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Federal Energy Regulatory Commission (FERC)

OMAEG Intervenes to Support Prudency Reviews of Transmission Spending (Case No. 23EL-105-000)

Summary: The Office of the Ohio Consumers' Counsel (OCC) filed a [complaint](#) with FERC against PJM Interconnection LLC and the Ohio transmission utilities of AEP Ohio Power, AEP Ohio Transmission, ATSI, AES Ohio, and Duke regarding the lack of oversight for so-called "supplemental" transmission projects. The projects have come to represent the majority of the transmission projects.

Because these projects are not needed for grid reliability or performance, they do not undergo a rigorous review by PJM, even though project expenses are charged to consumers through their transmission rates. Also, these costs are not reviewed for prudency.

Since 2017, the transmission utilities have added more than \$6 billion in supplemental projects to their local transmission plans – none of which was properly reviewed or regulated on the federal or state level.

The OCC's complaint urges FERC to develop and implement a mechanism to protect customers from unjust and unreasonable transmission charges. Specifically, FERC would provide a timely review of the need, prudence, and cost-effectiveness of local transmission projects *before* construction begins.

The OMAEG intervened to ensure that the interests of manufacturers are considered in this case and to advocate for a process to prevent transmission utilities' unrestrained spending.

(Continued)

AEP

AEP-Ohio's Electric Security Plan V (ESP V) Hearing Continues (Case Nos. 23-23-EL-SSO, et al.)

Summary: After a settlement approved by the majority of parties was filed in the ESP V case, the hearing on the settlement continued this week with a few parties testifying in opposition.

The settlement significantly reduces the \$4 billion-plus in new and increased charges to customers that AEP initially proposed and expands participation for both the BTCR Pilot and the IRP-E.

The OMAEG's successful negotiation efforts ensured continued BTCR Pilot participation for its members who previously participated in the BTCR during ESP IV – at all of their sites – with an opt-out option in the ESP's second year and the ability to designate alternative members if necessary.

Similarly, the OMAEG secured continued and expanded IRP-E participation for its eligible members, while increasing its megawatt allocation for the program.

Additionally, the settlement significantly reduces the amounts AEP can recover through riders, removes costly programs, withdraws several new riders, and decreases AEP's proposed return on equity.