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Statewide

Appeals Court Blocks Ohio Utilities From Collecting Transmission Incentive

Summary: The U.S. 6th Circuit Court of Appeals held that Ohio's electric distribution utilities (EDUs) may not receive an incentive for joining PJM, which is required by Ohio law. For years, this incentive has allowed EDUs to charge higher electric rates to customers and gain additional profits. The Office of the Ohio Consumers' Counsel estimates that the removal of this incentive will allow customers to avoid costs totaling over \$445 through 2031.

FirstEnergy

Federal Grand Jury Indicts Two Former FirstEnergy Officers

Summary: Former FirstEnergy CEO Charles Jones and former FirstEnergy senior vice president Michael Dowling have been indicted on charges of criminal racketeering conspiracy. These charges, which former Ohio House Speaker Larry Householder was convicted of last year, carry a potential penalty of up to 20 years in prison if Jones and Dowling are convicted. Among other things, the indictment accuses Jones and Dowling of helping orchestrate the House Bill 6 scandal by facilitating payments of tens of millions of dollars into dark money groups, and pushing Governor DeWine into appointing Sam Randazzo as chair of the Public Utilities Commission of Ohio.

The Public Utilities Commission of Ohio (PUCO) Approves FirstEnergy's Fourth Electric Security Plan (ESP IV) Tariffs (Case No. 14-1297-EL-SSO)

Summary: The PUCO approved FirstEnergy's revised tariffs reinstating ESP IV, which will become effective February 1, 2025.

AEP Ohio

AEP Data Center Hearing Concludes (Case No. 24-508-EL-ATA)

Summary: Last week, the AEP data center tariff hearing concluded with testimony from Ohio Manufacturers' Association Energy Group's (OMAEG) witness, Mr. John Seryak. Mr. Seryak's excellent testimony clearly and succinctly set forth the many benefits of the customer coalition

settlement, including the removal of discriminatory provisions, requiring AEP to provide proof of a transmission constraint before imposing additional financial burdens, and promoting grid reliability. He also dispelled many of the opposing parties' counterarguments and explained why the competing AEP settlement is not in the best interests of customers.

Duke

Duke ESP V Hearing Held (Case Nos. 24-278-EL-SSO, et al.)

Summary: As you may recall, Duke's as-filed ESP V proposed imposing at least \$660 million in new and increased customer charges over the proposed three-year term. OMAEG and the majority of parties signed a settlement that significantly reduces those charges to customers. Among other things, the settlement reduces the Distribution Capital Investment Rider increase by \$87 million, reduces the Enhanced Service Reliability Rider increase by \$14 million, withdraws unlawful mandatory energy efficiency programs (reducing costs by over \$68 million), requires Duke to create and public an online hosting capacity map by December 31, 2026, and withdraws several new riders. OMAEG's advocacy in this case also prevented a proposed adjustment to the allocation of Duke's transmission rider, which would have resulted in significant, additional incremental costs OMAEG members over the term of the ESP. The hearing was held this week wherein OMAEG defended the settlement.

Enbridge (formerly Dominion Gas)

Enbridge Rate Case Hearing Continues (Case Nos. 23-894-GA-AIR, et al.)

Summary: This week, the hearing on Enbridge's extraordinary proposal for a \$218.2 million rate increase continued. Cross-examination of Company witnesses emphasized Enbridge's unreasonable attempt to use ratepayer assets to earn profits by selling to non-Ohio customers. Cross-examination by OMAEG's counsel revealed attempts by some parties to receive carveouts from Enbridge. Notably, the witness for PUCO Staff testified in favor of an industrial rate cap for Enbridge's costly Pipeline Infrastructure Replacement (PIR) program and recommended a refund mechanism for over collected funds. The hearing will extend into next week, which will include the examination of Staff and intervenor witnesses.