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Federal

The PUCO Opposes Proposed Changes to PJM's Open Access Transmission Tariff (Docket No. ER20-2046-000)

Summary: The PJM Transmission Owners proposed expanding the PJM Open Access Transmission Tariff's planning requirement to include asset management activities. Transmission owners also sought to improve coordination between planning to replace transmission facilities nearing the end of their useful lives (EOL) with PJM's development of the Regional Transmission Expansion Plan (RTEP). The PUCO submitted comments on the proposal requesting that FERC clarify that PJM has authority over asset management decisions and determinations of when a facility needs to be replaced. The PUCO also supported clearly identifying EOL criteria and needs and utilizing five-year forecasts for Candidate EOL and the RTEP.

PUCO Chairman Participates in FERC Transmission Planning Panel (Docket No. RM20-10-000)

Summary: On July 8, 2020, PUCO Chairman Sam Randazzo filed a statement with FERC's Electricity Demand and Transmission Planning Panel. First, the Chairman recommended directing regional planners to thoroughly evaluate all projects and investment that involve transmission functions that are subject to FERC's ratemaking jurisdiction and ensure that these planners have the necessary authority and expertise. Second, the Chairman emphasized that there needs to be a better balance between service providers' compensation and the business and financial risk that they take on. Third, he recommended using a levelized, rather than front-end loaded, approach to determining the revenue requirement to avoid abrupt increases in rates. Finally, the Chairman suggested considering other rate designs and structure options to give customers more control over their bill and provide better bill predictability.

AEP Ohio

AEP Files COVID-19 Transition Plan (Case Nos. 20-0602-EL-UNC, et al.)

Summary: On July 6, 2020, AEP filed its Transition Plan requesting PUCO approval to resume pre-COVID-19 activities and operations. After providing advance notice on the July bill, **AEP will resume assessment of late fees as applicable effective with August bills.** If customers enter into a payment plan and make payments on time, no additional late fees will be assessed. Late payments made prior to the August bill will not trigger a deposit for that customer. Any late payments made after the August bill will trigger a deposit per AEP's regular practice. Starting with the September billing cycle, AEP plans on resuming disconnections for nonpayment.

During August through October, AEP will offer non-residential customers subject to minimum billing demand provisions the following payment optional plans: a 1/3 payment of commercial accounts requiring 25% of the past due amount to be paid prior to setting up an arrangement; or a 1/6 payment of commercial accounts requiring 50% of the current past due balance to be paid prior to setting up the arrangement.

AEP further stated that the deferral will continue until the base case where the bad debt rider will be used to collect the cost of the deferrals. AEP must also track any net savings identified from COVID-19. Any late payment fees collected by customers will be credited to the balance if approved as filed by AEP. Lastly, AEP seeks to recover the incremental amounts above the pre-COVID-19 (February 2020) uncollectible costs of approximately \$25.2 million through its uncollectible rider.

PUCO Staff Raises Concerns About AEP's Proposed HB 6 Decoupling Mechanism (Case No. 20-1099-EL-ATA)

Summary: The PUCO Staff opposed portions of AEP's proposed HB 6 Decoupling Mechanism regarding the implementation of a single decoupling rate across rate zones and rate classes. Staff also raised concerns about double recovery which were similar to OMAEG's comments opposing the rider. Staff recommended that lost demand revenue collected as part of AEP's COVID-19 case be recognized in the HB 6 rider's filings to avoid double-recovery. Finally, Staff explained that AEP proposes to decouple only from "other commercial customers" while Ohio law requires decoupling mechanisms to apply to "residential and commercial customers."

**AEP Defends Inclusion of Nonbypassable Charge in Voluntary DSM Programs
(Case No. 20-0585-EL-AIR, et al.)**

Summary: As part of AEP's application to increase electric distribution rates, AEP proposed a set of voluntary demand-side management (DSM) programs. The DSM programs would contain a nonbypassable "administrative fee." OCC moved to strike the administrative fee from AEP's filing. OCC stated that the administrative fee is no different than the shared savings provision that the PUCO recently struck from Duke's application to establish a voluntary energy efficiency (EE) program. As you may recall, the PUCO determined that Duke could not recover shared savings through a nonbypassable rider for a voluntary EE program in light of HB 6's wind down of EE programs. AEP, however, argued that it is simply returning to its "traditional utility role in energy efficiency and demand management." AEP attempted to distinguish its proposal from Duke's by asserting Duke's filing was not part of a rate case. AEP stated that the administrative fee is different from a shared savings mechanism because it is flat and does not change based on performance, but then also admitted that it is contingent on program results. Lastly, AEP argued that its voluntary program is akin to Columbia's DSM Program. However, AEP failed to mention that there is a statutory authorization for gas DSM programs, but HB 6 dismantled the authorizing electric statute.

DP&L

**OMAEG Submits Comments on DP&L's Request to Defer Decoupling Revenues
(Case No. 20-0140-EL-AAM)**

Summary: On July 6, 2020, OMAEG submitted [comments](#) on DP&L's request to defer distribution decoupling revenues and collect carrying costs on the deferred amount. OMAEG explained that DP&L only had authority to implement revenue decoupling through its Decoupling Rider pursuant to its third electric security plan (ESP III), which DP&L voluntarily withdrew. The PUCO previously prohibited DP&L from continuing the Decoupling Rider through its blended ESP I and ordered the rider to be eliminated. As a result, OMAEG asserted that DP&L's request is an unlawful attempt to circumvent the PUCO's previous ruling. OMAEG further explained how DP&L sought to benefit from revenue decoupling obtained in a settlement while denying customers the benefits that the company had pledged in that same settlement.