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Statewide

OMAEG Urges the Public Utilities Commission of Ohio (PUCO) to Refund Over \$181.2 Million in Coal Subsidies (Case No. 24-153-EL-RDR)

Summary: As you may recall, an audit of the House Bill 6-created Legacy Generation Resource Riders (LGR Riders) revealed that, from 2021 through the end of 2023, Ohio customers paid over \$181.2 million to subsidize a pair of aging, uneconomical, and dirty coal plants, one of which is located in Indiana. This week, OMAEG filed the testimony of John Seryak of Go Sustainable Energy. Among other things, Mr. Seryak urged the PUCO to disallow the full \$181.2 million collected by the state's electric distribution utilities and to refund that money to customers.

AEP

AEP Ohio Seeks Approval to Divest Its Coal Plant Interests (Case No. 25-1039-EL-ATR)

Summary: With customers no longer providing millions of dollars in subsidies through the LGR Riders to support a pair of aging, 1950s-era coal plants after the passage of HB 15, AEP Ohio now seeks to transfer its interests in the plants to an affiliate. Notably, AEP Ohio was directed to do this over a decade ago to comply with corporate separation laws, but delayed supposedly because it could not gain consent from the other coal plant owners (AEP Ohio's own parent company owns the largest percentage of shares in the plants). In addition to losing the LGR Rider subsidies, AEP Ohio's desire to transfer its OVEC interests sooner than later appears to be partly motivated by wanting to prevent customers from re-capturing \$120 million in advance debt repayment that was likely financed in part by customer dollars collected through the LGR Riders.

In its initial filing, AEP Ohio stated that House Bill 15's repeal of the customer-funded coal subsidy "cement[ed] AEP Ohio's desire to divest its OVEC power entitlements." Even more striking, AEP Ohio admitted that "the OVEC contractual entitlements have proven to be more of a financial liability than an asset—OVEC's plants have operated in the red year over year for more than a decade and are burdened by significant environmental liabilities." After quoting AEP Ohio's filing in John Seryak's testimony in the OVEC audit case, AEP Ohio quickly amended its application.

**OMAEG Appeals Unlawful and Discriminatory Data Center Tariffs
(Case No. 24-508-EL-ATA; S.C. 2025-1458)**

Summary: OMAEG filed an appeal with the Supreme Court of Ohio to overturn the PUCO's approval of AEP Ohio's discriminatory tariff that (1) will impose numerous onerous requirements on certain large users (data centers) that will ultimately stymie economic development in Ohio, and (2) sets a dangerous precedent for allowing utilities to target certain industries and energy-intensive customers. Among other things, OMAEG emphasized that (1) AEP Ohio's tariff is unduly discriminatory on its face, which violates multiple Ohio laws, (2) the PUCO failed to find that AEP Ohio's self-imposed and unauthorized moratorium was unlawful, and (3) AEP Ohio failed to provide sufficient evidence supporting its claim that there is a transmission capacity constraint.

AES

**PUCO Approves Unanimous Rate Case Settlement
(Case Nos. 24-1009-EL-AIR, et al.)**

Summary: As expected, the PUCO approved, without modification, a unanimous rate case settlement that, among other things, (1) decreases the annual increase from \$235.2 million per year to \$167.8 million per year and (2) decreases the rate of return from 7.97% to 7.46% (decreases the return on equity from 10.15% to 9.999%).