group ("OMAEG"), the Ohio Poverty Law Center ("OPLC") and Pro Seniors, Inc. all filed timely motions to intervene;

WHEREAS, the Staff of the Public Utilities Commission of Ohio ("Staff"), OCC, and OMAEG timely filed Comments concerning the Amended Application;

WHEREAS, on October 28, 2022, Reply Comments were timely filed by AEP Ohio, OCC, and OMAEG;

WHEREAS, all parties engaged in settlement discussions concerning the issues identified in comments concerning the Amended Application;

WHEREAS, this Stipulation represents a serious compromise of complex issues and involves substantial benefits for consumers that would not otherwise have been achievable, and it is not intended to reflect the views or proposals which any individual party may have advanced acting unilaterally; and

WHEREAS, the Signatory Parties believe that the agreements herein represent a fair and reasonable resolution of the issues raised in these cases in consumers' interests.

NOW, THEREFORE, the Signatory Parties stipulate, agree, and recommend that the Commission should issue its Opinion and Order in these proceedings accepting and adopting this Stipulation without modification and relying upon its provisions as the basis

for resolving all issues raised by these proceedings.

III. JOINT RECOMMENDATIONS OF SIGNATORY PARTIES

The Signatory Parties recommend that the Commission modify, approve, and adopt the Amended Application filed in this case on April 29, 2022, except as modified in this Stipulation as follows:

A. Numerical Value of Standards

The Signatory Parties agree to adopt the following reliability standards: AEP Ohio's SAIFI will be 1.13 and CAIDI will be 146, which will become effective and applied to the performance year (January 1 – December 31) starting with the first calendar year after a Commission order approving this Stipulation (e.g. the 2025 calendar year of performance if the Commission issues an Order at any time during 2024).

B. Modification of Standards

AEP Ohio will file a new reliability standards case no later than June 1st after the end of the fourth year after the new reliability metrics become effective (e.g. June 1, 2029 if the new reliability metrics become effective for the 2025 calendar year). The standards set forth in this agreement (SAIFI 1.13, CAIDI 146) shall remain in place until new standards are adopted. For clarity, at any time prior to the aforementioned June 1 filing, AEP Ohio may apply to revise its standard in accordance with the requirements under Ohio Adm. Code 4901:1-10-10.

C. AEP Ohio Data Commitments

AEP Ohio will provide aggregated consumer disconnection data required by R.C. 4933.123(B)(3) and R.C. 4933.123(B)(1), (2), (4), (5), and (6) by zip code on an annual basis in an executable Excel spreadsheet to OCC.

AEP Ohio will provide Rule 11 reports (identifying the 8 percent worst performing circuits) on an annual basis, as required by Ohio Adm. Code 4901:1-10-11(C), to OCC and OMAEG. Such information will be provided to OCC and OMAEG confidentially subject to execution of mutually agreed confidentiality agreement(s).

D. The Three-Part Test for Commission Approval

The Signatory Parties agree that the Stipulation satisfies the three-part test traditionally used by the Commission to consider stipulations. Specifically, the Signatory Parties agree that:

1. the Stipulation is a product of serious bargaining among capable, knowledgeable parties;
2. the Stipulation does not violate any important regulatory principle or practice; and,
3. the Stipulation as a whole, benefits customers and the public interest.

IV. PROCEDURAL MATTERS

A. The Signatory Parties agree that the following Exhibits will be deemed to be admitted into evidence in this proceeding:

1. AEP Ohio's Amended Application to Establish Minimum Reliability Performance Standards filed April 29, 2022;
2. Joint Exhibit 1 - This Stipulation and Recommendation.

B. Except for enforcement purposes or to establish that the terms of the Stipulation are lawful, neither the Stipulation nor the information and data contained herein shall be cited as a precedent in any future proceeding for or against any Signatory Party, if the Commission approves the Stipulation. Nor shall the acceptance of any provision within

this settlement agreement be cited by any party or the Commission in any forum so as to imply or state that any Signatory Party agrees with any specific provision of the Stipulation. More specifically, no specific element or item contained in or supporting this Stipulation shall be construed or applied to attribute the results set forth in this Stipulation as the results that any Signatory Party might support or seek, but for this Stipulation, in these proceedings or in any other proceeding. This Stipulation contains a combination of outcomes that reflects an overall compromise involving a balance of competing positions, and it does not necessarily reflect the position that one or more of the Signatory Parties would have taken on any individual issue. Rather, the Stipulation represents a package that, taken as a whole, is acceptable for the purposes of resolving all contested issues without resorting to litigation. The Signatory Parties believe that this Stipulation, taken as a whole, represents a reasonable compromise of varying interests.

C. By their signatures, the Signatory Parties indicate their support for adoption of the Stipulation without modification. The Signatory Parties will support the Stipulation if the Stipulation is contested, and no Signatory Party will oppose an application for rehearing designed to defend the terms of this Stipulation.

D. This Stipulation is conditioned upon adoption of the Stipulation by the Commission in its entirety and without material modification. If the Commission rejects or materially modifies all or any part of this Stipulation, any Signatory Party shall have the right within 30 days after the issuance of the Commission's order to apply for rehearing. The Signatory Parties agree that they will not oppose or argue against any other Party's application for rehearing that seeks to uphold the original, unmodified Stipulation. If the Commission does not adopt the Stipulation without material modification upon any

rehearing ruling, then within 30 days after such Commission rehearing ruling, any Signatory Party may terminate and withdraw from the Stipulation by filing a notice with the Commission. No Signatory Party shall file a notice of termination and withdrawal without first negotiating in good faith with the other Signatory Parties to achieve an outcome that substantially satisfies the intent of the Stipulation. If a new agreement is reached, the Signatory Parties will file the new agreement for Commission review and approval. If the discussions to achieve an outcome that substantially satisfies the intent of the Stipulation are unsuccessful, and a Signatory Party files a Notice of Withdrawal, then the Commission will convene an evidentiary hearing to afford the Signatory Parties the opportunity to present evidence through witnesses, to cross-examine witnesses, to present rebuttal testimony, and to brief all issues that the Commission shall decide based upon the record and briefs

E. Unless the Signatory Party exercises its right to terminate its Signatory Party status or withdraw as described above, each Signatory Party agrees to and will support the reasonableness of this Stipulation before the Commission, and to cause its counsel to do the same, and in any appeal it participates in from the Commission's adoption and/or enforcement of this Stipulation. The Signatory Parties also agree to urge the Commission to accept and approve the terms hereof as promptly as possible.

IN WITNESS WHEREOF, this Stipulation and Recommendation has been signed by the authorized agents of the undersigned Signatory Parties as of this 27th day of March, 2024.

/s/ Thomas Lindgren (by MJS, per email authorization)

Thomas Lindgren

**On Behalf of the Staff of the Public Utilities
Commission of Ohio**

/s/ Michael J. Schuler

Michael J. Schuler

On Behalf of Ohio Power Company

/s/ William Michael (by MJS, per email authorization)

William Michael

**On Behalf of the Office of the
Ohio Consumers' Counsel**

/s/ Kimberly W. Bojko (by MJS, per email authorization)

Kimberly W. Bojko

**On Behalf of the Ohio Manufacturers'
Association Energy Group**

/s/ Susan Jagers (by MJS, per email authorization)

Susan Jagers

On Behalf of the Ohio Poverty Law Center

/s/ Michael Walters (by MJS, per email authorization)

Michael Walters

On Behalf of the Pro Seniors, Inc.

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

3/27/2024 5:27:31 PM

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Case No(s). 20-1111-EL-ESS

Summary: Stipulation electronically filed by Mr. Michael J. Schuler on behalf of Ohio Power Company.