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Statewide

Oral Arguments Presented Opposing the PUCO Decision Approving a \$115 Million Coal Subsidy (Case No. 21-477-EL-RDR; Supreme Court Case No. 2024-1733)

Summary: The Supreme Court of Ohio heard oral arguments this week on OMAEG's appeal of the Public Utilities Commission of Ohio's (PUCO) decision to approve the recovery of \$115 million from Ohio customers to subsidize two aging, uneconomic coal plants — one of which is in Indiana. OMAEG argued that the PUCO's decision was unreasonable and unlawful, and that the evidence presented during the case demonstrated that the costs incurred from running the coal plants should not have been passed on to customers. OMAEG urged the Court to reverse the PUCO's decision with respect to (1) excluding key evidence related to the coal plant subsidies, (2) finding that Duke, AES Ohio, and AEP Ohio demonstrated the reasonableness and prudence of their actions and the costs incurred by those actions, (3) approving the collection of \$115 million from customers in 2020, and (4) failing to make a determination on the prudence of the coal plants' must-run commitment strategy.

AEP

Oral Arguments Presented on AEP Coal Subsidy (Case No. 18-1004-EL-RDR; Supreme Court Case No. 2024-1735)

Summary: The Court also heard oral arguments regarding an earlier PUCO decision approving AEP Ohio's collection of over \$74.5 million from Ohio customers to subsidize the aging coal plants. In addition to arguing against the collection of this subsidy, OMAEG also opposed the PUCO's decision to exclude evidence related to PUCO Staff's communications with the auditor asking her to "tone down" language in the audit report stating that running the coal plants is not in the best interest of customers. OMAEG urged the Court to reverse the PUCO's order and issue instructions to refund the \$74.5 million to customers, or, alternatively, to reverse the order and instruct the PUCO to perform a new audit with a new auditor.