

IN THE SUPREME COURT OF OHIO

In the Matter of the Application of Ohio	)	Case No. 2025-1458
Power Company For New Tariffs Related to	)	
Data Centers and Mobile Data Centers.	)	Appeal from the Public Utilities Commission of
	)	Ohio
	)	
	)	Public Utilities Commission of Ohio
	)	Case No. 24-508-EL-ATA

**APPENDIX OF APPELLANT,
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
VOLUME II**

Furthermore, the decision to ignore the statutory notice requirements was not supported by sufficient factual findings from the evidentiary record in violation of R.C. 4903.09. R.C. 4903.09 requires that “[i]n all contested cases heard by the public utilities commission, a complete record of all of the proceedings shall be made, including . . . opinions setting forth the reasons prompting the decisions arrived at, based upon said findings of fact,”⁷⁰ yet the ALJs failed to properly set forth the reasons and factual findings prompting their decision. Rather, One Power’s motion was simply denied on the singular and otherwise unexplained ground that “[t]he Commission set this matter for hearing at our discretion.”⁷¹ However, as discussed above, there are only two reasons to set an application filed pursuant to R.C. 4909.18 for hearing. As such, the singular ground, which is not supported by factual findings on the record, is insufficient to satisfy the requirements of R.C. 4903.09.

As a matter of law, the Commission’s failure to address this issue in its Order violates R.C. 4903.09. This was undoubtedly a contested case, meaning that the Commission should have filed findings of fact and written opinions setting forth the reasons prompting the decisions arrived at, based upon said findings of fact. Yet the Order does not contain any findings of fact, discussion, or analysis regarding AEP Ohio’s failure to publish notice of the hearing as required by statute. Consequently, the Commission not only failed to appropriately address OMAEG and other parties’ arguments on this issue and provide record evidence supporting its decision, it failed to make any kind of decision on this still-pending matter at all. Similarly, the Commission failed to address OMAEG and One Power’s joint interlocutory appeal, which was not even mentioned in the Order.

⁷⁰ R.C. 4903.09. *See also In re Comm. Rev. of Capacity Charges of Ohio Power Co.*, 147 Ohio St.3d 59, 2016-Ohio-1607, ¶ 53; *MCI Telecommunications Corp. v. Pub. Util. Comm.*, 32 Ohio St. 3d 306, 312, 513 N.E.2d 337 (1987); *Indus. Energy Users-Ohio v. Pub. Util. Comm.*, 117 Ohio St.3d 486, 2008-Ohio-990, 885 N.E.2d 195, ¶ 30.

⁷¹ Tr. Vol. I at 37.

Nor has the Commission issued any separate entries or orders determining whether to certify the interlocutory appeal.

For all the reasons set forth above, the ruling to deny One Power's motion for a continuance violated statutory due process, R.C. 4909.18, and R.C. 4903.09. Moreover, the Commission's failure to address any of the arguments on this matter and render a decision also violated statutory due process and R.C. 4903.09. The Commission should have analyzed the arguments offered by OMAEG and other parties, weighed them against the scant rationale offered by the ALJs, concluded that the ALJs' decision was improper, and reversed the ALJs' ruling. But the Commission failed to do so. Therefore, rehearing should be granted on this matter, and the Commission should rule on the merits of the issue.

F. ASSIGNMENT OF ERROR NO. 6: The Commission erred by unjustly, unreasonably, and unlawfully upholding the ALJs' rulings that prevented OMAEG from questioning AEP witnesses about matters directly relevant and material to this case in violation of R.C. 4903.09.

In its Order, the Commission failed to reverse the ALJs' rulings improperly restricting OMAEG's cross-examination of AEP Ohio witness Ali regarding RTO-controlled generation⁷² and of AEP Ohio witness McKenzie regarding transmission planning and economic development.⁷³ The ALJs' conclusion that questions regarding (1) whether AEP Ohio considered other solutions to mitigate the alleged commission capacity constraint aside from a discriminatory tariff, and (2) whether AEP Ohio was even acting in good faith when it initiated this case are somehow immaterial and irrelevant to this case was unjust, unreasonable, and unlawful.

⁷² Tr. Vol. I at 216–20.

⁷³ Tr. Vol. VIII at 1645–47.

As explained in OMAEG's initial brief and during the hearing,⁷⁴ the excluded lines of questioning were directly relevant to whether or not the 10/23 Stipulation satisfied the Commission's three-prong test, and involved matters at the very heart of this proceeding. Specifically, OMAEG's intended questions for AEP Ohio witness Ali were relevant because "it's important for the record to know whether [Mr. Ali] did or did not include in his modeling generation resources that are PJM RTO controlled, . . . which he said would affect transmission constraints and could solve the problem," and since "he didn't provide his model to us, . . . it's important to know what is included or is not included in his model."⁷⁵ Determining whether AEP Ohio even considered solutions other than constructing a 765 kV line or implementing discriminatory tariffs with increased costs to certain customers, was and is relevant to this case because it speaks to whether or not the 10/23 Stipulation and Schedule DCT actually benefit customers and the public interest. Furthermore, the ALJs' belief that OMAEG's line of questioning had no bearing on the points that OMAEG was trying to make during cross-examination is incorrect. As explained in OMAEG's initial brief, and as noted in the Commission's Order, OMAEG planned, in part, to examine Mr. Ali's credibility and underlying modeling assumptions.⁷⁶ Mr. Ali's inability to testify about the underlying assumptions of his own modeling, as well as what projects he actually factored into the modeling went directly to his credibility. Therefore, the ALJs' ruling ending this line of questioning prevented OMAEG from inquiring into relevant and material evidence directly related to the Commission's examination of AEP Ohio's application and two Stipulations and whether they satisfy the three-part test. The

⁷⁴ See OMAEG Brief at 13–16; Tr. Vol. I at 215, 220 (Ali Cross); Proffer, Tr. Vol. VIII at 1645–47 (McKenzie Cross).

⁷⁵ Tr. Vol. I at 215 (Ali Cross).

⁷⁶ Order at ¶ 26; OMAEG Brief at 14.

evidence also would have directly contradicted any purported evidence relied upon by the Commission in its Order.

Similarly, OMAEG should not have been prevented from questioning AEP Ohio witness McKenzie regarding both his contradictory statements and AEP Ohio's contradictory actions, specifically with regard to AEP Ohio both unlawfully instituting a moratorium on data centers in Central Ohio, while at the same time courting them and encouraging them to locate in the Company's service territory.⁷⁷ These contradictory actions are directly relevant to this case, which was first initiated ostensibly in response to an existing transmission capacity constraint. As such, OMAEG should have been permitted to further flesh out these issues on cross-examination so that additional facts could be added to the record for the Commission's review. Therefore, the ALJs' ruling ending this line of questioning resulted in the effective exclusion of facts and evidence relevant and material to this case, causing prejudice to OMAEG and other parties.

Furthermore, with respect to both rulings, the Commission's decision to uphold the ALJs' rulings is not properly supported by "written opinions setting forth the reasons prompting the decisions arrived at, based upon said findings of fact," in violation of R.C. 4903.09. Without citing relevant findings of fact supported by record evidence, the Commission declared that OMAEG's line of questioning for Mr. Ali had no bearing on the points OMAEG was attempting to make, and that OMAEG was given sufficient leeway to question Mr. McKenzie.⁷⁸ However, these conclusions are incorrect as well as unsupported. As noted above, whether Mr. Ali could even properly testify about his own modeling and the underlying assumptions was directly related to his credibility, which OMAEG was calling into question. And being ordered to terminate a line of

⁷⁷ Proffer, Tr. Vol. VIII at 1645–47 (McKenzie Cross).

⁷⁸ Order at ¶¶ 28, 31.

questioning without providing a proper explanation as required by R.C. 4903.09 can hardly be described as “sufficient leeway.” Given that the Order failed to provide record evidence that supports its decision, in violation of R.C. 4903.09, the Commission’s decision to uphold the ALJs’ rulings was unjust, unreasonable, and unlawful.

For all the reasons discussed above, the Commission’s decision to uphold the ALJs’ rulings that improperly narrowed the scope of OMAEG’s cross-examination was unjust, unreasonable, and unlawful. By preventing OMAEG from questioning AEP Ohio witness Ali about RTO-controlled generation and preventing OMAEG from questioning AEP Ohio witness McKenzie about contradictory statements and testimony, the Commission was denied a full review and examination of facts and matters key to the disposition of this case. Therefore, rehearing should be granted on these matters, and the ALJs’ decisions should be reversed.

III. CONCLUSION

For all the reasons set forth above, as well as those articulated in OMAEG’s initial and reply briefs, the Commission’s adoption of the 10/23 Stipulation and approval of Schedule DCT were unjust, unreasonable, and unlawful. The hearing itself should not have been allowed to proceed given AEP Ohio’s failure to abide by and carry out statutory mandates, and once the hearing commenced, OMAEG was improperly prevented from developing a fulsome and robust record. Moreover, the record evidence presented failed to demonstrate that an actual transmission capacity constraint exists—calling into question whether the 10/23 Stipulation and Schedule DCT, as a package, are actually in the public interest—or that Schedule DCT is not discriminatory—calling into question whether the 10/23 Stipulation and Schedule DCT violate any important regulatory principles and practices. Rather, the manifest weight of the record evidence demonstrates that Schedule DCT is not even necessary given AEP Ohio’s failure to demonstrate the existence of constraint or even conduct the necessary analysis to determine if a transmission

constraint actually exists.⁷⁹ As such, there is no justification for authorizing a new tariff that is discriminatory on its face, and the Commission's approval of the 10/23 Stipulation and Schedule DCT was unjust, unreasonable, and unlawful, and against the manifest weight of the evidence in violation R.C. 4903.09. Therefore, OMAEG respectfully requests that the Commission grant this application for rehearing and modify its Order to (1) deny approval of the 10/23 Stipulation and Schedule DCT, which are discriminatory and unlawful; (2) find that AEP Ohio's self-imposed moratorium was unlawful; (3) find that AEP Ohio's claim regarding the existence of a transmission capacity constraint was not supported by the record evidence; (4) find that AEP Ohio's application was for an increase in rates; (5) find that the ALJs unlawfully allowed the evidentiary hearing to move forward in violation of R.C. 4909.18; and (6) find that the ALJs' rulings to narrow the scope of OMAEG's cross-examination was improper.

Respectfully submitted,

/s/ Kimberly W. Bojko

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⁷⁹ OMAEG Ex. 22 (OMAEG-INT-01-041); OMAEG Ex. 23 (Response to DCC-INT-02-001); Tr. Vol. I at 262 (Ali Cross); Tr. Vol. VII at 1508 (McKenzie Cross); Tr. Vol. XII at 2667–68 (Healey Cross); DCC Ex. 5 (OEG-INT-1-2).

CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a copy of the foregoing document also is being served via electronic mail on August 8, 2025 upon the parties listed below.

/s/ Kimberly W. Bojko

Kimberly W. Bojko

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in

Case No(s). 24-0508-EL-ATA

Summary: App for Rehearing OMAEG Application for Rehearing on AEP Data
Center Tariff electronically filed by Mrs. Kimberly W. Bojko on behalf of The Ohio
Manufacturers' Association Energy Group.

Section 4903.09 | Written opinions filed by commission in all contested cases.

Ohio Revised Code / Title 49 Public Utilities /
Chapter 4903 Public Utilities Commission - Hearings

Effective: October 26, 1953 **Latest Legislation:** House Bill 134 - 100th General Assembly

In all contested cases heard by the public utilities commission, a complete record of all of the proceedings shall be made, including a transcript of all testimony and of all exhibits, and the commission shall file, with the records of such cases, findings of fact and written opinions setting forth the reasons prompting the decisions arrived at, based upon said findings of fact.

Available Versions of this Section

October 26, 1953 – House Bill 134 - 100th General Assembly

Section 4903.10 | Application for rehearing.

Ohio Revised Code / Title 49 Public Utilities /
Chapter 4903 Public Utilities Commission - Hearings

Effective: September 29, 1997 **Latest Legislation:** House Bill 215 - 122nd General Assembly

After any order has been made by the public utilities commission, any party who has entered an appearance in person or by counsel in the proceeding may apply for a rehearing in respect to any matters determined in the proceeding. Such application shall be filed within thirty days after the entry of the order upon the journal of the commission.

Notwithstanding the preceding paragraph, in any uncontested proceeding or, by leave of the commission first had in any other proceeding, any affected person, firm, or corporation may make an application for a rehearing within thirty days after the entry of any final order upon the journal of the commission. Leave to file an application for rehearing shall not be granted to any person, firm, or corporation who did not enter an appearance in the proceeding unless the commission first finds:

(A) The applicant's failure to enter an appearance prior to the entry upon the journal of the commission of the order complained of was due to just cause; and,

(B) The interests of the applicant were not adequately considered in the proceeding.

Every applicant for rehearing or for leave to file an application for rehearing shall give due notice of the filing of such application to all parties who have entered an appearance in the proceeding in the manner and form prescribed by the commission.

Such application shall be in writing and shall set forth specifically the ground or grounds on which the applicant considers the order to be unreasonable or unlawful. No party shall in any court urge or rely on any ground for reversal, vacation, or modification not so set forth in the application.

Where such application for rehearing has been filed before the effective date of the order as to which a rehearing is sought, the effective date of such order, unless otherwise ordered by the commission, shall be postponed or stayed pending disposition of the matter by the commission or by operation of law. In all other cases the making of such an application shall not excuse any person from complying with the order, or operate to stay or postpone the enforcement thereof, without a special order of the commission.

Where such application for rehearing has been filed, the commission may grant and hold such rehearing on the matter specified in such application, if in its judgment sufficient reason therefor is made to appear. Notice of such rehearing shall be given by regular mail to all parties who have entered an appearance in the proceeding.

If the commission does not grant or deny such application for rehearing within thirty days from the date of filing thereof, it is denied by operation of law.

If the commission grants such rehearing, it shall specify in the notice of such granting the purpose for which it is granted. The commission shall also specify the scope of the additional evidence, if any, that will be taken, but it shall not upon such rehearing take any evidence that, with reasonable diligence, could have been offered upon the original hearing.

If, after such rehearing, the commission is of the opinion that the original order or any part thereof is in any respect unjust or unwarranted, or should be changed, the commission may abrogate or modify the same; otherwise such order shall be affirmed. An order made after such rehearing, abrogating or modifying the original order, shall have the same effect as an original order, but shall not affect any right or the enforcement of any right arising from or by virtue of the original order prior to the receipt of notice by the affected party of the filing of the application for rehearing.

No cause of action arising out of any order of the commission, other than in support of the order, shall accrue in any court to any person, firm, or corporation unless such person, firm,

or corporation has made a proper application to the commission for a rehearing.

Available Versions of this Section

September 29, 1997 – House Bill 215 - 122nd General Assembly

Section 4903.13 | Reversal of final order - notice of appeal.

Ohio Revised Code / Title 49 Public Utilities /
Chapter 4903 Public Utilities Commission - Hearings

Effective: October 1, 1953 **Latest Legislation:** House Bill 1 - 100th General Assembly

A final order made by the public utilities commission shall be reversed, vacated, or modified by the supreme court on appeal, if, upon consideration of the record, such court is of the opinion that such order was unlawful or unreasonable.

The proceeding to obtain such reversal, vacation, or modification shall be by notice of appeal, filed with the public utilities commission by any party to the proceeding before it, against the commission, setting forth the order appealed from and the errors complained of. The notice of appeal shall be served, unless waived, upon the chairman of the commission, or, in the event of his absence, upon any public utilities commissioner, or by leaving a copy at the office of the commission at Columbus. The court may permit any interested party to intervene by cross-appeal.

Available Versions of this Section

October 1, 1953 – House Bill 1 - 100th General Assembly

Section 4905.22 | Service and facilities required - unreasonable charge prohibited.

Ohio Revised Code / Title 49 Public Utilities /
Chapter 4905 Public Utilities Commission - General Powers

Effective: October 1, 1953 **Latest Legislation:** House Bill 1 - 100th General Assembly

Every public utility shall furnish necessary and adequate service and facilities, and every public utility shall furnish and provide with respect to its business such instrumentalities and facilities, as are adequate and in all respects just and reasonable. All charges made or demanded for any service rendered, or to be rendered, shall be just, reasonable, and not more than the charges allowed by law or by order of the public utilities commission, and no unjust or unreasonable charge shall be made or demanded for, or in connection with, any service, or in excess of that allowed by law or by order of the commission.

Available Versions of this Section

October 1, 1953 – House Bill 1 - 100th General Assembly

Section 4905.32 | Schedule rate collected.

Ohio Revised Code / Title 49 Public Utilities /

Chapter 4905 Public Utilities Commission - General Powers

Effective: October 1, 1953 **Latest Legislation:** House Bill 1 - 100th General Assembly

No public utility shall charge, demand, exact, receive, or collect a different rate, rental, toll, or charge for any service rendered, or to be rendered, than that applicable to such service as specified in its schedule filed with the public utilities commission which is in effect at the time.

No public utility shall refund or remit directly or indirectly, any rate, rental, toll, or charge so specified, or any part thereof, or extend to any person, firm, or corporation, any rule, regulation, privilege, or facility except such as are specified in such schedule and regularly and uniformly extended to all persons, firms, and corporations under like circumstances for like, or substantially similar, service.

Available Versions of this Section

October 1, 1953 – House Bill 1 - 100th General Assembly

Section 4905.33 | Rebates, special rates, and free service prohibited.

Ohio Revised Code / Title 49 Public Utilities /

Chapter 4905 Public Utilities Commission - General Powers

Effective: January 1, 2001 **Latest Legislation:** Senate Bill 3 - 123rd General Assembly

(A) No public utility shall directly or indirectly, or by any special rate, rebate, drawback, or other device or method, charge, demand, collect, or receive from any person, firm, or corporation a greater or lesser compensation for any services rendered, or to be rendered, except as provided in Chapters 4901., 4903., 4905., 4907., 4909., 4921., and 4923. of the Revised Code, than it charges, demands, collects, or receives from any other person, firm, or corporation for doing a like and contemporaneous service under substantially the same circumstances and conditions.

(B) No public utility shall furnish free service or service for less than actual cost for the purpose of destroying competition.

Available Versions of this Section

January 1, 2001 – Senate Bill 3 - 123rd General Assembly

Section 4905.35 | Prohibiting discrimination.

Ohio Revised Code / Title 49 Public Utilities /

Chapter 4905 Public Utilities Commission - General Powers

Effective: September 17, 1996 **Latest Legislation:** House Bill 476 - 121st General Assembly

(A) No public utility shall make or give any undue or unreasonable preference or advantage to any person, firm, corporation, or locality, or subject any person, firm, corporation, or locality to any undue or unreasonable prejudice or disadvantage.

(B)(1) A natural gas company that is a public utility shall offer its regulated services or goods to all similarly situated consumers, including persons with which it is affiliated or which it controls, under comparable terms and conditions.

(2) A natural gas company that is a public utility and that offers to a consumer a bundled service that includes both regulated and unregulated services or goods shall offer, on an unbundled basis, to that same consumer the regulated services or goods that would have been part of the bundled service. Those regulated services or goods shall be of the same quality as or better quality than, and shall be offered at the same price as or a better price than and under the same terms and conditions as or better terms and conditions than, they would have been had they been part of the company's bundled service.

(3) No natural gas company that is a public utility shall condition or limit the availability of any regulated services or goods, or condition the availability of a discounted rate or improved quality, price, term, or condition for any regulated services or goods, on the basis of the identity of the supplier of any other services or goods or on the purchase of any unregulated services or goods from the company.

[Available Versions of this Section](#)

Section 4909.18 | Application to establish or change rate.

Ohio Revised Code / Title 49 Public Utilities /

Chapter 4909 Public Utilities Commission - Fixation Of Rates

A new version of Section 4909.18 exists that takes effect March 20, 2026

[View New Version](#)

Effective: August 14, 2025 **Latest Legislation:** House Bill 15 - 136th General Assembly

Any public utility desiring to establish any rate, joint rate, toll, classification, charge, or rental, or to modify, amend, change, increase, or reduce any existing rate, joint rate, toll, classification, charge, or rental, or any regulation or practice affecting the same, shall file a written application with the public utilities commission. Except for actions under section [4909.16](#) of the Revised Code, no public utility may issue the notice of intent to file an application pursuant to division (B) of section [4909.43](#) of the Revised Code to increase any existing rate, joint rate, toll, classification, charge, or rental, until a final order under this section has been issued by the commission on any pending prior application to increase the same rate, joint rate, toll, classification, charge, or rental or until two hundred seventy-five days after filing such application, whichever is sooner. Such application shall be verified by the president or a vice-president and the secretary or treasurer of the applicant. Such application shall contain a schedule of the existing rate, joint rate, toll, classification, charge, or rental, or regulation or practice affecting the same, a schedule of the modification amendment, change, increase, or reduction sought to be established, and a statement of the facts and grounds upon which such application is based. If such application proposes a new service or the use of new equipment, or proposes the establishment or amendment of a regulation, the application shall fully describe the new service or equipment, or the regulation proposed to be established or amended, and shall explain how the proposed service or equipment differs from services or equipment presently offered or in use, or how the regulation proposed to be established or amended differs from regulations presently in

effect. The application shall provide such additional information as the commission may require in its discretion. If the commission determines that such application is not for an increase in any rate, joint rate, toll, classification, charge, or rental, the commission may permit the filing of the schedule proposed in the application and fix the time when such schedule shall take effect. If it appears to the commission that the proposals in the application may be unjust or unreasonable, the commission shall set the matter for hearing and shall give notice of such hearing by sending written notice of the date set for the hearing to the public utility and publishing notice of the hearing one time in a newspaper of general circulation in each county in the service area affected by the application. At such hearing, the burden of proof to show that the proposals in the application are just and reasonable shall be upon the public utility. After such hearing, the commission shall, where practicable, issue an appropriate order within six months from the date the application was filed.

If the commission determines that said application is for an increase in any rate, joint rate, toll, classification, charge, or rental there shall also, unless otherwise ordered by the commission, be filed with the application in duplicate the following exhibits:

(A) A report of its property used and useful, or, with respect to a natural gas, water-works, or sewage disposal system company, projected to be used and useful, as of the date certain, or during the forecasted test period, if the application is filed under division (C)(1)(a) of section [4909.15](#) of the Revised Code, in rendering the service referred to in such application, as provided in sections [4909.042](#) and [4909.05](#) of the Revised Code;

(B) A complete operating statement of its last fiscal year, showing in detail all its receipts, revenues, and incomes from all sources, all of its operating costs and other expenditures, and any analysis such public utility deems applicable to the matter referred to in said application;

(C) A statement of the income and expense anticipated under the application filed;

(D) A statement of financial condition summarizing assets, liabilities, and net worth;

(E) Such other information as the commission may require in its discretion.

Last updated May 20, 2025 at 10:07 AM

Available Versions of this Section

March 27, 2013 – House Bill 379 - 129th General Assembly

August 14, 2025 – Amended by House Bill 15 - 136th General Assembly

March 20, 2026 – Amended by Senate Bill 103 - 136th General Assembly

Section 4909.19 | Publication of notice - investigation.

Ohio Revised Code / Title 49 Public Utilities /

Chapter 4909 Public Utilities Commission - Fixation Of Rates

Effective: August 14, 2025 **Latest Legislation:** House Bill 15 - 136th General Assembly

(A) Upon the filing of any application for increase provided for by section [4909.18](#) of the Revised Code the public utility shall forthwith publish notice of such application, in a form approved by the public utilities commission, once a week for two consecutive weeks in a newspaper published and in general circulation throughout the territory in which such public utility operates and directly affected by the matters referred to in said application. The notice shall include instructions for direct electronic access to the application or other documents on file with the public utilities commission. The first publication of the notice shall be made in its entirety and may be made in a preprinted insert in the newspaper. The second publication may be abbreviated if all of the following apply:

(1) The abbreviated notice is at least one-fourth of the size of the notice in the first publication.

(2) At the same time the abbreviated notice is published, the notice in the first publication is posted in its entirety on the newspaper's web site, if the newspaper has a web site, and the commission's web site.

(3) The abbreviated notice contains a statement of the web site posting or postings, as applicable, and instructions for accessing the posting or postings.

(B) The commission shall determine a format for the content of all notices required under this section, and shall consider costs and technological efficiencies in making that determination. Defects in the publication of said notice shall not affect the legality or sufficiency of notices published under this section provided that the commission has

substantially complied with this section, as described in section [4905.09](#) of the Revised Code.

(C) The commission shall at once cause an investigation to be made of the facts set forth in said application and the exhibits attached thereto, and of the matters connected therewith. Within one hundred eighty days after the application is determined to be complete, a written report shall be made and filed with the commission, a copy of which shall be sent by certified mail to the applicant, the mayor of any municipal corporation affected by the application, and to such other persons as the commission deems interested. If no objection to such report is made by any party interested within thirty days after such filing and the mailing of copies thereof, the commission shall fix a date within ten days for the final hearing upon said application, giving notice thereof to all parties interested. At such hearing the commission shall consider the matters set forth in said application and make such order respecting the prayer thereof as to it seems just and reasonable.

If objections are filed with the commission, the commission shall cause a pre-hearing conference to be held between all parties, intervenors, and the commission staff in all cases involving more than one hundred thousand customers.

If objections are filed with the commission within thirty days after the filing of such report, the application shall be promptly set down for hearing of testimony before the commission or be forthwith referred to an attorney examiner designated by the commission to take all the testimony with respect to the application and objections which may be offered by any interested party. The commission shall also fix the time and place to take testimony giving ten days' written notice of such time and place to all parties. The taking of testimony shall commence on the date fixed in said notice and shall continue from day to day until completed. The attorney examiner may, upon good cause shown, grant continuances for not more than three days, excluding Saturdays, Sundays, and holidays. The commission may grant continuances for a longer period than three days upon its order for good cause shown. At any hearing involving rates or charges sought to be increased, the burden of proof to

show that the increased rates or charges are just and reasonable shall be on the public utility.

When the taking of testimony is completed, a full and complete record of such testimony noting all objections made and exceptions taken by any party or counsel, shall be made, signed by the attorney examiner, and filed with the commission. Prior to the formal consideration of the application by the commission and the rendition of any order respecting the prayer of the application, a quorum of the commission shall consider the recommended opinion and order of the attorney examiner, in an open, formal, public proceeding in which an overview and explanation is presented orally. Thereafter, the commission shall make such order respecting the prayer of such application as seems just and reasonable to it.

In all proceedings before the commission in which the taking of testimony is required, except when heard by the commission, attorney examiners shall be assigned by the commission to take such testimony and fix the time and place therefor, and such testimony shall be taken in the manner prescribed in this section. All testimony shall be under oath or affirmation and taken down and transcribed by a reporter and made a part of the record in the case. The commission may hear the testimony or any part thereof in any case without having the same referred to an attorney examiner and may take additional testimony. Testimony shall be taken and a record made in accordance with such general rules as the commission prescribes and subject to such special instructions in any proceedings as it, by order, directs.

Last updated May 22, 2025 at 12:36 PM

Available Versions of this Section

September 9, 2011 – House Bill 95 - 129th General Assembly

August 14, 2025 – Amended by House Bill 15 - 136th General Assembly

Section 4928.02 | State policy.

Ohio Revised Code / [Title 49 Public Utilities](#) /
Chapter 4928 Competitive Retail Electric Service

Effective: October 17, 2019 **Latest Legislation:** House Bill 166 - 133rd General Assembly

It is the policy of this state to do the following throughout this state:

- (A) Ensure the availability to consumers of adequate, reliable, safe, efficient, nondiscriminatory, and reasonably priced retail electric service;
- (B) Ensure the availability of unbundled and comparable retail electric service that provides consumers with the supplier, price, terms, conditions, and quality options they elect to meet their respective needs;
- (C) Ensure diversity of electricity supplies and suppliers, by giving consumers effective choices over the selection of those supplies and suppliers and by encouraging the development of distributed and small generation facilities;
- (D) Encourage innovation and market access for cost-effective supply- and demand-side retail electric service including, but not limited to, demand-side management, time-differentiated pricing, waste energy recovery systems, smart grid programs, and implementation of advanced metering infrastructure;
- (E) Encourage cost-effective and efficient access to information regarding the operation of the transmission and distribution systems of electric utilities in order to promote both effective customer choice of retail electric service and the development of performance standards and targets for service quality for all consumers, including annual achievement reports written in plain language;

- (F) Ensure that an electric utility's transmission and distribution systems are available to a customer-generator or owner of distributed generation, so that the customer-generator or owner can market and deliver the electricity it produces;
- (G) Recognize the continuing emergence of competitive electricity markets through the development and implementation of flexible regulatory treatment;
- (H) Ensure effective competition in the provision of retail electric service by avoiding anticompetitive subsidies flowing from a noncompetitive retail electric service to a competitive retail electric service or to a product or service other than retail electric service, and vice versa, including by prohibiting the recovery of any generation-related costs through distribution or transmission rates;
- (I) Ensure retail electric service consumers protection against unreasonable sales practices, market deficiencies, and market power;
- (J) Provide coherent, transparent means of giving appropriate incentives to technologies that can adapt successfully to potential environmental mandates;
- (K) Encourage implementation of distributed generation across customer classes through regular review and updating of administrative rules governing critical issues such as, but not limited to, interconnection standards, standby charges, and net metering;
- (L) Protect at-risk populations, including, but not limited to, when considering the implementation of any new advanced energy or renewable energy resource;
- (M) Encourage the education of small business owners in this state regarding the use of, and encourage the use of, energy efficiency programs and alternative energy resources in their businesses;
- (N) Facilitate the state's effectiveness in the global economy.

(O) Encourage cost-effective, timely, and efficient access to and sharing of customer usage data with customers and competitive suppliers to promote customer choice and grid modernization.

(P) Ensure that a customer's data is provided in a standard format and provided to third parties in as close to real time as is economically justifiable in order to spur economic investment and improve the energy options of individual customers.

In carrying out this policy, the commission shall consider rules as they apply to the costs of electric distribution infrastructure, including, but not limited to, line extensions, for the purpose of development in this state.

Available Versions of this Section

September 10, 2012 – Senate Bill 315 - 129th General Assembly

October 17, 2019 – Amended by House Bill 166 - 133rd General Assembly

Section 4933.83 | Exclusive right to furnish electric service to electric load centers.

Ohio Revised Code / Title 49 Public Utilities /
Chapter 4933 Companies - Gas; Electric; Water; Others

Effective: July 12, 1978 **Latest Legislation:** House Bill 577 - 112th General Assembly

(A) Except as otherwise provided in this section and Article XVIII of the Ohio Constitution, each electric supplier shall have the exclusive right to furnish electric service to all electric load centers located presently or in the future within its certified territory, and shall not furnish, make available, render, or extend its electric service for use in electric load centers located within the certified territory of another electric supplier; provided that nothing in sections [4933.81](#) to [4933.90](#) of the Revised Code shall impair the power of municipal corporations to require franchises or contracts for the provision of electric service within their boundaries, and provided that any electric supplier may extend its facilities through the certified territory of another electric supplier to connect any of its facilities, to serve electric load centers within its own certified territory or to interconnect with other electric suppliers. In the event that a new electric load center should locate in an area that is composed of two or more adjacent certified territories, the electric supplier in whose certified territory the greater portion of the land area covered by the electric load center is located shall serve that electric load center. In the event that a municipal corporation refuses to grant a franchise or contract for electric service within its boundaries to an electric supplier whose certified territory is included within the municipality, any other electric supplier may serve the municipal corporation under a franchise or contract with the municipal corporation.

(B) Electric suppliers shall furnish adequate facilities to meet the reasonable needs of the consumers and inhabitants in the certified territories that they are authorized and required to serve pursuant to sections [4933.81](#) to [4933.90](#) of the Revised Code. The public utilities commission may, after a hearing had upon due notice, make such findings as may be

supported by proof as to whether any electric supplier operating in a certified territory, or providing electric service pursuant to division (C) of this section, is rendering or proposes to render physically adequate service to an electric load center and in the event the commission finds that such electric supplier is not rendering and does not propose to render physically adequate service, the commission may enter an order specifying in what particulars such electric supplier has failed to render or propose to render physically adequate service and order that such failure be corrected within a reasonable time to be fixed in such order. If the electric supplier so ordered to correct such failure fails to comply with such order, the commission may authorize another electric supplier to furnish electric service to such electric load center and shall appropriately amend the maps of the certified territory of such electric suppliers.

(C) Except as provided in division (B) of this section and Article XVIII of the Ohio Constitution, each electric supplier has the obligation and exclusive right to furnish electric service to electric load centers, wherever located, which it was serving on January 1, 1977, or which it had agreed to serve under lawful contracts in effect on or resulting from written bids submitted under bond prior to January 1, 1977, and no other electric supplier shall furnish, make available, or extend electric service to any such electric load centers.

(D) Sections [4933.81](#) to [4933.90](#) of the Revised Code shall not prevent an electric supplier from extending its electric service after the effective date of this section to its own property or facilities.

(E) Notwithstanding the effectuation of certified territories established by or pursuant to sections [4933.81](#) to [4933.90](#) of the Revised Code, and the exclusive right of electric suppliers to serve within such territory, and notwithstanding any other provisions of such sections establishing rights of electric suppliers to furnish electric service, any two or more electric suppliers may jointly petition the commission for the reallocation of their own territories and electric load centers among them and designating which portions of such territories and electric load centers are to be served by each of the electric suppliers. The commission, if it

finds that granting the petition will promote the purposes of sections [4933.81](#) to [4933.90](#) of the Revised Code and will provide adequate service to all territories and electric load centers affected thereby, shall approve such a petition, appropriately modify the territorial boundaries of the petitioning electric suppliers, and amend the maps of the certified territory of such electric suppliers accordingly.

Available Versions of this Section

July 12, 1978 – House Bill 577 - 112th General Assembly

Rule 4901-1-35 | Applications for rehearing.

Ohio Administrative Code / 4901 /

Chapter 4901-1 | Administrative Provisions and Procedure

Effective: April 11, 2024 **Promulgated Under:** 111.15

(A) Any party or any affected person, firm, or corporation may file an application for rehearing, within thirty days after the issuance of a commission order, in the form and manner and under the circumstances set forth in section [4903.10](#) of the Revised Code. An application for rehearing must set forth, in numbered or lettered paragraphs, the specific ground or grounds upon which the applicant considers the commission order to be unreasonable or unlawful. An application for rehearing must be accompanied by a memorandum in support, which sets forth an explanation of the basis for each ground for rehearing identified in the application for rehearing and which shall be filed no later than the application for rehearing.

(B) Any party may file a memorandum contra within ten days after the filing of an application for rehearing.

(C) As provided in section [4903.10](#) of the Revised Code, all applications for rehearing must be filed within thirty days after an order has been journalized by the secretary of the commission, or, in the case of an application that is subject to automatic approval under the commission's procedures, an application for rehearing must be filed within thirty days after the date on which the automatic timeframe has expired, unless the application has been suspended by the commission.

(D) A party or any affected person, firm, or corporation may only file one application for rehearing to a commission order within thirty days following the entry of the order upon the journal of the commission.

Supplemental Information

Authorized By: [4901.13](#)

Amplifies: [4901.13](#)

Five Year Review Date: 4/11/2029

Prior Effective Dates: 3/1/1981, 6/1/1983, 4/4/1996, 4/20/2001, 5/7/2007, 6/15/2014

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio Power :
Company for New Tariffs Related To Data : **Case No. 24-508-EL-ATA**
Centers and Mobile Data Centers :

APPLICATION FOR APPROVAL OF NEW TARIFFS BY OHIO POWER COMPANY

Now comes Ohio Power Company (“AEP Ohio” or “the Company”) and states as follows:

1. AEP Ohio is a “public utility,” as that term is defined in Section 4905.02 of the Ohio Revised Code (“R.C.”).
2. AEP Ohio files this Application pursuant to R.C. 4909.18, not for an increase in rates, seeking to establish two new classifications of customers going forward. Specifically, AEP Ohio requests approval of the following tariffs to create two new customer classifications: (1) the Data Center Power tariff for new data center customers that will use a monthly maximum demand of 25 MW or greater at a single location; and (2) the Mobile Data Center tariff for new mobile data center customers (*e.g.*, cryptocurrency miners) that will use a monthly maximum demand of 1 MW or greater at a single location. Data center and cryptocurrency mining customers that have signed service agreements with the Company prior to the proposed tariffs being effective will continue to be served under the Company’s existing General Service tariffs. But as part of its next base distribution rate case or some other appropriate proceeding in the future, the Company reserves the right to migrate those grandfathered customers to the new tariffs (or some other applicable tariff at that time).

3. Both proposed tariffs include a long-term capacity commitment to help ensure the capacity expansion is needed at the level requested and to help justify the time and cost associated with building the requisite high-voltage transmission to serve these unique customers. The Mobile Data Center tariff has further terms and conditions to address the additional load characteristics and mobility of mobile data centers. The key terminology used herein and the other proposed terms and conditions are set forth in the proposed tariffs and supporting testimony.

Data Center and Mobile Data Center Background

4. A data center consists of a centralized facility housing computer systems, servers, networking equipment, and related components necessary for the efficient operation of IT infrastructure used for the management, storage, processing, and dissemination of data and information.

5. Data centers can often be massive, highly scalable, energy intense facilities that require large capital investments – both on the customer side and the utility side of the meter. Data centers play a crucial role in supporting the modern digital economy by providing the infrastructure for cloud computing, big data analytics, and other high-performance computing tasks.

6. Not only are data centers typically associated with hyperscale loads, the load profile of data centers is unique because, unlike other commercial or industrial businesses that run varying shifts of production or only operate during normal business hours, they require high levels of demand – operating 24 hours a day, 7 days a week, 365 days a year with no natural cycling. Consequently, data center customers often have load factors that exceed 95%.

7. Mobile data centers, unlike traditional data centers, which often involve millions

of dollars if not tens of millions of dollars of investment in real property and infrastructure, are more transient in nature. Despite their transient nature, however, they still have intense electricity needs. These mobile data center customers present additional challenges to AEP Ohio and its other customers.

8. Mobile data centers are often lacking structures physically affixed to the ground. For example, mobile data center customers often operate out of shipping containers or other minimal structures. Even those that have structures have minimal capital investment compared to other commercial and industrial customers, including traditional data centers, which are incredibly capital intense projects. As a result, mobile data center customers can easily locate without much stranded investment on their side of the meter.

9. Cryptocurrency mining is a process involving blockchain networks, like Bitcoin and other cryptocurrencies, which are used to finalize transactions. When computers on the network verify and process transactions, new bitcoins are created, or “mined.” Utilizing powerful (and power-hungry) computers, cryptocurrency miners (also referred to herein as “crypto miners”) employ a process of creating new units of cryptocurrency by solving complex mathematical equations / validating transactions. The effort to solve these equations and validate transactions is known as “mining.” In exchange for solving these equations, crypto miners are rewarded with new cryptocurrency units.

10. Like traditional data centers, mobile data centers, such as crypto mining, operate 24/7 with no predictable cycling because they mine bitcoins as long as it is economical (*i.e.*, power prices and other costs of mining compare favorably with bitcoin prices). Thus, there are no set business hours, no stable demand curves and no permanency to crypto mining operations.

11. As described by AEP Ohio witnesses Kelso and McKenzie, these two sets of customers have distinct characteristics that set them apart from general service customers. The Company's testimony also shows that, while data centers (and mobile data centers) can generate economic development, it is often less impactful than the economic development generated by other commercial and industrial customers. Through the proposed tariffs, AEP Ohio is proposing to create new customer classes for data center customers and cryptocurrency mining customers.

Growth in AEP Ohio Service Territory

12. As described by AEP Ohio witnesses Ali, Kelso, and McKenzie, AEP Ohio is experiencing an unprecedented load growth from data centers in the AEP Ohio service territory, especially in central Ohio. AEP Ohio has signed Letters of Agreements or Electric Service Agreements with data center customers that will more than double the amount of load in central Ohio by 2030. This includes expanded load from the existing data center customers ramping up their current operations as well as new data center customers. Absent additional capacity (discussed below), even just the future load growth that is under contract will leave minimal amounts of reserve capacity for additional (non-data center) load growth for all existing and future customers in central Ohio. At least AEP Ohio's Top 5 largest customers will be data center customers by 2030.

13. In addition, as witness McKenzie explains, there have been over 50 customers at approximately 90 sites have submitted requests to reserve capacity for new or expanded load (that have not yet executed contracts) totaling more than 30,000 MW. The Company is filing the proposed tariffs in order to balance the interests of data center customers and other current and future customers of AEP Ohio.

14. AEP Ohio has also signed agreements for mobile data center load elsewhere within the AEP Ohio footprint outside of central Ohio.

15. The influx in load under contract, along with their future load requests to serve, is quickly consuming capacity throughout the service territory, most prominently in central Ohio. If left unresolved, these demands could constrain development of all types of future load, including natural growth of residential load as well as non-residential load especially in Central Ohio.

Impact of Data Center and Mobile Data Center Growth

16. As explained by AEP Ohio witnesses Ali and McKenzie, there is no longer any RTO-controlled generation in central Ohio; instead, the load is served by importing power through a robust 765 kV network. Under National Energy Regulatory Commission (NERC) requirements, however, AEP is required to plan for two simultaneous outages on the system. As further described by AEP Ohio witness Ali, significant transmission investments will be required for AEP Ohio to continue to provide safe and reliable electricity to the existing customers and customers with signed agreements for service commencing in the near future. AEP Ohio has begun this process by including in its load forecast to PJM Interconnection, LLC (PJM) demand for which it has signed agreements. But this is a fraction of what investments would be required to accommodate the more than 30,000 MW of requested load that has not been included in any PJM forecasts.

17. Building electrical infrastructure required to serve this kind of load is not an immediate solution and can take years for planning, regulatory approvals, material acquisition, and construction. For instance, 120 miles of 765 kV line would take approximately 7-10 years to build and could cost hundreds of millions of dollars. In order to protect future ratepayers

and future economic development of non-data center load, both the time and cost necessary to plan for dramatic load increases that are being seen in the AEP Ohio service territory make it imperative to have accurate customer predictions. As such, AEP Ohio needs to implement solutions to ensure that new data center customers, driving the exponential growth in demand, will follow through with their plans to justify the time and costs associated with the associated transmission investment.

18. AEP Ohio witness McKenzie explains the detailed reasons why the existing processes are not sufficient to address these capacity issues. At the time they were last updated, AEP Ohio's current tariffs were not designed to address (and did contemplate) either the current growth curve based on hyperscale data center development or the unique demands for serving this new class of data center customers.

Current Status

19. As explained by AEP Ohio witnesses Ali and Kelso, in March of 2023, AEP Ohio implemented a temporary moratorium or pause on taking new service requests in Central Ohio from data center customers and executing agreements to move forward with serving that load. This moratorium was taken to allow AEP's transmission planning group time to study the impacts that the data center load requests will have on the electrical delivery system in Central Ohio to ensure that the grid can reliably serve the new and existing load. As more analysis has been done, AEP is resolute and unwavering in its conclusion that an updated set of terms and conditions for retail service to data center customers is needed in order to move forward with capacity expansion plans on a just and reasonable basis.

20. AEP Ohio met with and communicated the need for the moratorium with all prospective data center and crypto mining customers that submitted requests for service.

21. As part of the moratorium, AEP Ohio anticipated using a “first come, first served” queue whereby prospective customers looking to expand their existing services or new prospective customers looking to locate in the AEP Ohio service territory could submit their requests for service (without signing any agreements) that would be addressed by the Company in due course. Based on the customer expressions of interest waiting in the queue, there are currently over 50 customers in the queue seeking more than 30,000 MW of load. This pause status needs to be continued while this tariff application remains pending and until the solution is implemented to move forward.

22. Although AEP Ohio has a general obligation to serve all customers within its service territory under R.C. 4905.22, that obligation is qualified to being “in all respects just and reasonable.” In addition, applying tariff conditions in a way that is confiscatory or does not render just compensation to a utility would be unconstitutional and unlawful. Similarly, R.C. 4933.83(B) conditions the obligation to serve on deploying facilities needed to meet “the reasonable needs of the consumers and inhabitants in the certified territory” and rendering “physically adequate service.” Thus, Ohio law does not require AEP Ohio to extend service to customers in a way that would be unreasonable or impose unjust risks for AEP Ohio and its other customers. As a corollary to the conditional obligation for serve, R.C. 4905.26 holds AEP Ohio accountable for complaints as to any service that “will be, in any respect unreasonable, unjust, insufficient, unjustly discriminatory, or unjustly preferential, or that any service is, or will be, inadequate or cannot be obtained...” Based on the existing circumstances, AEP Ohio is unable to continue making commitments to serve additional data center load without resolution of the underlying regulatory issues.

Proposed Tariff Solution

23. Through the filing of this Application, AEP Ohio is proactively proposing tariffs to create a solution for moving forward to serve data center load growth in a manner that justly and reasonably balances the interests of these new classes of data center and cryptocurrency miner customers with the other existing (and future) AEP Ohio customers. More specifically, to address the unique circumstances set forth above and ensure that accommodating the exponential growth attributed to data centers do not create unacceptable risks for AEP Ohio or its customers, AEP Ohio proposes to implement two new tariffs – a Data Center Power Tariff and a Mobile Data Center/Flexible Load Tariff.

24. The Data Center Power Tariff will be applicable to data centers with monthly demand of more than 25 MW that begin commercial operation or expansion of their existing load after the effective date of the tariff.

25. Because of the increased risks that applicable customers pose, the Mobile Data Center/Flexible Load Tariff will be applicable to Mobile Data Centers with monthly demand of greater than 1 MW that begin commercial operation or expansion of their existing load after the effective date of the tariff.

26. To address the concern of properly planning the transmission and distribution network, the data center tariff will apply a minimum billing demand of no less than 90% of the greater of (a) the customer's contract capacity, or (b) the customer's highest previously established monthly transmission billing demand during the past 11 months. This will ensure that data center customers are incentivized to maintain accurate contract capacity levels as they will be billed based on those amounts. A similar provision utilizing a 95% minimum demand

charge is proposed for mobile data centers such as cryptocurrency miners. As explained by AEP Ohio witness McKenzie, these minimum demand requirements will also ensure that investments in the system will be utilized and paid for by those that caused the need for such investments rather than placing the risk of paying for the associated incremental investment on other customers should the data center have lower usage.

27. Both tariffs will also require contracts to be made for an initial term of not less than 10 years and will include an “exit fee” if the customer chooses to leave early, which time period will commence upon energizing the customer. The contracted time period may also include a three-year “load ramp” of increasing load if that is agreed to by the Company. This provision provides a certain level of flexibility to a data center/crypto customer while providing strong incentives for those customers to follow through with the amounts of capacity that they seek.

28. To protect against the impact of such large load customers declaring bankruptcy or otherwise attempting to avoid paying their financial commitments required under the new tariffs, both tariffs provide for AEP Ohio to determine security and collateral provisions to support enforcement of the tariff provisions.

29. To address the potential of large data center loads causing disruptions on the electric grid, both tariffs require that the customer “will follow all applicable technical operating requirements, such as not intentionally or unintentionally cycling load in a way that creates an imbalanced or unacceptable system frequency, and other requirements that will be maintained and periodically updated for the safety of the larger system.”

30. To address the transient nature of Mobile Data Centers, the Mobile Data Center/Flexible Load Tariff sets forth enhanced collateral, security, and operating provisions

allowing AEP Ohio to determine the appropriate security and collateral provisions, including the requirement of a deposit in the amount of the Exit Fee and/or of any contribution in aid of construction, as well as the ability to terminate service if incorrect information is provided or technical requirements are violated.

31. Both tariffs require that customers participate in the PJM Emergency Demand Response program or Company-declared emergency event and subject to service disconnection if they do not respond.

32. Under the proposed tariffs, the base and rider rates for data center and mobile data center customers are the same as the rates that other Schedule GS customers pay.

33. Customers receiving service under the proposed tariffs may select competitive service from a Competitive Retail Electric Service Provider or Standard Offer Service (SSO). If a customer served under Schedule DCP elects not to shop, AEP Ohio proposes to conduct a special SSO auction for data center and crypto mining customers. AEP Ohio proposes to conduct a separate SSO auction because including that load in the regular SSO auction could add unacceptable risk and complications for participating suppliers, thus increasing prices for all SSO customers (with crypto miner load of less than 25 MW being served through market procurement). The foregoing tariff proposals are addressed in more detail in the testimony of AEP Ohio witness McKenzie.

34. The Data Center Power Tariff and a Mobile Data Center/Flexible Load Tariff are needed to protect AEP Ohio's continued ability to provide just and reasonable service to our existing and future customers and maintain system-wide energy availability and capacity. Specifically, AEP Ohio's proposed tariff solution will permit the time necessary for the lengthy process and planning associated with building additional transmission to import generation that

is not local to AEP Ohio's service territory.

35. The Data Center Power Tariff and a Mobile Data Center/Flexible Load Tariff are also necessary to provide financial assurance that the retail costs of the transmission facilities that must be constructed to serve the data center and mobile data center load will not be under-utilized in the event that the load does not materialize or is cancelled.

Relief Requested

WHEREFORE, as further detailed below, the Company requests that the Commission issue an Entry that continues the moratorium on processing new data center service requests in Central Ohio and adopts the following procedural schedule for reviewing and issuing its final order ruling upon the Company's proposed tariffs:

- a. A technical conference should be scheduled to allow interested persons the opportunity to better understand AEP Ohio's Application. The conference should be held on May 22, 2024 at 10:00 am, at the offices of the Commission;
- b. Motions to intervene shall be filed by May 31, 2024;
- c. Testimony on behalf of intervenors shall be filed by June 21, 2024;
- d. Discovery requests, except for notices of deposition, shall be served by July 10, 2024;
- e. Testimony on behalf of the Commission Staff shall be filed by July 29, 2024;
- f. A procedural conference shall be scheduled for August 15, 2024, at 10:00 a.m., at the offices of the Commission; and
- g. The evidentiary hearing shall commence on September 16, 2024, at 10:00 a.m., at the offices of the Commission.

Respectfully submitted,



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5/13/2024 2:28:22 PM

in

Case No(s). 24-0508-EL-ATA

Summary: Application For Approval of New Tariffs electronically filed by Mr. Steven
T. Nourse on behalf of Ohio Power Company.

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of Ohio Power :
Company For New Tariffs : Case No. 24-508-EL-ATA
Related to Data Centers :
and Mobile Data Centers. :

- - -

PROCEEDINGS

before Mr. David Hicks and Ms. Isabel Marcelletti,
Administrative Law Judges, at the Public Utilities
Commission of Ohio, 180 East Broad Street, Room 11-A,
Columbus, Ohio, called at 10:09 a.m. on Tuesday,
December 3, 2024.

- - -

VOLUME I

- - -

ARMSTRONG & OKEY, INC.
222 East Town Street, Second Floor
Columbus, Ohio 43215-5201
(614) 224-9481

- - -

1 hang around, we will be back momentarily.

2 (Recess taken.)

3 ALJ HICKS: Go ahead and go back on the
4 record. Just took a brief break to confer on our
5 end, before we left, a motion had been raised by
6 Mr. Dunn requesting that the hearing be continued due
7 to a violation of Revised Code 4909.18.

8 At this point the Bench is going to deny
9 that motion. We are not continuing the hearing. The
10 Commission set this matter for hearing at our
11 discretion, have made no determination as to any
12 unjustness or unreasonableness of the Application, so
13 we are going to go forward now and we are going to
14 hand it off to AEP Ohio to call its first witness.

15 MR. ALEXANDER: Ohio Power calls Mr. Ali
16 to the stand.

17 MR. DUNN: Your Honor, my apologies.
18 When I first raised the preliminary issue, I said I
19 had two. I have one more if the Bench would
20 so allow.

21 ALJ HICKS: Okay.

22 MR. DUNN: Today One Power Company renews
23 its motion to dismiss that it filed on August 4,
24 2024. The motion has yet to be ruled on and has been
25 fully briefed since August 27.

1 peak demand then equals 8,400 megawatts; is that
2 correct?

3 A. Yes, that is correct.

4 Q. And as of May 13, 2024, you stated that
5 the system could support 10,000 megawatts of capacity
6 in central Ohio before needing, and I quote,
7 significant infrastructure enhancements; is that
8 correct?

9 A. That is correct.

10 Q. And that was determined through a
11 holistic analysis, correct?

12 A. Yes.

13 Q. The results of your holistic analysis
14 show that between the 10,000-megawatt number and the
15 8,400-megawatt number there is still 1,600-megawatts
16 of available capacity on AEP's system; is that
17 correct?

18 A. That is actually not correct, because the
19 number that you are not adding there is the organic
20 growth that we will see when it comes to residential
21 customers, when it comes to small commercial, small
22 industrial customers. There will be some organic
23 growth that we will see that is not part of the
24 8,400-megawatt number that you are mentioning.

25 So our expectation is that organic growth

1 MS. BOJKO: I am not trying to be
2 argumentative; I am trying to make sure we are on the
3 same page, your Honor. I am not being argumentative.

4 ALJ MARCELLETTI: I understand we have
5 been here for a while, but let's try to stick to it.
6 If that's your plan, Ms. Bojko, we can certainly get
7 to that with Mr. Ali, okay?

8 MS. BOJKO: I am trying to narrow the
9 question to narrow the issue, and I want to make sure
10 we are on the same page.

11 Q. (By Ms. Bojko) When I say there is a
12 765 -- or a concern in central Ohio, I am talking
13 about the projected -- let's be clear, you keep
14 mentioning this 30,000, that is a speculative
15 projected number; is that correct?

16 A. Ms. Bojko, that is the interconnection
17 queue based on the request that we got from the
18 customers, so I'm expecting that it's the request,
19 right?

20 Q. Okay. So we will talk about that in a
21 little bit. There are no signed ESAs with regard to
22 that 30,000, correct?

23 A. Yes, because we haven't offered any.

24 Q. Okay. Yes, there are no signed -- okay.
25 There are no signed ESAs. So I am talking about that

1 projected load growth that you say that there needs a
2 solution for after 10,000 megawatts, okay?

3 So I am -- I want to ask you some
4 questions about what you have studied with regard to
5 this problem that AEP is perceiving will exist after
6 the 10,000-megawatt threshold is -- is hit, okay? Is
7 that fair? Can we talk about the problem?

8 A. Yeah, Ms. Bojko, we can, but just want to
9 clarify you understand that our projection is that we
10 are, by 2030, at 10,000 megawatt, right?

11 Q. So by 2030, you believe you are at the
12 10,000 megawatts.

13 A. Yes.

14 Q. And the upgrades you have mentioned that
15 have already been planned and approved, and all the
16 ESAs that have already been planned and approved, AEP
17 is not here today to solve any problems with regard
18 to that?

19 A. Yes.

20 Q. So we are talking about a problem that
21 may exist in 2030; is that correct?

22 A. Beyond the 10,000, yes.

23 Q. Beyond the 10,000, and if the 10,000 is
24 not hit by 2030, now we are talking about a problem
25 that could be in 2035, correct?

1 assumptions in the model are.

2 MR. ALEXANDER: Your Honor, there is a
3 distinction with what the witness has testified
4 repeatedly to the RTO-controlled generation
5 resources. It's in his written testimony. He's
6 testified multiple times here today in prospective
7 projects that may be coming online in the future in
8 Ohio he testified what he relied on. He's already
9 covered this. Gone over it multiple times.

10 ALJ MARCELLETTI: I do believe that
11 Mr. Ali has addressed that just as Mr. Alexander
12 pointed out. If we can move along with the
13 questioning, I don't think we need to keep naming
14 each project Mr. Ali has already discussed that he
15 may not be aware of.

16 MS. BOJKO: Well, your Honor, I think
17 it's important for the record to know whether he did
18 or did not include in his modeling generation
19 resources that are PJM RTO controlled, like I said,
20 which he said would affect transmission constraints
21 and could solve the problem.

22 So it's important to know what was -- he
23 didn't provide his model to us, so it's important to
24 know what is included or is not included in his
25 model.

1 MR. ALEXANDER: And, your Honor, the
2 distinction here is he has made clear what was in his
3 model. He did not take into account any
4 RTO-controlled generation in central Ohio. He said
5 it in his written testimony, and I think the Bench
6 has already ruled.

7 MS. BOJKO: No, I'm sorry, I didn't hear
8 the last part of that, but he has not stated -- he
9 has not answered this question.

10 MR. ALEXANDER: I said the Bench has
11 already ruled.

12 ALJ MARCELLETTI: We have. We are going
13 to keep going, Ms. Bojko. We can move on from that
14 particular part of your questioning.

15 MS. BOJKO: So just for the record, your
16 Honor, we would like to proffer questions associated
17 with RTO-controlled generation into the record and
18 say that we were denied an opportunity to ask such
19 questions, and we would like to preserve this issue
20 for appeal to the Commission in an interlocutory
21 appeal or in our brief.

22 And we would proffer all the questions
23 that we would have asked had we been -- had we been
24 allowed to ask with regards to potential solutions.

25 AEP is coming before this Commission

1 asking for a solution of a new classification of
2 customers in order to solve a potential problem that
3 may or may not exist in 2020 -- in 2030, and we are
4 allowed and should be allowed, I mean, to question
5 the credibility and the modeling and the assumptions
6 that each expert has said in order to justify or to
7 write a brief on whether there is a justification for
8 the potential solution, or if there is an alternative
9 that this Commission should consider.

10 Our settlement, the 10-10 settlement, has
11 an alternative solution that this witness should
12 consider -- or this Commission should consider,
13 excuse me, so we are going to proffer all the
14 questions that we should have been able to ask with
15 regard to other technologies, other voltage issues,
16 solutions, other solutions other than constructing a
17 765 kV line.

18 MR. ALEXANDER: And, your Honor, may I
19 respond? First, this case is not about a solution.
20 Counsel keeps saying that. It's not true.

21 There is no certain solution to these
22 transmission issues provide -- posed by AEP Ohio in
23 this case. That has to come from further study once
24 we know how much load there is and where it's
25 located.

1 The second point is that that's not a
2 valid proffer. A valid proffer involves facts, not
3 complaining about the court's decision. And if
4 counsel wants to bring in facts about generation in
5 central Ohio, they had the opportunity to do that.

6 Mr. Ali's testimony has been publically
7 filed since May. They could have done it in any of
8 the prior testimony, and counsel creating facts in
9 her questions is not proper. That's what witnesses
10 are for.

11 MS. BOJKO: Your Honor, it was a proper
12 proffer, and if you would like me to cite the whole
13 proffer rule, I am happy to do that. And if you
14 would like me to take Mr. Finnigan's approach of
15 listing all of the facts into the record that had we
16 been allowed to ask the proper questions, I could do
17 that as well.

18 But we -- the Ohio Manufacturers'
19 Association Energy Group seeks to preserve its rights
20 under the Ohio Rules of Evidence 103 and Rule
21 4901-1-15(F) of the Ohio Administrative Code to raise
22 the propriety of the Attorney Examiner's ruling
23 striking or prohibiting certain questions from being
24 asked in the public record.

25 Pursuant to Rule of Evidence 103(a)(2),

1 an error may not be predicated upon a ruling which
2 admits or excludes evidence unless a substantial
3 right of the party is affected and where the ruling
4 is one excluding evidence, the substance of the
5 evidence was made known to the court by the offer, or
6 was apparent from the context within which questions
7 were being asked, which is what happened here.

8 Rule 4901-1-15(F) also allows any party
9 that is adversely affected by a ruling issued under
10 4901-1-14 and who files an interlocutory appeal that
11 is not certified by the ALJs to still raise the
12 propriety of that ruling as an issue for the
13 Commission's consideration by discussing the matter
14 at a distinct issue in its initial brief or any other
15 appropriate filing prior to the issuance of the
16 Commission's opinion and order or finding and order
17 in this case.

18 For those reasons cited, on behalf of
19 OMAEG we would like to proffer the cross-examination
20 and the responses that could have been obtained or
21 retrieved from the cross-examination of this witness
22 with regard to various generation resources,
23 assumptions in his modeling, and the potential
24 solutions that he is testifying about today.

25 MR. ALEXANDER: Your Honor, just one

1 final point, the Bench didn't prohibit you from --
2 prohibit counsel from asking about the model. That's
3 perfectly appropriate.

4 The Bench's ruling was strictly limited
5 to asking about hypothetical generation resources in
6 central Ohio because the witness has already answered
7 this question several times. So I think at this
8 point we can move on which the Bench has already
9 ruled.

10 MS. BOJKO: That mischaracterizes my
11 question. They are not hypothetical. They are
12 actually being constructed. And we are asking if
13 these constructed generation or in the process of
14 being constructed facilities are included in his
15 model.

16 MR. ALEXANDER: There is no foundation
17 for that, your Honor. There's not. I think at this
18 point we can move on. You made your ruling.

19 ALJ HICKS: Let's go off the record.

20 (Discussion off the record.)

21 ALJ MARCELLETTI: Thank you all for your
22 responses. The Bench will note you are able to make
23 your proffer however you would like, counsel. I
24 think we can keep moving on with the questions that
25 you have for Mr. Ali.

1 MS. BOJKO: Thank you, your Honor.

2 Q. (By Ms. Bojko) Sir, to your knowledge did
3 AEP Ohio consider other solutions to the perceived
4 10,000 threshold problem as a substitute to
5 implementing a data center only tariff in this case?

6 A. No, not to my knowledge.

7 Q. Did AEP transmission planning
8 organization recommend the data center tariff as a
9 solution to the perceived 10,000 threshold problem?

10 A. No. We are a technical organization.

11 Q. And, sir, earlier today we talked -- I
12 think you changed the word in your tariff. NERC
13 stands for -- or testimony, excuse me. NERC stands
14 for the North American Reliability Corp.; is that
15 correct?

16 A. North American Electric Reliability
17 Corporation.

18 Q. Excuse me. Thank you. And NERC -- the
19 requirements of NERC are to obligate AEP to plan for
20 two simultaneous outages on a system; is that
21 correct?

22 A. Among -- among other standards.

23 Q. And you testified that certain outage
24 combinations can cause issues in the central Ohio
25 region; is that correct?

1 A. Yes, that is correct.

2 Q. And PJM regions must meet NERC criteria;
3 is that correct?

4 A. All transmission owners and regions must
5 meet criteria.

6 Q. And the only one at play with AEP in this
7 case is PJM; is that correct?

8 A. NERC criteria is applicable to RTOs and
9 TOs, so when you talk PJM, PJM must meet it, but AEP
10 must meet it also.

11 Q. I'm sorry. I am referring to your
12 testimony on page 7, line 6 through 7, you use the
13 word "PJM regions." You state "PJM regions must meet
14 NERC criteria." Are you disputing that statement or
15 qualifying or --

16 A. No. I am just clarifying when I say PJM
17 regions, it's PJM and all the entities within PJM
18 that must meet it.

19 Q. I see. Thank you. And you understand
20 that TPL-001-5 is a NERC requirement, don't you?

21 A. That is correct.

22 Q. And this relates to transmission
23 planning?

24 A. Yes.

25 Q. And these outage combination issues are

1 incorporated into the PJM M-3 process, right?

2 A. In PJM RTEP process.

3 Q. RTEP process?

4 A. Yes.

5 Q. And the NERC outages you are discussing
6 on page 7 of your testimony could impact interstate
7 transmission, correct?

8 A. When you say "interstate," do you mean
9 interregional or state to state? It's used
10 interchangeably in our language, in our I guess
11 technical language but, yes, they could apply to any
12 transmission, interstate, interregional, regional,
13 local.

14 Q. Well, you use that term in your
15 testimony, do you not, sir? So what did you refer to
16 in your testimony?

17 A. Yes. I was referring to within the PJM
18 region, the different states.

19 Q. In between states?

20 A. Yes.

21 Q. And you are familiar with an N2
22 violation; is that correct?

23 A. N-2 you mean?

24 Q. Yes. Yes.

25 A. Yes, I am.

1 Q. And when there is an N-2 violation in a
2 NERC analysis, PJM considers three seasonal
3 assessments; is that correct?

4 A. I'm not sure about -- what do you mean by
5 that, three seasonal assessments? Winter, light
6 load, and summer is what you are referring to?

7 Q. The three assessments that I'm aware of.
8 If you have another one, please tell me. The light
9 load, the winter peak, and the summer peak.

10 A. Yeah. There is load deliverability.
11 There is generation deliverability. There is market
12 efficiency. There are other standards as well.

13 Typically N-2 analysis, which is actually
14 N-1-1 analysis, is only done for summer peak
15 analysis. In most cases, unless we have significant
16 stability issues in those occasions, PJM would run it
17 for winter and light load as well.

18 Q. All right.

19 MS. BOJKO: Your Honor, may I mark as
20 OMAEG Exhibit 10, discovery response to
21 OMAEG-INT-01-54?

22 ALJ MARCELLETTI: It will be so marked.

23 (EXHIBIT MARKED FOR IDENTIFICATION.)

24 MS. BOJKO: May I approach?

25 ALJ MARCELLETTI: Of course.

1 Q. (By Ms. Bojko) Do you have in front of
2 you, sir, what has been marked as OMAEG Exhibit 10?

3 A. I do.

4 Q. Is this a data response to
5 OMAEG-INT-01-00 -- or 054 that you prepared, sir?

6 A. Yes, it is.

7 Q. Okay. And is it -- doesn't it state, the
8 last sentence, that PJM in implementing and
9 performing the required NERC analysis per Manual 14B
10 considers three seasonal assessments? And then you
11 list light load, winter peak, and summer peak demand
12 periods representing total demand scenarios across
13 PJM's footprint?

14 A. That is correct.

15 Q. Okay. Thank you. And has PJM identified
16 any N-2 or N- -- what should we call it? N-1-1 or
17 N-2?

18 A. N-1-1 because N-2 is when you don't have
19 any dispatch options available, which we don't in the
20 case of central Ohio.

21 Q. Okay. So has PJM identified any N-2
22 violations for central Ohio?

23 A. To clarify, do you mean for the first
24 10,000 megawatt or beyond that? Just want to make
25 sure.

1 Q. I'm assuming the answer to the first
2 10,000 is no since you said it could be constructed;
3 is that correct?

4 A. PJM has identified N-2 violations for the
5 first 10,000 but there are solutions for that that
6 have been reviewed and approved.

7 Q. And we talked about those solutions.

8 A. And we talked about those solutions.

9 Q. So, yeah, let's talk about the threshold
10 10,000-megawatt issue.

11 A. Yes.

12 Q. Has PJM identified any N-2 violations for
13 central Ohio?

14 A. PJM has not identified it because we have
15 not signed any more demand beyond 10,000 for PJM to
16 analyze at this point.

17 Q. Okay. Did your team conduct any analysis
18 for these three demand scenarios with regard to this
19 10,000 issue?

20 A. Yes. We use the PJM models to assess
21 that.

22 Q. And did your scenarios define an N2
23 violation -- N-2 violation?

24 A. I want to be clear here is that N-2
25 violations are run for summer peak cases in most

1 cases.

2 The winter and light load analysis we do
3 perform, but we don't perform N-2 in all those
4 instances for the way the standard is written which I
5 mention very clearly is in Manual 14B, yes, my team
6 does perform all the analysis that PJM performs which
7 includes the three seasonal assessments.

8 Q. And you did this for the 1,500 and the
9 18,000-megawatt analysis that we discussed earlier?

10 A. We did it for 1,500 megawatt within the
11 summer analysis, but we didn't run the winter and
12 light load analysis for that. We -- what we ended up
13 running there was energy efficiency analysis.

14 Q. So what was the central Ohio demand that
15 you modeled that you believed caused the N-2
16 violation?

17 A. It is during summer peak conditions.

18 Q. And what -- what was the facility that
19 caused the violation?

20 A. So, Ms. Bojko, there is not a single
21 violation there, I mentioned this earlier in my
22 testimony today, that when we added 1,500-megawatt
23 incremental demand beyond 10,000 megawatt, we saw 72
24 non-extra high voltage unique facilities beyond their
25 thermal capacity. We saw 27 extra high voltage --

1 and by the way, extra high voltage in AEP is 345 kV
2 and above at capacity or beyond. And we saw roughly
3 close to a thousand voltage violations. It was not
4 all N-2. It was N-1, it was breaker failures, bus
5 outages, transformer outages and, of course, N-2 was
6 part of that. So it was not just one issue that we
7 are trying to solve here. There are multiple issues
8 as a result of multiple contingencies that are
9 causing these constraints.

10 Q. So again, my question was what facility
11 had an N-2 violation associated with it?

12 MR. ALEXANDER: Objection, asked and
13 answered.

14 MS. BOJKO: He didn't answer, your Honor.
15 He gave his own answer. He didn't answer my
16 question, which is what facility caused the N2
17 violation.

18 THE WITNESS: Your Honor, there are
19 hundreds --

20 ALJ HICKS: Hold on. Hold on.

21 ALJ MARCELLETTI: Mr. Ali, you can answer
22 the question, but can you try to just address
23 Ms. Bojko's -- if you can name a facility or which
24 ones, I believe that's what we are looking for.

25 THE WITNESS: Your Honor, there are

1 Q. So the answer is no.

2 A. Yes.

3 Q. And I didn't ask if you did it, sir. I
4 asked if AEP Ohio has -- I said isn't it true that
5 AEP Ohio has not quantified the current amount of
6 reserve capacity that's available for load growth in
7 central Ohio?

8 A. That is correct.

9 Q. And --

10 MR. ALEXANDER: Your Honor, may we go off
11 the record for a moment?

12 ALJ MARCELLETTI: Let's go off the
13 record.

14 (Recess taken.)

15 ALJ MARCELLETTI: We can go back on the
16 record.

17 We just took a quick break. Back to
18 Ms. Bojko when she's ready.

19 Q. (By Ms. Bojko) Isn't it true, sir, there
20 is available transmission capacity outside central
21 Ohio to serve customers?

22 A. Yes, there are some locations where there
23 may be some capacity available.

24 Q. Did AEP Ohio suggest potential customers
25 to locate outside of central Ohio where there is

1 available transmission capacity?

2 A. Yes, we have.

3 Q. And when you discuss the moratorium in
4 A14 on page 6 of your testimony, you reference AEP
5 several times. Do you see that?

6 A. Yes.

7 Q. And you defined AEP as AEP Corp., and in
8 this section are you referring to AEP Corp. or AEP
9 Ohio about receiving inquiries to connect?

10 A. When I am referring to the moratorium, I
11 am speaking about AEP Ohio because that is the only
12 region we have implemented the moratorium in.

13 Q. Okay. So all the -- all the AEPs in this
14 section should be changed to AEP Ohio then?

15 A. I think it is fair to change line 10 to
16 AEP Ohio and line 19 to AEP Ohio.

17 Q. And line 12, who performs the detailed
18 analysis to determine the impact of demand? Is that
19 AEP Service Corp.?

20 A. Yes.

21 Q. Going back to page 8 of your testimony,
22 line 11, here you state that beyond the investment in
23 the central Ohio transmission networks since 2012
24 that have already been made, major EHV investments
25 are required in any new demand in excess of

1 contracted demand will heavily tax the system -- the
2 network. Do you see that?

3 A. Yes, I do.

4 Q. And as we discussed earlier, it's your
5 position that any new demand will trigger the EHV
6 investment; is that correct?

7 A. As I mentioned earlier, if it's 1,500
8 megawatt or more, my analysis suggests it would.

9 Q. So now it was 10,000 and I thought
10 10,001, so I think that means if it's 1,500 in
11 addition to the 9,000, so you are saying 10,500 would
12 trigger?

13 A. What I am saying if it's 1,500 to the
14 10,000, it should trigger significant EHV in my
15 experience.

16 Q. 1,500 over the 10,000?

17 A. Yes.

18 Q. Thank you, sir. Solar -- 15 over the
19 10,000 -- it's getting late, and I am tired, it's
20 11 -- 11,500 is the triggering event; is that
21 correct?

22 A. Yes, because that is the -- the model we
23 studied. I have not studied any increments from
24 10,000 to 10,100, 10,200, so it may trigger that, but
25 I just don't know that right now.

1 Q. And regardless of the customer -- and
2 that's true regardless of the type of customer adding
3 that demand; is that correct?

4 A. If it is in central Ohio, yes, that is
5 correct.

6 Q. So any large customer it's your
7 testimony -- it's your testimony would tax the
8 current net -- or tax the network at 1,500 --
9 11,500 megawatts; is that correct?

10 A. Yes, any -- any customer that is the size
11 of a medium or large data center would trigger that.

12 Q. Where in central Ohio is the current
13 transmission constraint?

14 A. Like I mentioned earlier, it is a voltage
15 stability issue that impacts pretty much every single
16 bus in central Ohio.

17 Q. So there is not one specific location
18 that you can say that there is a constraint, is
19 there?

20 A. The voltage collapse does happen at a
21 single point, but it impacts pretty much all the
22 buses.

23 Q. Okay. It's that single point that I am
24 trying to ask you about. What's that single point?

25 A. I don't know if I can answer that in a

1 public session. It is sensitive information.

2 Q. Fair enough. You agree that any new EHV
3 line that you reference on page 12 of your
4 testimony -- or, excuse me, that you reference any
5 EHV line will have regional implications and will be
6 considered by PJM, correct?

7 A. Can you repeat the last sentence? I'm
8 sorry. I didn't catch that.

9 Q. You agree that any new EHV line will have
10 regional implications and will need to be considered
11 by PJM.

12 A. That is correct.

13 Q. And regional implication includes costs
14 borne and shared by customers across the region,
15 correct?

16 A. Correct.

17 Q. Referring back to page 10, line 16, here,
18 you explain that Dominion and FirstEnergy have
19 received approval from PJM to build 5 billion worth
20 of projects; is that correct?

21 A. That is correct.

22 Q. Is AEP a part of those projects?

23 A. Not for this tranche.

24 Q. But it is for a new tranche or a
25 different tranche, correct?

1 A. Yes, for the current -- the subsequent
2 tranche which also is close to 5 billion.

3 Q. And all customers in the region including
4 Ohio customers will then pay a piece of that cost; is
5 that correct?

6 A. Yes, that is my understanding.

7 Q. And is it your understanding that
8 Dominion and FirstEnergy have not implemented similar
9 proposed tariff filings to split a classification of
10 customers?

11 A. I am not familiar with that.

12 Q. Isn't it true that Ohio ratepayers and
13 AEP will pay for a portion of any regional costs?

14 A. Regional transmission cost --

15 Q. Yes.

16 A. -- which is baseline?

17 Q. Yes.

18 A. Yes, that is true.

19 Q. Well, they'll likely pay a portion of
20 supplemental as well if it is beneficial to them; is
21 that not true?

22 A. No, that is not true.

23 Q. Okay. If the supplemental project is in
24 Ohio, they will pay a portion of that, correct?

25 A. That is true. Sorry. Can I clarify

1 that? I'm sorry. If it is in that zone, so, for
2 example, if it's AEP's supplemental project in AEP's
3 zone, they will pay for it. But if it's
4 FirstEnergy's supplemental zone which is in Ohio but
5 FirstEnergy's zone, AEP customers won't pay for it.

6 Q. And if it's AEP's zone and it crosses the
7 states, Ohio customers would pay for the portion
8 that's in the state, correct?

9 A. If -- are we talking about supplemental
10 still?

11 Q. Yes.

12 A. It depends on who is building that
13 project, which zone is that project assigned to. If
14 it is AEP's zone building the whole project, that's
15 from Ohio to Indiana, then the entire AEP zone pays
16 for it. So it is not AEP Ohio even though a portion
17 of it may be in Ohio; it's the entire zone that pays
18 for it.

19 Q. And PJM is the entity that will allocate
20 the costs across the region through the OATT for
21 baseline projects, correct?

22 A. For baseline and supplemental.

23 Q. And let's turn back to page 5 of your
24 testimony, line 11. Here -- here is where you
25 reference the 30,000 --

1 MS. BOJKO: Oh, let me strike that
2 question, your Honor. I apologize. I forgot about
3 the motion that was granted.

4 Q. (By Ms. Bojko) Throughout today you've
5 referenced a 30,000 megawatts of speculative load
6 request; is that correct?

7 A. I believe I referred to it as queued load
8 requests.

9 Q. And you say queued. That's curious to
10 me. You don't mean queued as in with respect to the
11 PJM queue for connecting to its system, do you?

12 A. It is an AEP-managed queue for load
13 interconnections.

14 Q. But the 30,000 that you are talking about
15 is merely speculative or customers -- it's what you
16 define on page 6, line 10, that it's inquiries from
17 customers; is that correct?

18 A. I define it as extensive requests for
19 additional data center load on page 12, page 6.

20 Q. So that the 30,000 megawatts that you
21 keep talking about, they don't have signed
22 agreements; is that correct?

23 A. That is correct.

24 Q. And these individuals have only spoken to
25 AEP Ohio personnel about potential projects; is that

**This foregoing document was electronically filed with the Public Utilities
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in

Case No(s). 24-0508-EL-ATA

Summary: Transcript of Ohio Power Company hearing held on 12/03/24 - Volume I
electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and
Gibson, Karen Sue Mrs..

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of Ohio Power :
Company For New Tariffs : Case No. 24-508-EL-ATA
Related to Data Centers :
and Mobile Data Centers. :

- - -

PROCEEDINGS

before Mr. David Hicks and Ms. Isabel Marcelletti,
Administrative Law Judges, at the Public Utilities
Commission of Ohio, 180 East Broad Street, Room 11-A,
Columbus, Ohio, called at 9:00 a.m. on Wednesday,
December 4, 2024.

- - -

VOLUME II

- - -

ARMSTRONG & OKEY, INC.
222 East Town Street, Second Floor
Columbus, Ohio 43215-5201
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- - -

1 queue, the 5,000 megawatt we had, everybody we
2 offered an LOA to signed the LOA.

3 So we haven't offered to the remaining
4 30,000 because of the grid issues we see. So I don't
5 know if we offer them how much of them would sign.
6 You know, maybe half of them, maybe all of them.
7 It's speculative.

8 Q. Right. And it's true that one entity can
9 look at multiple sites within AEP's service
10 territory; isn't that correct?

11 A. It's possible.

12 Q. And, in fact, that has happened recently
13 when a large manufacturer looked at multiple sites
14 before selecting one site, right?

15 A. Ms. Bojko, could you refresh my memory on
16 that particular example, please? It's not ringing a
17 bell for me.

18 Q. If you don't know, you don't know. Thank
19 you.

20 MS. BOJKO: Your Honor, I have another
21 Data Request that doesn't have a responsible party.
22 May I ask the Company to provide a responsible
23 witness for DCC-INT-01-007?

24 MR. ALEXANDER: Could you share a copy of
25 that document?

1 MS. BOJKO: Sure. We might as well go
2 ahead and mark it, your Honor, just for convenience.
3 It would be OMAEG Exhibit 17 -- sorry, 16.

4 ALJ MARCELLETTI: OMAEG 16. It is so
5 marked.

6 (EXHIBIT MARKED FOR IDENTIFICATION.)

7 ALJ HICKS: Could you read that again?

8 MS. BOJKO: DCC-INT-01-007. May I
9 approach?

10 ALJ MARCELLETTI: Yes, you may.

11 MR. ALEXANDER: Counsel, just while you
12 are marking that, Mr. McKenzie was the responsible
13 witness on that one.

14 ALJ MARCELLETTI: Okay. Thank you.

15 MS. BOJKO: That statement by counsel the
16 witness prepared, I will move on, your Honor.

17 ALJ MARCELLETTI: Okay.

18 Q. (By Ms. Bojko) Mr. Ali, the moratorium
19 that you reference in your testimony, prior to the
20 mor -- just to clarify, the moratorium is for the
21 entire State of Ohio, not just central Ohio; is that
22 correct?

23 A. Yes, that is correct.

24 Q. And prior to the moratorium, potential
25 customers would have been able to sign either an ESA

1 or LOA with AEP; is that correct?

2 A. After the analysis is completed, yes,
3 they could.

4 Q. And at that point, there would have been
5 a contract and a commitment from the customer to move
6 forward with the project; is that correct?

7 A. It is my understanding that Witness
8 McKenzie can talk about contracts in more detail.

9 Q. Okay. Sir, is the moratorium still in
10 place today?

11 A. Yes, it is.

12 Q. And is the moratorium only for data
13 center customers today?

14 A. It's for large data center customers
15 bigger than 25 megawatt.

16 Q. I'm sorry. You are defining large in
17 that statement as 25 megawatts?

18 A. Actually, I am not defining it, but it is
19 for data centers bigger than 25 megawatts.

20 Q. Oh, so the moratorium is not in place for
21 data centers under 25 megawatts?

22 MR. ALEXANDER: Objection, your Honor.
23 The moratorium is really something covered by
24 Mr. McKenzie, and this witness --

25 MS. BOJKO: He testifies to it, your

1 Honor. And the objections that are coaching the
2 witness I don't think are appropriate.

3 MR. ALEXANDER: And, your Honor, that
4 objection did not coach the witness in any way. The
5 administrative efficiency of having the witness that
6 discusses moratorium in great detail and is able to
7 answer all of counsel's questions is here to testify
8 later today is standard Commission practice, rather
9 than asking a witness that's not as close to an issue
10 what he may know.

11 MR. DUNN: Your Honor, I'm sorry.

12 MR. PARRAM: Your Honor, to the extent
13 that the witness has in his testimony issues
14 regarding the moratorium, counsel should be able to
15 ask him questions about it, and he should be able to
16 respond.

17 ALJ MARCELLETTI: I don't want to cut off
18 any counsel. I am going to let Mr. Ali answer. So I
19 think everyone on this side is probably going to
20 request.

21 So, Mr. Ali, you can answer to your best
22 ability. If you do not know, feel free to say so,
23 and we can keep going.

24 THE WITNESS: Can I ask that question be
25 reread, please?

1 (Record read.)

2 A. My -- a moratorium is for anything that
3 is above 25 megawatt. Whether that is data
4 centers -- and, of course, if it's not data centers,
5 we would study them and typically those do not -- you
6 know, they require a different type of analysis. But
7 for anything less than 25 megawatt, we would -- we
8 would, you know, try to connect them if there is
9 capacity available.

10 It's on a case-by-case basis that we
11 study that. So we do perform analysis for anything
12 that is less than 25 megawatt, even if it's a data
13 center, on a case-by-case basis because, like I
14 mentioned earlier, we have this organic growth that
15 we are accounting for. So we try to do that on a
16 case-by-case basis to see if there is any capacity
17 available. But anything above 25 megawatt, that
18 would be paused to such time we are able to figure
19 that out.

20 Q. Okay. So who makes the case-by-case
21 determination of anything above or below 25 megawatts
22 with regard to data centers?

23 A. Pretty much any request that I receive
24 from AEP Ohio or Buckeye or AMP Ohio that is above 25
25 megawatt, we'll study that on a case-by-case basis.

1 Q. And anything below 25 megawatts, you do
2 not -- you allow to connect?

3 A. We also would study that, but it's a
4 different study process for less than 25 megawatts
5 versus higher than 25 megawatts. Higher than
6 25 megawatts is a very complex analysis that requires
7 a lot of coordination with RTO.

8 And, of course, in many cases, like I
9 said, if the requests we are receiving are 100, 200,
10 300 megawatt, it is going to hit that limit very
11 quickly. And the answer would be it's going to
12 require significant improvements, so we evaluate for
13 the -- for the tariff to settle.

14 For anything less than 25 megawatt, if
15 they're requesting connection and there is capacity
16 available, we would let the customer know that we
17 could connect them.

18 Q. And who set the 25-megawatt threshold
19 that you are referencing for the moratorium?

20 A. I think it's a good question for
21 Mr. McKenzie who set it.

22 Q. Well, the threshold is not contained
23 within your testimony, is it?

24 A. No, it's not.

25 Q. It wasn't contained in the Application

1 either, was it?

2 A. I am not sure about that.

3 Q. You talk in your testimony about
4 customers that heavily tax the EHV network. If a
5 large customer locates in central Ohio during the
6 moratorium and it heavily taxes the EHV network, they
7 would be allowed to connect to the system today?

8 MR. ALEXANDER: Objection. Vague and
9 incomplete hypothetical.

10 ALJ MARCELLETTI: Can we ask the question
11 without that incomplete hypothetical, Ms. Bojko? Try
12 to rephrase it.

13 MS. BOJKO: It's not a hypothetical, your
14 Honor.

15 Q. (By Ms. Bojko) During the -- during the
16 moratorium is what I am asking. During the
17 moratorium, if a large customer locates in Ohio and
18 heavily taxes the EVH network, which is terminology
19 from your testimony, would that large customer be
20 allowed to connect to the system today? Would the
21 moratorium apply to them or not?

22 A. Ms. Bojko, like I said earlier, first of
23 all, I think you are referencing to EHV system, my
24 assumption, just to get the record clear, right? Not
25 EVH, EHV.

1 Q. I'm sorry.

2 A. Just want to make sure the record is
3 clear. So that's the extra high voltage system.
4 Regardless of whether the customer connects to extra
5 high voltage system or low voltage system, we would
6 analyze that request, and we would find out what does
7 it take to serve that customer.

8 And if it is taxing significantly, which
9 is what in my testimony I clearly state, that based
10 on the analysis I perform, if we continue signing
11 data center customers which add up to 30,000
12 megawatt, even if 10 percent of that moves forward,
13 it's going to heavily tax the EHV system to the point
14 where the transmission will take 7 to 10 years to
15 build. So we have to study that large customer.

16 Is that large customer going to be
17 similar to data centers where it drives that much --
18 that much investment, or is it something that is
19 smaller and something can be done sooner than that?

20 Regardless of that, whatever time it
21 takes to build the transmission infrastructure, we
22 would -- we would mention that to the customer, and
23 we share that with the customer.

24 Q. I don't think you answered my question.
25 Would the moratorium apply to a large nondata center

1 customer that taxes the EHV network?

2 MR. ALEXANDER: Objection. Your Honor,
3 this is a completely different question than the
4 previous question.

5 MS. BOJKO: Okay. It's a different
6 question. We are on to the next question.

7 MR. ALEXANDER: Your Honor, when there is
8 a parenthetical comment before the question, it
9 prejudices the witness and it prejudices the record.
10 So can we please save the comments about the
11 witness's answer and simply ask the next question?

12 ALJ MARCELLETTI: I believe Ms. Bojko
13 moved on to the next question, so I am going to need
14 to rehear that question. So let's keep moving on.
15 Mr. Ali, can you just wait until I have this read?
16 Thank you.

17 (Record read.)

18 ALJ MARCELLETTI: Go ahead, Mr. Ali.

19 A. No, it won't apply to that.

20 Q. (By Ms. Bojko) It's your testimony that
21 AEP has -- Ohio has not completed any new service
22 requests for data center customers since March of
23 2023; is that correct?

24 A. That is my understanding.

25 Q. And you stated that your group is

1 studying the impacts of connecting those new
2 customers that requested service in March of 2023; is
3 that correct?

4 A. Ms. Bojko, I am just trying to find the
5 word "is studying" in my testimony.

6 Q. You stated yesterday and many times today
7 that one of the reasons for the moratorium is because
8 the group needs to study the ultimate impacts of
9 adding new load to the system; is that not a fair
10 characterization of your testimony?

11 A. That is -- that is a different
12 characterization. Is studying what is -- what it
13 needs to study, yes, we did need to study that, but
14 we have studied it, as I mentioned earlier in my
15 testimony yesterday, that we have studied it at
16 different levels, 10,000 megawatt, 10,000 plus 750,
17 10,000 plus 1,150 -- 10,000 plus 1,500, and then
18 18,000 megawatt.

19 Q. So you are saying you did study it. And
20 my question then, is your group still studying the
21 impacts of connecting the new data center load that
22 requested service in March 2023 and after 22 months
23 later?

24 A. Yes. We do the first analysis as the
25 models get refreshed by the RTOs.

1 Q. And is AEP's plan to continue the
2 moratorium until a new tariff is implemented through
3 this case?

4 MR. ALEXANDER: Objection. Beyond the
5 scope of the witness's testimony.

6 MS. BOJKO: Your Honor, it's not. He
7 talks about the moratorium.

8 ALJ MARCELLETTI: Mr. Ali --

9 MR. ALEXANDER: Go ahead.

10 ALJ MARCELLETTI: I am going to instruct
11 your witness, Mr. Alexander. If you don't know, you
12 don't know, but you did discuss the moratorium, so I
13 will let you answer Ms. Bojko's question.

14 A. Yeah, it is my understanding that we
15 would wait for the mora -- wait for the tariffs to
16 see and to lift the moratorium on data centers so
17 that we can get the right forecast.

18 Q. (By Ms. Bojko) Okay. And you do actually
19 in your testimony state this moratorium was taken to
20 allow AEP's transmission planning group time to study
21 the impacts; is that correct?

22 A. That was the initial purpose of that.

23 Q. Okay. And so 22 months later, are you
24 still studying the impacts that the additional data
25 center load requests will have on the delivery

1 system?

2 A. We are -- like I said, we are
3 continuously evolving and refreshing our analysis
4 because the grid is not static. The models are
5 changing. So we are studying it and we are analyzing
6 it on a continual basis.

7 Q. And that will continue until a new tariff
8 is approved in this case?

9 A. That will continue until such time we
10 know exactly what forecast my organization needs to
11 plan for.

12 Q. But you can't know -- you can't have any
13 commitments for anybody to come and build in the
14 state of Ohio with regard to data centers until you
15 lift the moratorium; isn't that true?

16 A. You are talking about new -- addition to
17 the 5,000 megawatt, right?

18 Q. No. It's my understanding the moratorium
19 is applying to existing customers trying to expand as
20 well, isn't it?

21 A. Yes, but -- but in addition to the 5,000
22 megawatt, whether it's expansion or new.

23 Q. Yes.

24 A. Yes, that is correct.

25 Q. On page 8 of your testimony, line 18,

1 here you discuss how AEP plans to address the issues
2 of potential growth raised in the proceeding; is that
3 correct?

4 A. Yes.

5 Q. And here you are referring to potential
6 growth, speculative growth, that has occurred since
7 March 2023 that does not have any contracts signed,
8 and that was the reason for the moratorium; is that
9 correct?

10 A. I don't believe, in this particular
11 section -- you are talking about page 8, question 16,
12 right?

13 Q. Correct.

14 A. I don't think I mention the word
15 "moratorium" there, but I got to go through this very
16 quickly. Yeah, I don't see that statement you make
17 in this question.

18 Q. Well, I am trying to understand your
19 process. As I understand your testimony both on
20 page 6, 7, and 8 is that AEP has a moratorium and has
21 had one for 22 months, but you were waiting until
22 after this case to start working on a solution with
23 PJM to address that future growth? Isn't that what
24 you say on Q and A 16?

25 A. Yes. What I am waiting on -- on is the

1 load forecast that I gotta plan for.

2 Q. And on page 9 of your testimony, line 7,
3 here you say that the tariff will facilitate a start
4 on potential siting activities and route
5 identification for a new path; is that correct?

6 A. That is correct.

7 Q. The PJM process we discussed yesterday
8 will not begin until after a tariff is put in place;
9 is that correct?

10 A. PJM process will not begin until we
11 provide PJM with a load forecast.

12 Q. And as you explain on page 10 again and
13 on page 11 -- so 10, it's line 15, and page 11, it's
14 lines 5 through 6, "AEP does not include speculative
15 load in the PJM load forecast," correct?

16 A. Yes, we do not because that would result
17 in unnecessary transmission, which will be a burden
18 for the ratepayers.

19 Q. But isn't it true that AEP has recently
20 changed its position that is articulated in your
21 testimony and has, in fact, included speculative
22 load, load that does not have ESAs signed or LOAs in
23 its PJM load forecast?

24 A. That is --

25 MR. ALEXANDER: Objection. Asked and

1 answered. We covered this at length last night.

2 MS. BOJKO: No, we did not. We did not,
3 your Honor. I am going down my outline.

4 ALJ MARCELLETTI: I will let Mr. Ali
5 answer the question. I will note, Ms. Bojko, this is
6 sounding familiar, but I will let Mr. Ali answer.

7 A. We have included organic growth that is
8 not signed, but that is very real growth that you
9 expect as a utility year over year over year.

10 Q. But that -- but AEP didn't recently just
11 put in its PJM load forecast organic growth, did it?
12 It actually included the large speculative load;
13 isn't that correct?

14 A. Ms. Bojko, are you referencing to the
15 latest October load forecast that AEP submitted?

16 Q. I mean, can you answer my question?

17 A. Well, I can't without any context there
18 because --

19 Q. Sure.

20 A. -- you know.

21 MS. BOJKO: Your Honor, it might be
22 helpful if we have a document because the October
23 date there is a couple of different documents. So
24 I'll mark -- I'll withdraw that question because
25 there is a pending question, and I will mark as a new

1 exhibit OMAEG Exhibit 17.

2 ALJ MARCELLETTI: Okay.

3 MS. BOJKO: And that is a 2024 load
4 forecast adjustment from the PJM load analysis
5 subcommittee. It's an AEP document, and it's dated
6 October 25, 2024.

7 ALJ MARCELLETTI: It will be so marked.

8 (EXHIBIT MARKED FOR IDENTIFICATION.)

9 MS. BOJKO: May I approach?

10 ALJ MARCELLETTI: Yes.

11 Q. (By Ms. Bojko) Sir, do you have in front
12 of you what has been marked as OMAEG Exhibit 17?

13 A. Yes, I do.

14 Q. And you just referenced some October 25
15 document. There was also one that went to the TEAC
16 committee. So is this the document you were
17 referencing, or the TEAC committee October document?

18 A. It is this one, but it is similar for AEP
19 load, both of them.

20 Q. Thank you. So I'm assuming, since you
21 mentioned it without even seeing it, that you are
22 familiar with this document?

23 A. Yes, I am.

24 Q. Okay. This document is dated October 25,
25 2024?

1 A. Yes.

2 Q. If you look on slide 3 of this document,
3 first, it talks about a forecast overview. And then
4 if you look at slide 3, it is -- it states that after
5 2030, AEP Ohio will include unsigned loads 60 percent
6 of interconnection queue with load control where
7 capacity is constrained; is that correct?

8 A. That is correct.

9 MR. ALEXANDER: Can I ask that -- I think
10 counsel might have misspoken there. You said "load"
11 instead of "land." I just wanted to give you the
12 opportunity to correct that.

13 MS. BOJKO: Well, obviously, counsel has
14 the transcript in front of him. So if he thinks I
15 misspoke, the document says "60 percent of
16 interconnection queue with land control where
17 capacity is constrained."

18 MR. ALEXANDER: Thank you.

19 Q. (By Ms. Bojko) Is that correct?

20 A. That is correct.

21 Q. And this document is called "Load
22 Addition Criteria" -- or this slide, excuse me.

23 A. That is correct.

24 Q. So this is AEP proposing to the PJM
25 subcommittee that it does intend to actually include

1 unsigned load in future forecasts; is that correct?

2 A. Yes, beyond the planning horizon of five
3 years.

4 MS. BOJKO: Your Honor, I would also like
5 to mark as OMAEG Exhibit 18 another document. This
6 document is titled "Load Adjustment Requests Summary
7 for 2025 Load Forecast - Preliminary." And it will
8 be -- I would like to ask that it be marked as OMAEG
9 Exhibit 18.

10 ALJ MARCELLETTI: It will be so marked.

11 (EXHIBIT MARKED FOR IDENTIFICATION.)

12 ALJ MARCELLETTI: Thank you.

13 MS. BOJKO: Thank you. May I approach?

14 ALJ MARCELLETTI: Yes.

15 Q. (By Ms. Bojko) Do you have in front of
16 you what has been marked as OMAEG Exhibit 18?

17 A. I do.

18 Q. Is this a Load Adjustment Request Summary
19 for the 2025 Load Forecast PJM document in the load
20 analysis subcommittee?

21 A. Yes.

22 Q. And it's dated November 25, 2024; is that
23 correct?

24 A. That's correct.

25 Q. Are you familiar with this load document,

1 sir?

2 A. I have seen it before.

3 Q. And the load analysis subcommittee is
4 where they do some of the analysis regarding load
5 additions; is that correct?

6 A. That is my understanding.

7 Q. And planning? If we -- if you can look
8 at page 10. Page 10, in the right-hand corner is
9 AEP; do you see that?

10 A. I do.

11 Q. And this data would have been prepared by
12 AEP, your training -- your transmission planning
13 group in conjunction with the forecast group, or who
14 would have provided this data?

15 A. No. My organization does not prepare
16 this information. We have a load forecasting team
17 within AEP that does that.

18 Q. Okay. And the transmission planning
19 group works with the forecasting group?

20 A. We work with them so that we can have the
21 assumption in the models but not to develop the load
22 forecast.

23 Q. Okay. And here AEP is -- is showing that
24 they have requested a certain capacity addition to
25 their load forecast; is that correct? The blue line

1 that says "Request" on the left?

2 A. Yes.

3 Q. And the graph shows that PJM has made a
4 small modification from AEP Ohio's request but is
5 otherwise accepting the unsigned load inclusion after
6 2030; is that correct?

7 A. Yes.

8 Q. And if you look back at page 4 of the
9 Exhibit OMAEG Exhibit 17.

10 A. Yes.

11 Q. AEP here sets forth the criteria for
12 including unsigned load in its long-term forecast,
13 doesn't it?

14 A. Beyond the planning horizon, yes.

15 Q. And one of the criteria is whether an
16 area is capacity constrained; is that correct?

17 A. That is a consideration, yes.

18 Q. And your understanding of the AEP Ohio
19 tariff filing or the settlement AEP has put
20 through -- put forth does not require proof of a
21 capacity constraint before certain customers are
22 subject to the terms and conditions of the proposed
23 tariff, does it?

24 MR. ALEXANDER: Objection.

25 A. I am not familiar with that.

1 Q. And given that AEP has now included the
2 speculative load in the PJM load forecast going
3 forward, there is no need to -- for the proposed
4 tariff because there is an alternative solution here;
5 isn't that correct?

6 A. I disagree with that. This is beyond the
7 planning horizon. This is 2030 plus --

8 Q. Yeah.

9 A. Sorry. Go ahead.

10 MR. MICHAEL: Objection. Objection. I
11 am not sure the witness was finished with his answer
12 yet.

13 MS. BOJKO: Yeah.

14 ALJ HICKS: She's offering him the
15 opportunity.

16 MR. MICHAEL: Okay. I apologize. I
17 didn't notice that. Sorry.

18 ALJ MARCELLETTI: Mr. Ali, did you have
19 anything further?

20 THE WITNESS: Yes, your Honor. So, your
21 Honor, this is very important.

22 A. This load is beyond the planning horizon.
23 We are adding this in 2030, 2031, 2032. The planning
24 horizon PJM has is five years out. And in the five
25 years out, the load that is listed is signed

1 contracts. That's what the grid will be planned for.
2 That's what the window will open for.

3 Eight years out is sensitivity for
4 solutions. That's what PJM uses. So, in essence, if
5 a problem is showing up five years out, they'll fix
6 it. If it's showing up eight years out only but not
7 five years out, it won't be fixed. They will wait
8 for next year to see if that load is real.

9 However, a problem that is showing up
10 five years out, the solution, they will test it eight
11 years out to make sure the solution is still going to
12 survive. So that's a very important distinction that
13 this load speculative is really, in the longer term,
14 five-plus years out versus the five-year planning
15 horizon, which is what's needed to plan the grid.

16 Q. (By Ms. Bojko) But your testimony, sir,
17 talks about reaching out -- over 10,000 megawatts in
18 the future. And we discussed yesterday that could be
19 2030, that could be 2035, it could be sooner. So
20 your testimony and your solution also is looking
21 further out to 2030; is it not?

22 A. Ms. Bojko, my testimony says that we
23 would reach 10,000 megawatt by 2030, and the planned
24 grid can handle that.

25 Q. Correct. And it's 2030 you are looking

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in

Case No(s). 24-0508-EL-ATA

Summary: Transcript of Ohio Power Company hearing held on 12/04/24 - Volume II
electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and
Gibson, Karen Sue Mrs..

1294

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of Ohio Power :
Company For New Tariffs : Case No. 24-508-EL-ATA
Related to Data Centers :
and Mobile Data Centers. :

- - -

PROCEEDINGS

before Mr. David Hicks and Ms. Isabel Marcelletti,
Administrative Law Judges, at the Public Utilities
Commission of Ohio, 180 East Broad Street, Room 11-A,
Columbus, Ohio, called at 9:02 a.m. on Thursday,
January 9, 2025.

- - -

VOLUME VII

- - -

ARMSTRONG & OKEY, INC.
222 East Town Street, Second Floor
Columbus, Ohio 43215-5201
(614) 224-9481

- - -

1 A. I see that.

2 Q. And later on the next sentence, it said
3 it cannot be determined which entity would actually
4 construct -- or would construct any transmission
5 investment; is that correct?

6 A. It says "It cannot be determined which
7 entity would construct any transmission investment
8 needed to serve the more than 30,000 megawatts of
9 data center projects on AEP Ohio's queue of potential
10 future projects. If the project involves an upgrade
11 to a facility in the AEP Ohio zone, the entity would
12 likely be AEP Ohio or AEP Transmission Company.
13 Nothing in AEP Ohio's proposed data center tariffs
14 here seeks to change the PJM OATT or in any way
15 affect the way transmission projects are completed
16 under the PJM OATT."

17 MR. NOURSE: And, Ms. Bojko, if it helps,
18 we are happy to stipulate to this exhibit. I know
19 there has been a lot of reading of it so.

20 Q. (By Ms. Bojko) AEP has not actually
21 conducted any specific analysis of potential
22 transmission investment to be built in the future,
23 has it?

24 A. How is this different than the question
25 you asked me earlier?

1 ALJ HICKS: If you don't understand the
2 question, just ask.

3 A. I think I have already explained. AEP
4 Ohio assisted by the AEP Service Corporation has --
5 cannot know what specific projects are going to be
6 needed until we first have a decision in this case,
7 go through the 30,000 megawatt queue, see which data
8 center customers are going to sign up, and how much
9 load they need.

10 At that point we are going to have a load
11 amount. That then will go through the PJM process.
12 There will be transmission investments that are
13 actual projects.

14 But while we can't estimate the actual
15 projects, we can estimate the magnitude of what will
16 be needed if we have very much more, if at all, data
17 center load in central Ohio.

18 Q. Mr. McKenzie, can you look at the data
19 response for the exhibit that's been marked as DCC
20 Exhibit 5?

21 A. Okay.

22 Q. Is DCC Exhibit 5 an interrogatory
23 response to OEG-INT-1-2?

24 A. Yes.

25 Q. And here it refers to your -- the

1 question refers to your testimony and it asks to
2 reconcile two apparent conflicting cost estimates.
3 Do you see that?

4 A. I don't agree with your characterization
5 of that as conflicting cost estimates. The question
6 says what it says here.

7 Q. Well, my characterization, I was reading.
8 It says "Please reconcile these apparently
9 conflicting cost estimates." That's what the
10 question says.

11 A. And I don't agree with that.

12 Q. It wasn't my characterization. That's
13 what it says.

14 A. I understand that. I don't agree with
15 it.

16 Q. You said you don't agree with my
17 characterization.

18 A. Because you told me earlier that you
19 wrote these interrogatories for OEG -- oh, it's OEG.
20 Never mind. I apologize. I was confused. That's
21 what it says. I apologize.

22 Q. And if you look at the second-to-last
23 sentence, it says "AEP Ohio has not conducted any
24 specific analysis of potential transmission
25 investment to be built in the future." Did I read

1 that correctly?

2 A. You read it correctly. There's more.

3 Q. That answers the question that I had
4 asked you previously. Thank you. You know, I just
5 want to say, Mr. McKenzie, I am not trying to repeat
6 questions that were asked earlier in your testifying.

7 I am sorry that you have been on the
8 stand for multiple days, and I am second to last.
9 But sometimes you have to ask context in order to get
10 to the next question. So I am not trying to repeat
11 anything that I have heard before. And I apologize
12 if you believe I am doing that, but let the record
13 know I'm not doing that.

14 A. I appreciate that. I am referring to
15 things I have said in response to your questions.

16 Q. Right. But --

17 ALJ HICKS: Okay. Let's proceed.

18 Q. (By Ms. Bojko) You are not answering the
19 questions. Do you know the current amount of reserve
20 capacity for additional load growth in central Ohio?

21 A. When you say "capacity," what do you
22 mean?

23 Q. Do you know what the available capacity
24 is -- I will -- let's rephrase. I'm sorry.

25 Do you know what the current amount of

1 reserve capacity is for additional load growth in
2 central Ohio today?

3 A. Capacity can refer to generation. It can
4 refer to transmission. So I need more context.

5 Q. Oh, my apologies. I thought we were
6 talking about transmission capacity. Yes, you're
7 right. What is the -- do you know the current amount
8 of transmission capacity that is available today for
9 additional load to be added to the system?

10 A. No. I know in working closely with
11 Mr. Ali that you can't really say X amount of
12 transmission capacity in a large geographic area.
13 It's a case-by-case analysis.

14 We know enough now to say that we
15 don't -- if all the 5,000 megawatts of data center
16 load, you know, planning for all those
17 5,000 megawatts, we are at the situation Mr. Ali
18 described, but when it comes to specific load,
19 especially large loads, that requires an individual
20 study, which line is it on, which station is it
21 connected to, that kind of thing.

22 Q. It's true that the Company has not
23 quantified the current amount of reserve capacity for
24 additional load growth in central Ohio, isn't it?

25 A. Yeah. I think again, like I just said,

1 when we are looking at load coming online in central
2 Ohio, it's a case-by-case analysis, so we can't say
3 there is X amount of megawatts of reserve capacity.
4 At least I'm not familiar with that.

5 When I work with Mr. Ali and his group,
6 they always say we need to know how much load it is
7 and exactly where it's located.

8 Q. Do you have in front of you the
9 Application that was marked as AEP Exhibit 1?

10 A. I do.

11 Q. Could you turn to page 4, paragraph 12?
12 Are you there?

13 A. One second. I see that.

14 Q. And the sentence beginning, "Absent
15 additional capacity." It says, "Absent additional
16 capacity (discussed below), even just the future load
17 growth that is under contract will leave minimal
18 amounts of reserve capacity for additional (non-data
19 center) load growth for all existing and future
20 customers in central Ohio," correct?

21 A. I see that.

22 Q. And when asked what the minimum amounts
23 of reserve capacity was referencing, AEP said that it
24 has not quantified the current amount of reserve
25 capacity for additional load growth in central Ohio;

1 and some of those had not signed ESAs at that point
2 and since then we have signed ESAs to -- the LOA is
3 the first contract, and the ESA is the second
4 contract that comes later.

5 Q. And the moratorium has been in place
6 throughout all the settlement process in this case;
7 is that correct?

8 A. Yes. It was put in place in the spring
9 of 2023 and it continues to this day until the
10 Commission rules in this case and we can go through
11 the 30,000 megawatt queue.

12 Q. In the Application, I will just give you
13 a number, page 7, paragraph 21, of AEP's Application,
14 it talks about a pause status, and it says "This
15 pause status needs to be continued while this tariff
16 Application remains pending and until the solution is
17 implemented to move forward." Do you see that?

18 A. I do.

19 Q. The pause there is referring to the
20 temporary moratorium; is that correct?

21 A. I believe that's correct.

22 Q. And the moratorium, I heard a couple of
23 different things so that's why I am asking, it was
24 instituted unilaterally by AEP Ohio; is that correct?

25 A. I am not sure what you mean by

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in

Case No(s). 24-0508-EL-ATA

Summary: Transcript of the Ohio Power Company hearing held on 01/09/25 -
Volume VII electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey,
Inc. and Gibson, Karen Sue Mrs..

1550

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of Ohio Power :
Company For New Tariffs : Case No. 24-508-EL-ATA
Related to Data Centers :
and Mobile Data Centers. :

- - -

PROCEEDINGS

before Mr. David Hicks and Ms. Isabel Marcelletti,
Administrative Law Judges, at the Public Utilities
Commission of Ohio, 180 East Broad Street, Room 11-A,
Columbus, Ohio, called at 9:02 a.m. on Friday,
January 10, 2025.

- - -

VOLUME VIII

- - -

ARMSTRONG & OKEY, INC.
222 East Town Street, Second Floor
Columbus, Ohio 43215-5201
(614) 224-9481

- - -

1 want me to state all the questions that led up to
2 this or from other counsel that led up to this?

3 ALJ HICKS: No. All right. I am going
4 to need -- I am going to try to develop some -- a
5 conclusion and parameters here that will hopefully
6 have it -- allow us to go forward without both sides.
7 So I am going to take a break, let me think again
8 without you all staring at me, and then we will come
9 back. So give me about 10 minutes.

10 MS. BOJKO: Thank you, your Honor.

11 ALJ HICKS: We are off the record.

12 (Recess taken.)

13 ALJ HICKS: We can go ahead and go back
14 on the record.

15 Just took a brief break for me
16 essentially. So what we are going to do moving
17 forward -- I think we have allowed some leeway on
18 questioning.

19 I am not making any rulings as to any
20 sort of admissibility, but I do think continuing to
21 read the document, to ask Mr. McKenzie questions on a
22 document he has never seen is not benefiting us at
23 the moment. So we are going to move on from this
24 document and testimony and continue with questioning.

25 MS. BOJKO: Your Honor, just for the

1 record, at this time I would like to make a proffer.
2 I know you haven't ruled on the admissibility, but
3 preventing or prohibiting me from asking questions,
4 examination questions, that directly contradict other
5 pieces of the Application, the tariff, and the
6 testimony is an exclusion of evidence. McKenzie
7 has -- excuse me, Witness McKenzie has talked a lot
8 about this throughout the proceeding.

9 He's talked about how economics affect
10 things and whether there is room on the system. He's
11 also talked about transmission planning and economic
12 development issues and all of these go toward that
13 and all of the questions go toward that.

14 And I'm sorry, maybe I wasn't clear in my
15 list because I am last in the order, I have had to
16 jump around to not reask questions, but there are
17 many questions that have been asked and I have asked
18 about both transmission planning, the economics
19 situation of data centers, whether they will bring
20 jobs to the State of Ohio, whether AEP is encouraging
21 them, or whether AEP has a moratorium.

22 So even though he stated that AEP is
23 encouraging data centers, he's also testified they
24 have instituted a moratorium, so that is a direct
25 contradictory statement, and so this document also

1 fleshes out that.

2 So pursuant to 4901-1-15(F) of the Ohio
3 Administrative Code, I would like to just assert my
4 ability to be able to raise this issue on brief, and
5 recognizing that you haven't made a ruling of
6 admissibility, and if you do later and it is
7 admissible, then some of that may not be necessary,
8 but I just wanted to make sure I preserve my right
9 now.

10 ALJ HICKS: Understood. You're entered.

11 MR. NOURSE: Your Honor, go ahead.

12 ALJ HICKS: I was just saying understood.

13 MR. NOURSE: I just wanted to make a
14 statement for the record, too. Ms. Bojko, of course,
15 can respond if she has a response.

16 But we did use the break to try to find
17 this document, and it's not on the AEP website as
18 near as we can tell. It looks like it may have been
19 at some point in the past, and as an outdated
20 document, it may have been removed and it might be
21 available as a cache document on a Google search, but
22 we have not been able to connect it to AEP's current
23 website.

24 MS. BOJKO: Yes, your Honor, just in
25 response, it is able to -- you are able to Google it,

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Case No(s). 24-0508-EL-ATA

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Volume VIII electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey,
Inc. and Gibson, Karen Sue Mrs..



Legal Department

American Electric Power
1 Riverside Plaza
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October 23, 2024

The Honorable Greta See
The Honorable David Hicks
Isabel Marcelletti
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
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*Re: In the Matter of the Application of Ohio Power
Company for New Tariffs Related To Data Centers and
Mobile Data Centers, Case No. 24-508-EL-ATA*

Dear Examiners:

I am pleased to submit the enclosed Joint Stipulation and Recommendation for the Commission's consideration in resolving this case. The Signatory Parties request consideration and approval by the Commission. As previously mentioned during the October 17 prehearing conference, the Signatory Parties request a prehearing conference to update the schedule in light of this Stipulation being filed; we request the conference be schedule as soon as practical and recommend either during the afternoon of October 24 or the morning of October 25.

Thank you for your attention to this matter.

Respectfully Submitted,

cc: Parties of Record

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of	)	
Ohio Power Company for New	)	Case No. 24-508-EL-ATA
Tariffs Related To Data Centers	)	
and Mobile Data Centers	)	

JOINT STIPULATION AND RECOMMENDATION

I. Introduction

Rule 4901-1-30, Ohio Administrative Code (OAC), provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in such a proceeding. This document sets forth the understanding and agreement of the parties who have signed below (“Signatory Parties”) and jointly present to the Public Utilities Commission of Ohio (“Commission”) this Joint Stipulation and Recommendation (“Stipulation”) in order to resolve for consumers’ and others’ benefit all of the issues raised in this proceeding by the Application and supporting testimony filed by Ohio Power Company (“AEP Ohio” or the “Company”) on May 13, 2024 through modifications to that Application.

This Stipulation is a product of lengthy, serious, arm’s-length bargaining among the Signatory Parties and other parties who chose not to sign the Stipulation (all of whom are capable, knowledgeable parties), which negotiations were undertaken by the Signatory Parties to settle this proceeding to consumers’ and others’ benefit. All intervenors were invited to discuss and negotiate this Stipulation, and it was openly negotiated among those stakeholders who responded and chose to participate. This Stipulation is supported by adequate data and information. As a package, the Stipulation: benefits customers and the public interest; represents a just and reasonable resolution of all issues in this proceeding; violates no regulatory principle or practice; and complies with and promotes the policies and requirements of Title 49 of the

Ohio Revised Code. This Stipulation represents an accommodation of the diverse interests represented by the Signatory Parties and, though not binding, is entitled to careful consideration by the Commission. For purposes of resolving the issues raised by these proceedings, the Signatory Parties agree to fully support adoption of the Stipulation without modification in this proceeding.

II. Recitals

WHEREAS, on May 13, 2024, AEP Ohio filed an Application not for an increase in rates, seeking to establish two new classifications of customers going forward: (1) the Data Center Power Tariff for new data center customers that will use a monthly maximum demand of greater than 25 MW at a single location; and (2) the Mobile Data Center Tariff for new mobile data center customers (e.g., cryptocurrency miners) that will use a monthly maximum demand of greater than 1 MW at a single location;

WHEREAS, twenty parties have been granted intervention in this matter;

WHEREAS, all parties were afforded an opportunity to file comments and reply comments on June 25, 2024 and July 8, 2024, respectively;

WHEREAS, the parties engaged in extensive discovery in this proceeding;

WHEREAS, on August 29, 2024, fifteen parties filed testimony in response to the Company's Application;

WHEREAS, the Company held ten all-party settlement meetings and countless breakout/individual settlement discussions and phone calls over the course of multiple months;

WHEREAS, the Signatory Parties found common ground through the issues developed during the discovery process and settlement discussions commenced concerning those developing issues;

WHEREAS, this Stipulation is the result of serious discussion and compromise of complex issues and involves substantial benefits for consumers and others that might not otherwise have been achievable, and is not intended to reflect the views or proposals that any individual party may have advanced acting unilaterally;

NOW, THEREFORE, the Signatory Parties agree and recommend resolution of the Application and related issues through the modifications agreed to in this Stipulation.

III. Joint Recommendations of Signatory Parties

A. Tariff Applicability

The Mobile Data Center Tariff will be merged into the Data Center Tariff (“Schedule DCT”) and will apply to any electric service agreement signed after the tariff effective date for a new load (or expansion of an existing load) greater in the aggregate than 25 MW as calculated in this Paragraph III.A. The final version of Schedule DCT being recommended by the Signatory Parties through this Stipulation is attached as Exhibit A; any perceived conflict or ambiguity between the Stipulation terms (modifying the Application) and Exhibit A shall be resolved in favor of the Stipulation terms. Schedule DCT will only apply to Data Center load and Mobile Data Center load and customers eligible under Schedule DCT may only be served under that tariff. As reflected in Exhibit A, the following additional parameters apply (all of which only encompasses Data Center and Mobile Data Center load):

1. “‘Data Center’ means a centralized facility (a) used primarily or exclusively for electronic information services such as the management, storage, processing, and dissemination of electronic data and information through the use of computer systems, servers, networking equipment, and related components that (b) has an

aggregate monthly maximum demand of greater than 25,000 kW. Unless otherwise specified, the term ‘Data Center’ shall include ‘Mobile Data Center.’”

2. “Mobile Data Center” means a centralized facility (a) used primarily or exclusively for electronic information services such as the management, storage, processing, and dissemination of electronic data and information (including mining of cryptocurrency) through the use of computer systems, servers, networking equipment, and related components that (b) has an aggregate monthly maximum demand of greater than 25,000 kW and has load that is portable and/or distributable, including but not limited to structures that are not affixed to the ground or are easily removed from a location.”
3. Loads above 25 MW that have already signed a Letter of Agreement (“LOA”) or Electric Service Agreement (“ESA”) by the effective date of the tariff are “grandfathered”¹ (i.e., Schedule DCT will not apply), so long as the load does not expand by more than 25 MW above contracted capacity under the existing ESA following the effective date of Schedule DCT.
4. Schedule DCT will apply to a grandfathered load that signs a new ESA to expand its load by more than 25 MW above contracted capacity under the existing ESA after the effective date of the tariff. At the customer’s request, AEP Ohio will use reasonable efforts to separately meter the new (non-grandfathered) load to which

¹ All provisions of the term sheet that “grandfather” customers or loads as those concepts relate to the new Schedule DCT being adopted in this case, but that “grandfathered” status is subject to change in the next base distribution case or any other future proceeding. All parties reserve the right to oppose any future tariff change that proposes to alter such “grandfather” status.

Schedule DCT applies but it may not be technically feasible to do so. If it is technically feasible to separately meter, the customer will pay all costs reasonably incurred by AEP Ohio to complete such separate metering. If the load is not separately metered, then the grandfathered load will lose its grandfathering status and become subject to Schedule DCT.

5. All new load of affiliated companies and companies with common ownership will be considered in the aggregate for purposes of calculating the minimum demand charge that will be included for the full term of each ESA for new projects under this tariff (load being served or under a signed contract to be served prior to the effective date of the new tariff is grandfathered). All affiliated projects will be stacked in order of the energization date so the minimum demand matrix can be applied based on multiple ESAs, as applicable. Finally, if there are multiple new (*i.e.*, non-grandfathered) facilities at a Single Location of less than 25 MW (but the aggregate total load is greater than 25 MW), all of those facilities will be subject to Schedule DCT.
6. Schedule DCT customers are not eligible to participate in AEP Ohio's 1CP or 6 CP BPCR Programs or any successor programs (subject to same grandfathering of current participation outlined above for the new tariff).

B. Schedule DCT Contract Term

As reflected in Exhibit A, the initial term of the Contract² will equal the Load Ramp Period (no greater than four years, as described below) plus eight years. The Contract

² Capitalized terms have the same meaning as the defined terms in AEP Ohio's proposed Schedule DCT (Exhibit A), including but not limited to "Data Center" and "Mobile Data Center."

will reflect AEP Ohio's best good faith estimate of the customer's in-service date, but if regional transmission upgrades are needed, the in-service date estimate will be high-level and contingent on numerous factors outside of AEP Ohio's control (*e.g.*, a PJM competitive window). If electric infrastructure is not in place to serve the customer by the estimated in-service date, the customer may petition the Commission for an adjustment to the contract term based on the facts and circumstances presented at that time (but the Contract term will otherwise remain the Load Ramp Period plus eight years).

C. Collateral and Other Tariff Requirements

As reflected in Exhibit A, the collateral/credit requirements in the Company's original tariff proposal (Exhibit MSM-1) will remain in place for Data Center and Mobile Data Center load. Although the Mobile Data Center tariff is generally being merged into Schedule DCT, the foreign adversary attestation will be retained from the Application and reflected in Schedule DCT.

D. Minimum Demand Charges

As reflected in Exhibit A, for the new set of Schedule DCT customers, the monthly billing demand will be no less than the greater of: (a) 85% of the customer's highest previously established monthly billing demand during the past 11 months; or (b) a percentage of the customer's Contract Capacity according to the following load "brackets":³

³ Exhibit B to this Stipulation reflects the full schedule of effective minimum demand rates with increasing increments of 1 MW of demand.

Total Customer Contract Capacity in Service Territory	Minimum Demand
25,001 kW to 75,000 kW	15,000 kW plus 85% of marginal amount over 25,000 kW
75,001 kW and above	57,500 kW plus 100% of marginal amount over 75,000 kW; <i>provided, however, that the minimum demand will not exceed 85% of the total contract capacity.</i>

With Commission approval, service may be suspended by AEP Ohio if customer usage exceeds its Contract Capacity by more than 1,000 kW. If additional capacity is available from AEP Ohio to serve additional load at the customer site, the Company may also seek mutual agreement to adjust the Contract Capacity and reserves the right to raise the issue before the Commission if there is no agreement. Nothing in this paragraph affects Paragraph III.I below regarding behind-the-meter generation or is intended to preclude the Company from disconnecting service or curtailing load to a Schedule DCT customer without Commission approval if that disconnection/curtailment activity is done in accordance with Section 26 of the Terms and Conditions of Service in the Company's tariff and Ohio Administrative Code 4901:1-10-16.

E. Load Ramp Period

As reflected in Exhibit A, the Load Ramp Period for a specific customer site will not exceed four years, and the Load Ramp Contract Capacity will be no less than:

In Year 1	50% of Contract Capacity
In Year 2	65% of Contract Capacity
In Year 3	80% of Contract Capacity
In Year 4	90% of Contract Capacity

F. Process for Signing Up for New Schedule DCT Customers

Until Schedule DCT becomes effective and is implemented as described below, prospective data center customers will remain in AEP Ohio's Central Ohio queue, and the moratorium will continue. The following process applies to a new facility or expansion of an existing facility under Schedule DCT:

1. *Step One: Request for Load Study* – Each customer from the Central Ohio data center queue will be given an opportunity to request that AEP Ohio conduct a formal study of their prospective load. The customer must control the property (*e.g.*, own, lease or have an option) and provide a specific location, load ramp, and final load. AEP Ohio will charge a one-time fee for each load study to cover the study cost (*i.e.*, \$10,000-\$100,000 fee schedule commensurate with the scale of load and complexity of the service request). Customers currently in AEP Ohio's Central Ohio data center queue must submit a study request and pay the fee within 45 days of the effective date of Schedule DCT or lose their spot in the queue.
2. *Step Two: AEP Ohio Determines Service Plan* – AEP Ohio will conduct the load study and determine a service plan for each customer in the AEP Ohio Central Ohio queue that timely paid the load study fee. AEP Ohio will make reasonable efforts to complete the load study within: (i) 60 days if regional transmission upgrades are needed to serve the customer; or (ii) 45 days (for all other situations). If regional transmission upgrades are necessary before AEP Ohio can serve the customer, AEP Ohio will group customers from the queue into tranches based on the expected capacity increase associated with each regional upgrade

project (after first reserving an allocation of the expected capacity increase to non-DCT manufacturing load as described below). AEP Ohio will make reasonable efforts to prioritize customers on a “first come, first served” basis, but it is acknowledged that strict adherence to this principle may be impossible based on regional and local transmission grid conditions, location of customer property, the grid location of the upgrades, etc.

3. *Step Three: Presentation of Customer Contracts* – AEP Ohio will present two contracts to the customer for signature:

- a. *LOA* – Consistent with AEP Ohio’s current practice, AEP Ohio will provide the customer an LOA that requires the customer to reimburse AEP Ohio for 100% of its buildout costs to serve the customer (including *local* transmission upgrades but excluding *regional* transmission upgrades such as a new 765 kV line) if the customer cancels or delays its project (by more than 12 months) prior to the target energization date; once the project is completed and service is energized to the customer, the LOA obligation covering 100% of the buildout costs will expire. The LOA will also require the customer to sign a CIAC agreement in accordance with the normal tariff and rule provisions. The CIAC agreement will be signed closer to the in-service date when final CIAC costs are known.
- b. *ESA* – AEP Ohio will present the customer an ESA (called a “Contract” in the tariff) according to the terms of the Schedule DCT. The ESA will

include a good faith estimate of the energization date of service, and the contract term will run from that date.

4. *Step Four: Customer Signature* – The customer will have 60 days to sign the LOA and ESA presented by AEP Ohio. If the customer declines to sign within this time, the contracts will be automatically withdrawn. If the customer’s decision not to sign the LOA and ESA leaves available capacity for AEP Ohio to serve additional customer(s) in the queue more quickly, AEP Ohio will provide a new or revised ESA to those customer(s) that reflects this earlier in-service date (which customers will also be required to sign within 60 days).
5. *Step Five: Construction and Energization* – AEP Ohio will include the Schedule DCT customer’s load in its PJM forecast, and the necessary transmission infrastructure, if any, to serve the customer will be constructed pursuant to the PJM transmission planning process. Once all infrastructure is in place to begin service, AEP Ohio will energize the customer and the Contract will begin. Nothing in this Stipulation changes AEP Ohio’s load forecast and planning process: AEP Ohio continually strives to update its retail load growth forecast for inclusion of future load growth, including residential, commercial and industrial load growth. With this plan for addressing the Central Ohio queue for data center load in place, AEP Ohio fully anticipates being able to timely meet the increasing demands of its customers going forward.

G. Assigning Retail Capacity to Another Customer

If a customer (“Assigning Customer”) wishes to reduce its Contract Capacity under Schedule DCT during the term of the Contract, it may request that AEP Ohio assign up to

25% of its Contract Capacity (“Reallocated Capacity”) to another Schedule DCT customer (“Receiving Customer”) in lieu of paying some or all of its exit fee associated with the Reallocated Capacity (some of the exit fee if only a portion of the unused capacity is successfully assigned or all of the exit fee for that 25% if all of the unused capacity is assigned but the customer continues to utilize the remaining portion under its contract). If a successful assignment is made, the Assigning Customer would be relieved of its contractual obligations going forward relating to the Reallocated Capacity and shall continue to be responsible for any remaining unused contract capacity. Moreover, the Assigning Customer cannot sign up for replacement capacity until a reasonable period after assigning capacity passes or circumstances demonstrably change. Consistent with any applicable legal or regulatory requirements, AEP Ohio will make a good faith effort to accommodate this request so long as all the following conditions are met:

1. The Receiving Customer signs an ESA for the Reallocated Capacity under Schedule DCT, as follows:
 - a. If the Reallocated Capacity will be used to build a new Data Center that does not currently have an ESA, the Receiving Customer will sign a new ESA under Schedule DCT with Contract Capacity equal to or greater than the Reallocated Capacity.
 - b. If the Reallocated Capacity will be added to a Data Center for which AEP Ohio and the Receiving Customer have already signed an ESA, the ESA will be amended to increase the Contract Capacity by no less than the amount of the Reallocated Capacity. This will constitute an “expansion” of “current contract capacity” under the “Availability of

Service” section of Schedule DCT, and therefore the amended ESA will be subject to Schedule DCT.

2. AEP Ohio determines that the transfer is electrically feasible, from the perspective of the transmission and distribution grid, to transfer the Reallocated Capacity from the Assigning Customer to the Receiving Customer.
3. The Receiving Customer pays for all equipment and any other incremental costs required to transfer the Reallocated Capacity.
4. The Receiving Customer satisfies all collateral requirements under Schedule DCT.
5. Transferring the Reallocated Capacity would not result in any stranded investment being recovered from other ratepayers (or, if it would, the Assigning Customer pays for the full cost of the stranded equipment so that the stranded asset is offset on AEP Ohio’s accounting records and would no longer be recovered from other ratepayers).
6. Both parties attest in writing to AEP Ohio that no money or other compensation beyond covering the cost items listed above in this paragraph is exchanged or provided as consideration for the Reallocated Capacity (*i.e.*, there will be no secondary market for AEP Ohio’s transmission capacity). The Company will monitor the assignment requests and consult with Staff on any transactions that appear to involve additional compensation between the parties; the Company reserves the right to deny or cancel any assignment based on a false attestation or discovery of such additional compensation.

H. Opportunity for Contract Capacity Reduction

To explore potential solutions to alleviating transmission constraints, AEP Ohio shall communicate a one-time opportunity to General Service customers whose contract demand exceeds 25 MW the opportunity to reduce their existing Contract Capacity provided: (1) doing so does not create a stranded asset related to plant-in-service that was installed to serve the customer's larger load request, and (2) the customer agrees not to request additional capacity at that location for three years after the reduction absent a demonstrated change in circumstances.

I. Behind-the-Meter Generation

As reflected in Exhibit A, the first sentence under the "Customer-Owned Generation and Emergency Conditions" heading shall be modified and read as follows: "Consistent with Ohio Administrative Code Chapter 4901:1-22, Schedule DCT Customers shall enter into an interconnection agreement between the Company and the Customer in advance of connecting any source of power other than the delivery point specified in the Contract."

As further reflected in Exhibit A, Schedule DCT clarifies that if the customer elects to use its behind-the-meter generation to offset the customer's Contract Capacity (either in initially establishing service or in the context of a subsequent load expansion or behind-the-meter generation expansion at the same site, as reflected in a new or updated Contract Capacity), the following requirements will apply. In order to ensure that the Customer's election to net does not result in it exceeding its Contract Capacity, equipment must be in place and maintained through the term of the Electric Service Agreement to instantaneously curtail load equal to or greater than the behind-the-meter generation output, subject to the then-current technical requirements of the transmission provider. If

the equipment fails and results in the customer exceeding its contract capacity, the Customer will be obligated to promptly repair and successfully test the equipment. If the equipment fails and results in the customer exceeding its contract capacity, the Company reserves the right to raise before the Commission any unresolved reliability or safety concerns based on the facts and circumstances presented at that time. Nothing in this paragraph is intended to restrict or limit Ohio's energy policy of fostering behind-the-meter generation. Nothing in this paragraph affects AEP Ohio's right to disconnect or curtail load in accordance with Section 26 of the Terms and Conditions of Service in the Company's tariff and Ohio Administrative Code 4901:1-10-16.

J. Exit Fees

The proposal for exit fees in the Application shall be adopted, with the following modifications:

1. Data centers will be eligible to pay the applicable exit fee after the completion of the fifth year of the contract, *excluding* any load ramp period (*e.g.* if there is a 3-year load ramp, the customer may exit after year 8).
2. Because the new tariff is focused on the retail impacts of major transmission investment, and to avoid any over-recovery of transmission costs by AEP Ohio, AEP Ohio will create a regulatory liability, with carrying costs at AEP Ohio's Weighted Average Cost of Capital, for any exit fee revenue or any revenue collected from customer collateral. Within 6 months of receiving such exit fee revenue (including through the conversion of collateral/security), AEP Ohio will advance a proposal for Commission approval to flow the funds back

to the benefit of its retail customers over the remaining term of the contract of the data center customer that paid the exit fee or posted the collateral.⁴

K. Standard Service Offer (“SSO”) Supply for Schedule DCT Customers

AEP Ohio’s SSO proposal in its Application will be dismissed without prejudice, and AEP Ohio reserves the right to file an application in a separate docket for the Commission’s consideration of the SSO issues presented. All parties reserve all rights with respect to any such separate application.

IV. Procedural Matters

A. The Company and Staff will file testimony in support of the Stipulation pursuant to the procedural schedule established by the Commission.

B. Except for enforcement purposes or to establish that the terms of the Stipulation are lawful, neither this Stipulation nor the information and data contained herein or attached hereto shall be cited as a precedent in any future proceeding for or against any Signatory Party, if the Commission approves the Stipulation. Nor shall the acceptance of any provision within this Stipulation be cited by any party or the Commission in any forum so as to imply or state that any other Signatory Party agrees with any specific provision of the Stipulation. More specifically, no specific element or item contained in or supporting this Stipulation shall be construed or applied to attribute the results set forth in this Stipulation as the results that any Signatory Party might support or seek, but for this Stipulation in these proceedings or in any other proceeding. This Stipulation contains a combination of outcomes that reflects an overall compromise involving a balance of competing positions, and it does not necessarily reflect the

⁴ All Parties reserve their right to contest the Company’s future application and/or advance an alternative proposal for the Commission’s consideration at that time.

position that one or more of the Signatory Parties would have taken on any individual issue.

Rather the Stipulation represents a package that, taken as a whole, is acceptable for the purposes of resolving all contested issues without resorting to litigation. Moreover, all parties reserve all positions, rights and remedies regarding matters not resolved by this Stipulation that are either beyond the scope of this proceeding or beyond the scope of the Commission's jurisdiction.

The Signatory Parties believe that this Stipulation, taken as a whole, represents a reasonable compromise of varying interests.

C. By their signatures, the Signatory Parties indicate their support for the Stipulation. The Signatory Parties agree not to oppose this Stipulation. If the Stipulation is contested, no Signatory Party will oppose an application for rehearing designed to defend or restore the terms of this Stipulation.

D. This Stipulation is conditioned upon adoption of the Stipulation by the Commission in its entirety and without material modification. Each Signatory Party has the right, in its sole discretion, to determine whether the Commission's approval of this Settlement constitutes a "material modification" thereof. If the Commission rejects or materially modifies all or any part of this Stipulation, any Signatory Party shall have the right within thirty days of issuance of the Commission's order to apply for rehearing. The Signatory Parties agree that they will not oppose or argue against any other Party's application for rehearing that seeks to uphold the original unmodified Stipulation. If the Commission does not adopt the Stipulation without material modification upon any rehearing ruling, then within thirty days of such Commission rehearing ruling any Signatory Party may terminate its Signatory Party status and withdraw from the Stipulation by filing a notice with the Commission. No Signatory Party shall file a Notice of Withdrawal without first negotiating in good faith with the other Signatory Parties to

achieve an outcome that substantially satisfies the intent of the Settlement. If a new agreement achieves such an outcome, the Signatory Parties will file the new agreement for Commission review and approval. If the discussions to achieve an outcome that substantially satisfies the intent of the Settlement are unsuccessful, and a Signatory Party files a Notice of Withdrawal, then the Commission will convene an evidentiary hearing to afford that Signatory Party the opportunity to contest the Settlement by presenting evidence through witnesses, to cross examine witnesses, to present rebuttal testimony, and to brief all issues that the Commission shall decide based upon the record and briefs. If the discussions to achieve an outcome that substantially satisfies the intent of the Settlement are successful, then some or all of the Signatory Parties shall submit the amended Settlement to the Commission for approval after a hearing if necessary.

E. Unless the Signatory Party exercises its right to terminate its Signatory Party status or withdraw as described above, each Signatory Party shall act in good faith and use reasonable efforts to support the reasonableness of this Stipulation before the Commission in this proceeding, and to cause its counsel to do the same, and in any appeal it participates in from the Commission's adoption and/or enforcement of this Stipulation. The Signatory Parties also agree to urge the Commission to accept and approve the terms hereof as promptly as possible.

IN WITNESS WHEREOF, this Stipulation and Recommendation has been signed by the authorized agents of the undersigned Signatory Parties as of this 23rd day of October 2024.

/s/ Steven T. Nourse
Steven T. Nourse
Michael J. Schuler
On Behalf of Ohio Power Company

/s/ Ambrosia E. Wilson by STN per authority
Ambrosia E. Wilson
**On Behalf of the Staff of the Public
Utilities Commission of Ohio**

/s/ Michael L. Kurtz by STN per authority

Michael L. Kurtz

Jody Kyler Cohn

On Behalf of the Ohio Energy Group

/s/ William Michael by STN per authority

William Michael

**On Behalf of the Office of the Ohio
Consumers' Counsel**

/s/ Carrie H. Grundmann by STN per authority

Carrie H. Grundmann

On Behalf of Walmart Inc.

/s/ Robert Dove by STN per authority

Robert Dove

**On Behalf of the Ohio Partners For
Affordable Energy**

EXHIBIT A

OHIO POWER COMPANY

Original Sheet No. ###-1

P.U.C.O. NO. 21

Schedule DCT
(Data Center Tariff)

Definitions

For purposes of this schedule:

"Contract" means the service agreement entered into by the customer and the Company in accordance with this schedule.

"Contract Capacity" means the mutually agreed amount of monthly peak load requirements for each month during the remaining term after the Load Ramp Period as set forth in the contract for service, whereby the Company agrees to provide all of the components of retail electric service (which could include either default SSO supply or access to CRES provider supply of generation service) subject to the terms and conditions in its tariffs and the customer agrees to purchase service at that level for the stated term of the contract under the same terms and conditions."

"Data Center" means a centralized facility (a) used primarily or exclusively for electronic information services such as the management, storage, processing, and dissemination of electronic data and information through the use of computer systems, servers, networking equipment, and related components that (b) has an aggregate monthly maximum demand of greater than 25,000 kW. Unless otherwise specified, the term "Data Center" shall include "Mobile Data Center."

"Mobile Data Center" means a centralized facility (a) used primarily or exclusively for electronic information services such as the management, storage, processing, and dissemination of electronic data and information (including mining of cryptocurrency) through the use of computer systems, servers, networking equipment, and related components that (b) has an aggregate monthly maximum demand of greater than 25,000 kW and has load that is portable and/or distributable, including but not limited to structures that are not affixed to the ground or are easily removed from a location.

"Single Location" refers to an area that is owned, operated, or leased by the Data Center customer with the metering point for the customer's metering point. A contiguous lot (or lots) to the area with the customer's metering point may be considered the customer's premises regardless of easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way, so long as it would not create an unsafe or hazardous condition.

"Load Ramp Contract Capacity" means the mutually agreed monthly peak load requirements associated with the Load Ramp Period. The Load Ramp Contract Capacity shall not be less than:

- In Year 1, 50% of Contract Capacity.
- In Year 2, 65% of Contract Capacity.
- In Year 3, 80% of Contract Capacity.
- In Year 4, 90% of Contract Capacity.

Filed pursuant to Order dated _____, 2024 in Case No. 24-508-EL-ATA

Issued: _____

Issued By
Marc Reitter, President
AEP Ohio

Effective: _____

OHIO POWER COMPANY

Original Sheet No. ###-2

P.U.C.O. NO. 21

Schedule DCT
(Data Center Tariff)

“Load Ramp Period” refers to the time of commencement of service until the customer reaches full contract capacity, which shall not exceed four years.

“Existing Load” means Data Center load for which a letter of agreement or electric service agreement has already been signed by the effective date of Schedule DCT.

“New Load” means Data Center load for which a letter of agreement or electric service agreement has not been signed before the effective date of Schedule DCT.

Availability of Service

Service pursuant to this schedule is available for general service to customers that operate a Data Center that will use, within the initial contract term, a monthly maximum demand of greater than 25,000 kW at a Single Location or an aggregated Total Customer Contract Capacity in Service Territory of greater than 25,000 kW as described below. Customers qualifying for this schedule that execute an electric service agreement with the Company or expand their current contracted capacity after the effective date of this tariff are required to take service under this schedule and will not be permitted to take service under other general service tariffs.

Schedule DCT does not apply to Existing Load above 25,000 kW that has already signed a letter of agreement or electric service agreement by the effective date of Schedule DCT, so long as the Existing Load does not expand by more than 25,000 kW above the contracted capacity under the existing electric service agreement following the effective date of Schedule DCT. Schedule DCT will apply to an Existing Load that signs a new electric service agreement to expand its Existing Load by more than 25,000 kW of New Load above the contract capacity under the existing electric service agreement after the effective date of Schedule DCT. At the customer's request, AEP Ohio will use reasonable efforts to separately meter the New Load to which Schedule DCT applies, but it may not be technically feasible to do so. If it is technically feasible to separately meter, the customer will pay all costs reasonably incurred by AEP Ohio to complete such separate metering. If the load is not separately metered, then the Existing Load will lose its Existing Load status and become subject to Schedule DCT.

If the customer facility operates one or more Data Centers with a monthly maximum demand of greater than 25,000 kW and has non-Data Center load (that would otherwise be billed under the General Service or other applicable Schedule) at a Single Location, Schedule DCT will apply to all electric distribution service to that customer, provided, however, that the customer shall have the option of separately metering its Data Center and non-Data Center loads (if technically feasible) and paying for those loads through separate customer accounts. In such situation, the customer shall be responsible for all metering and other costs necessary to separate its load into separate customer accounts.

The terms and conditions of service under this this schedule shall apply upon a request for service by an eligible customer but service to customers under this schedule will not commence until the Company has sufficient capacity to meet the contractual load requirements.

With Commission approval, service to a Schedule DCT customer may be suspended by AEP Ohio if customer usage exceeds its Contract Capacity by more than 1,000 kW. If the Company determines that additional capacity is available

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Issued: _____

Issued By
Marc Reitter, President
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OHIO POWER COMPANY

Original Sheet No. ###-3

P.U.C.O. NO. 21

Schedule DCT
(Data Center Tariff)

from AEP Ohio to serve additional load at the customer site, the Company may also seek mutual agreement to adjust the Contract Capacity and reserves the right to raise the issue before the Commission if there is no agreement.

Monthly Rate

Schedule Code	Service Voltage	Distribution Demand Charge (\$/kW)	Excess Reactive Demand (\$/kVA)	Customer Charge (\$)
###	Secondary	\$7.01	\$1.25	\$9.40
###	Primary			
	Ohio Power Rate Zone	\$6.46	\$1.21	\$138.50
	Columbus Southern Power Rate Zone	\$6.17	\$1.21	\$138.50

Schedule Code	Service Voltage	Distribution Demand Charge (\$/kW)	Excess Reactive Demand* (\$/kVAR)	Customer Charge (\$)
###	Transmission	--	\$0.70	\$3,600

*For each kVAR of reactive demand, leading or lagging, in excess of 50% of the kW metered demand.

Minimum Charges

The minimum monthly charge under this schedule shall be the sum of the customer charge, the product of the distribution demand charge and the monthly distribution billing demand, and all Commission-approved riders shown on Sheet Number 104-1.

Monthly Billing Demand

Billing demand in kW shall be taken each month as the single highest 30-minute integrated peak in kW as registered during the month by a 30-minute integrating demand meter or indicator, or at the Company's option, as the highest registration of a thermal-type demand meter. The customer will have no more than the Load Ramp Period to reach full contract capacity, during which time monthly billing demand shall not be less than 85% of the customer's Load Ramp Contract Capacity. After the Load Ramp Period, monthly billing demand established hereunder shall not be less than the greater of (a) 85% of the customer's highest previously established monthly billing demand during the past 11 months or (b) the customer's "Minimum Demand" as set forth below:

Total Customer Contract Capacity in Service Territory	Minimum Demand
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Issued: _____

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AEP Ohio

OHIO POWER COMPANY

Original Sheet No. ###-4

P.U.C.O. NO. 21

Schedule DCT
(Data Center Tariff)

25,001 kW to 75,000 kW	15,000 kW plus 85% of marginal amount over 25,000 kW
75,001 kW and above	57,500 kW plus 100% of marginal amount over 75,000 kW; provided, however, that the minimum demand will not exceed 85% of the total contract capacity.

All New Loads of affiliated companies and companies with common ownership greater than 25,000 kW will be considered in the aggregate for purposes of determining the "Total Customer Contract Capacity in Service Territory" and calculating the "Minimum Demand" in the chart above that will be included for the full term of each Contract for New Load under this Schedule DCT. Existing Load will not be considered as part of the "Total Customer Contract Capacity in Service Territory." All affiliated New Load will be stacked in order of the energization date so the Minimum Demand can be applied based on multiple Contracts, as applicable. If there are multiple New Loads at a Single Location of less than 25,000 kW (but the aggregate total load is greater than 25,000 kW), all of those New Loads will be subject to Schedule DCT.

Unless otherwise mutually agreed by the Company and the customer, the customer shall be billed under the provisions of this tariff using the Contract Capacity during all months of the initial term of contract should the customer fail to energize service. The monthly billing demand defined hereunder shall apply for purposes of billing under all applicable riders, regardless of any conflicting provision in the rider.

Delayed Payment Charge

Bills are due and payable in full by mail, checkless payment plan, electronic payment plan or at an authorized payment agent of the Company within 21 days after the mailing of the bill. On all accounts not paid by the due date, an additional charge of 2.5% of the unpaid balance will be due.

Applicable Riders

Monthly Charges computed under this schedule shall be adjusted in accordance with the Commission-approved riders on Sheet Number 104-1 that apply to Demand Metered commercial and industrial service. Nothing in this tariff excepts eligible customers from other riders or applicable tariffs.

Generation Service

Customers receiving service under this schedule may select competitive service from a CRES Provider or Standard Offer Service. The Company requires that Company-owned metering be installed to monitor the customer's load.

Transmission Service

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OHIO POWER COMPANY

Original Sheet No. ###-5

P.U.C.O. NO. 21

Schedule DCT
(Data Center Tariff)

Customers receiving service under this schedule shall pay the charges established for Demand Metered Service under the Basic Transmission Cost Rider ("BTCR"). New Loads receiving service under this schedule are not eligible to participate in the 1CP or 6CP BTCR Programs or any successor programs.

Terms of Contract

Contracts under the Schedule shall be made for an initial period of not less than the Load Ramp Period plus 8 years. By way of example, the initial period of a Contract for a Data Center with a 4-year Load Ramp Period will be 12 years. If electric infrastructure is not in place to serve the customer by the Contract's estimated in-service date, the customer may petition the Commission for an adjustment to the contract term based on the facts and circumstances presented at that time (but will otherwise remain the Load Ramp Period plus 8 years).

After the initial term, Contracts shall remain in effect unless terminated by either party by providing written notice to the other party no later than three (3) years prior to the requested date of termination. After the initial term, either party may request a modification to the Contract Capacity by providing written notice to the other party no later than three (3) years prior to the requested modification date. During the initial term of the Contract, the customer will be financially responsible to pay the minimum charges regardless of the customer choosing to curtail, reduce, suspend, or terminate service. If after completion of the fifth year of the Contract after the Load Ramp Period the customer chooses to pay an exit fee equal to minimum charges for 36 months after notice of termination, the customer can thereafter terminate the contract. By way of example, a customer with a 3-year Load Ramp Period may pay the exit fee and terminate the contract only after Year 8 of the Contract.

The customer shall agree with the Company in advance its Load Ramp Contract Capacity and a final Contract Capacity value to be used for the remaining initial term of the contract. A new contract will be required for any load additions in excess of 100 kW.

The Company shall not be required to supply capacity in excess of the Contract Capacity except by mutual agreement.

Nothing in this Schedule limits the requirement that a customer sign a Letter of Agreement for network and customer-specific investment prior to energization or Contribution in Aid of Construction agreement for customer-specific investment.

To sign a contract under this Schedule, the customer must designate a specific site at which its Data Center project will be constructed and served by the Company, and the customer must own or have the exclusive right to use the land for this purpose.

Collateral Requirement

The customer, if not having both (a) a credit rating of at least A- from S&P Global Inc. ("S&P") and A3 from Moody's Corporation ("Moody's") and (b) cash and cash equivalents on an audited balance sheet prepared in accordance with Generally Accepted Accounting Principles ("GAAP") ("Liquidity") greater than ten times the Collateral Requirement, must provide a guarantee or collateral at the time of signing the contract equal to 50% of the total minimum charges for the full

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OHIO POWER COMPANY

Original Sheet No. ###-6

P.U.C.O. NO. 21

Schedule DCT
(Data Center Tariff)

term of the contract ("Collateral Requirement"), calculated based on AEP Ohio's rates in effect at the time the Collateral Requirement is provided. The Collateral Requirement must be provided in one or more of the following forms:

1. A guarantee from the ultimate parent or a corporate affiliate of the customer for the full Collateral Requirement, so long as the guarantor has both (a) a credit rating of at least A- from S&P and A3 from Moody's and (b) Liquidity greater than ten times the Collateral Requirement; or
2. A standby irrevocable letter of credit ("Letter of Credit") for the full Collateral Requirement. The Letter of Credit must be issued by a U.S. bank or the U.S. branch of a foreign bank, which is not affiliated with the customer or its guarantor, with a Credit Rating of at least A- from S&P and A3 from Moody's. Such security must be issued for a minimum term of 360 days. The customer must cause the renewal or extension of the security for additional consecutive terms of 360 days or more no later than 30 days prior to each expiration date of the security. If the security is not renewed or extended as required herein, the Company will have the right to draw immediately upon the Letter of Credit and be entitled to hold the amounts so drawn as security. The Letter of Credit must be in a format acceptable to and approved by the Company.
3. Cash for the full Collateral Requirement.

The amount of the Collateral Requirement will be reduced by one year's minimum charges for each year the customer is energized and makes on-time electric service payments under the contract.

If the financial condition of the customer or guarantor changes – or market conditions (including ownership/structural changes) change – over the term of the contract, the Company may request updated information to reevaluate the customer and its collateral requirements, which may be adjusted accordingly.

Customer-Owned Generation and Emergency Conditions

Consistent with Ohio Administrative Code Chapter 4901:1-22, Schedule DCT Customers shall enter into an interconnection agreement between the Company and the Customer in advance of connecting any source of power other than the delivery point specified in the Contract. Emergency or backup generation that is not designed to operate in parallel with the Company's system is not subject to the additional requirements in this section.

With Commission approval, service to any customer using behind-the-meter generation to serve some or all of its demand that elects not to offset its Contract Capacity with output from its behind-the-meter generation may be suspended by AEP Ohio if customer usage exceeds its Contract Capacity by more than 1,000 kW.

If the customer elects to use its behind-the-meter generation to offset the customer's Contract Capacity (either in initially establishing service or in the context of a subsequent load expansion or behind-the-meter generation expansion at the same site, as reflected in a new or updated Contract Capacity), the following requirements will apply. In order to ensure that the Customer's election to net does not result in it exceeding its Contract Capacity, equipment must be in place and maintained through the term of the Electric Service Agreement to instantaneously curtail load equal to or greater than the behind-the-meter generation output, subject to the then-current technical requirements of the transmission provider. If

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Issued: _____

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OHIO POWER COMPANY

Original Sheet No. ###-7

P.U.C.O. NO. 21

Schedule DCT
(Data Center Tariff)

the equipment fails and results in the customer exceeding its Contract Capacity, the Company reserves the right to raise before the Commission any unresolved reliability or safety concerns based on the facts and circumstances presented at that time.

Nothing in this paragraph affects AEP Ohio's right to disconnect or curtail load in accordance with Section 26 of the Terms and Conditions of Service in the Company's tariff and Ohio Administrative Code 4901:1-10-16.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

Customers served under this tariff agree to written attestation as part of its Contract that the customer will follow all applicable technical operating requirements, such as not intentionally or unintentionally cycling load in a way that creates an imbalanced or unacceptable system frequency, and other requirements that will be maintained and periodically updated for the safety of the larger system. Upon detection of any activities outside of the technical requirements, the Company has the right to disconnect.

With Commission approval, service may be suspended by AEP Ohio to a customer under Schedule DCT (including a customer with behind-the-meter generation that has elected not to net its Contract Capacity) if the customer usage exceeds its Contract Capacity by more than 1,000 kW. If additional capacity is available at the customer site, the Company may also seek mutual agreement to adjust the Contract Capacity and reserves the right to raise the issue before the Commission if there is no resolution. Nothing in this paragraph affects the provision above regarding behind-the-meter generation or is intended to preclude the Company from disconnecting service or curtailing load to a Schedule DCT customer without Commission approval in accordance with Section 26 of the Terms and Conditions of Service in the Company's tariff and Ohio Administrative Code 4901:1-10-16.

Prior to receiving service, Mobile Data Center customers will be required to provide a sworn statement, under penalty of perjury, that neither the customer nor its corporate parent or affiliates are affiliated with or acting on behalf of any foreign adversary as defined in 15 C.F.R. § 7.4. If AEP Ohio has a good faith belief that a Mobile Data Center customer has provided false information in response to this requirement, AEP Ohio has the right to immediately disconnect service to the Mobile Data Center permanently or until adequate proof is shown to satisfy AEP Ohio that the Mobile Data Center customer meets this requirement.

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Issued: _____

Issued By
Marc Reitter, President
AEP Ohio

Effective: _____

EXHIBIT B

Exhibit B

Total Contract Cap. (MW)	Min. Demand (MW)	Percentage
25	15.00	60.00%
26	15.85	60.96%
27	16.70	61.85%
28	17.55	62.68%
29	18.40	63.45%
30	19.25	64.17%
31	20.10	64.84%
32	20.95	65.47%
33	21.80	66.06%
34	22.65	66.62%
35	23.50	67.14%
36	24.35	67.64%
37	25.20	68.11%
38	26.05	68.55%
39	26.90	68.97%
40	27.75	69.38%
41	28.60	69.76%
42	29.45	70.12%
43	30.30	70.47%
44	31.15	70.80%
45	32.00	71.11%
46	32.85	71.41%
47	33.70	71.70%
48	34.55	71.98%
49	35.40	72.24%
50	36.25	72.50%
51	37.10	72.75%
52	37.95	72.98%
53	38.80	73.21%
54	39.65	73.43%
55	40.50	73.64%
56	41.35	73.84%
57	42.20	74.04%
58	43.05	74.22%
59	43.90	74.41%
60	44.75	74.58%
61	45.60	74.75%
62	46.45	74.92%
63	47.30	75.08%
64	48.15	75.23%
65	49.00	75.38%
66	49.85	75.53%
67	50.70	75.67%
68	51.55	75.81%

Total Contract Cap. (MW)	Min. Demand (MW)	Percentage
69	52.40	75.94%
70	53.25	76.07%
71	54.10	76.20%
72	54.95	76.32%
73	55.80	76.44%
74	56.65	76.55%
75	57.50	76.67%
76	58.50	76.97%
77	59.50	77.27%
78	60.50	77.56%
79	61.50	77.85%
80	62.50	78.13%
81	63.50	78.40%
82	64.50	78.66%
83	65.50	78.92%
84	66.50	79.17%
85	67.50	79.41%
86	68.50	79.65%
87	69.50	79.89%
88	70.50	80.11%
89	71.50	80.34%
90	72.50	80.56%
91	73.50	80.77%
92	74.50	80.98%
93	75.50	81.18%
94	76.50	81.38%
95	77.50	81.58%
96	78.50	81.77%
97	79.50	81.96%
98	80.50	82.14%
99	81.50	82.32%
100	82.50	82.50%
101	83.50	82.67%
102	84.50	82.84%
103	85.50	83.01%
104	86.50	83.17%
105	87.50	83.33%
106	88.50	83.49%
107	89.50	83.64%
108	90.50	83.80%
109	91.50	83.94%
110	92.50	84.09%
111	93.50	84.23%
112	94.50	84.38%

Exhibit B

Total Contract Cap. (MW)	Min. Demand (MW)	Percentage
113	95.50	84.51%
114	96.50	84.65%
115	97.50	84.78%
116	98.50	84.91%
117	99.45	85.00%
117+	85.00%	

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on
10/23/2024 3:57:58 PM**

in

Case No(s). 24-0508-EL-ATA

Summary: Stipulation Joint Stipulation and Recommendation for the Commission's consideration in resolving this case. electronically filed by Mr. Steven T. Nourse on behalf of Ohio Power Company.

October 10, 2024

The Honorable Gregory Price
The Honorable David Hicks
The Honorable Isabel Marcelletti
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street, 11th Floor
Columbus, OH 43215-3793

Re: *In the Matter of the Application of Ohio Power Company For New Tariffs Related To
Data Centers And Mobile Data Centers - Case No. 24-508-EL-ATA*

Dear Examiners,

I am pleased to submit the enclosed *Joint Stipulation and Recommendation* for the Commission's consideration in resolving this case, which is supported by a majority of the parties in this case. The Signatory Parties remain open to including other parties willing to join the *Joint Stipulation and Recommendation*, and in the meantime request consideration and approval by the Commission.

Should you have any questions concerning this submission, please contact me at the information above.

Respectfully submitted,

/s/ David F. Proaño

David F. Proaño
Counsel of Amazon Data Services, Inc.

cc: *All Counsel of Record*

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio	)	Case No. 24-0508-EL-ATA
Power Company for New Tariffs Related to	)	
Data Centers and Mobile Data Centers	)	

JOINT STIPULATION AND RECOMMENDATION

I. Introduction

Rule 4901-1-30, Ohio Administrative Code (OAC), provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in such a proceeding. This document sets forth the understanding and agreement of the parties who have signed below (“Signatory Parties”) and jointly present to the Public Utilities Commission of Ohio (“Commission”) this Joint Stipulation and Recommendation (“Stipulation”) in order to resolve all of the issues raised in this proceeding through the Application filed by Ohio Power Company (“AEP Ohio” or the “Company”) on May 13, 2024, proposing new tariffs related to data centers and mobile data centers.

This Stipulation is a product of lengthy, serious, arm’s-length bargaining among the Signatory Parties and other parties who chose not to sign the Stipulation (all of whom are capable, knowledgeable parties). All parties were invited to discuss and negotiate this Stipulation, and all parties participated in negotiations. This Stipulation is supported by adequate data and information. As a package, the Stipulation: benefits customers and the public interest; represents a just and reasonable resolution of all issues in this proceeding; violates no regulatory principle or practice; and complies with and promotes the policies and requirements of Title 49 of the Ohio Revised Code. This Stipulation represents an accommodation of the diverse interests represented by the Signatory Parties and, though not

binding, is entitled to careful consideration by the Commission. For purposes of resolving the issues raised by these proceedings, the Signatory Parties agree to fully support adoption of the Stipulation without modification in this proceeding.

II. Recitals

WHEREAS, on May 13, 2024, AEP Ohio filed an Application in this proceeding seeking to establish new tariffs related to data centers and mobile data centers;

WHEREAS, the parties engaged in extensive discovery in this proceeding;

WHEREAS, the Signatory Parties found common ground through the issues developed during the discovery process and settlement discussions commenced concerning those developing issues; and

WHEREAS, this Stipulation is the result of serious discussion and compromise of complex issues and involves substantial benefits that would not otherwise have been achievable, and is not intended to reflect the views or proposals which any individual party may have advanced acting unilaterally.

NOW, THEREFORE, the Signatory Parties agree and recommend resolution of the Application and related issues through this Stipulation.

III. Joint Recommendations of Signatory Parties

A. AEP Ohio's Application

1. The Signatory Parties recommend that the Commission adopt the Application in this case as modified by this Stipulation.

B. Tariff Applicability

2. The name of Schedule DCP (Data Center Power) will be changed to Schedule EIC (Electricity-Intensive Customer) and will apply to any electric service agreement

(ESA) signed after the tariff effective date for new load greater than 50 MW at a Single Location if AEP Ohio provides Proof of a Transmission Capacity Constraint. Schedule EIC will not apply to loads greater than 50 MW at a Single Location that have already signed an LOA or ESA by the effective date of the new tariff.

- a. For purposes of Schedule EIC, “Single Location” shall mean an area that is owned, operated, or leased by the customer, which can include a contiguous lot to the area with the customer’s metering point, regardless of easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way.
- b. Transmission Capacity Constraint shall mean existing AEP transmission infrastructure (above 100 kV) is unable to serve the customer while still complying with FERC/NERC reliability requirements.
- c. Proof of a Transmission Capacity Constraint shall be established through the completion of a study by AEP Ohio which identifies the transmission load capacity at the proposed customer location, and confirms that the proposed customer location has insufficiency transmission load capacity, thereby requiring significant transmission system upgrades. Such study shall be shared with the customer or its authorized third party consultant to verify the study’s conclusions.
- d. Schedule EIC shall not be limited in its application to specific customer types, industries, businesses or operational profiles.
- e. “ESA” or “Contract” means the service agreement entered into by the customer and AEP Ohio.

C. Contract Term

3. Customers taking service under Schedule EIC will have the option of selecting one of the following three options for the term of ESA:
 - a. **Term A:** Term of the ESA will equal the Load Ramp Period (no greater than four years as further defined below in Section G) plus 8 years, with an option to exit after year 5, with a 1-year exit fee.
 - b. **Term B:** Term of the ESA will equal the Load Ramp Period plus 10 years, with an option to exit after year 7, with no exit fee.
 - c. **Term C:** Term of the ESA will equal the Load Ramp Period plus 12 years, with an option to exit after year 9, with no exit fee.

D. Collateral

4. All customers served under Schedule EIC with a Contract Capacity of less than 75 MW for a Single Location will remain subject to the security/collateral requirements under the then existing GS tariff (or successor tariff).
 - a. For purposes of Schedule EIC, the terms “Data Center” and “Mobile Data Center” proposed in the Application will be eliminated.
 - b. Any customer served under Schedule EIC with a Contract Capacity of 75 MW or more for a Single Location will be subject to the security/collateral requirements proposed in the Application if the customer does not have either (a) a credit rating of at least A- from S&P Global Inc. and A3 from Moody’s Corporation or (b) cash and cash equivalents on an audited balance sheet prepared in accordance with Generally Accepted Accounting Principles greater than ten times the collateral requirement.

E. Minimum Demand

5. For Schedule EIC customers, the monthly minimum billing demand will be no less than the greater of (a) X% of the customer's highest previously established monthly billing demand during the prior 11 months, where X refers to the maximum minimum demand corresponding to the Term (A through C) the customer selects, or (b) a percentage of the customer's Contract Capacity according to the following schedule:

Contract Capacity	Minimum Demand
50,001 kW to 75,000 kW	32,500 kW plus 85% of marginal amount over 50,000 kW
75,001 kW and above	53,750 kW plus 100% of marginal amount over 75,000 kW; provided, however, that the minimum demand will not exceed: • 85% of the total Contract Capacity for Term A customers; • 80% of the total Contract Capacity for Term B customers; or • 75% of the total Contract Capacity for Term C customers.

- a. For purposes of Schedule EIC, the "Contract Capacity" shall mean the customer specified amount of monthly peak load requirements for each month as set forth in the ESA.

F. Public Posting of Contract Forms

6. AEP Ohio shall post the standard contract and form applications and contracts it uses for all primary and transmission customers (whether served under Schedule EIC or otherwise) on a publicly available website, including load study applications,

CIAC agreements, LOAs, new service applications, ramp-up agreements, ESAs and any other form documents. These publicly available forms shall comply with the terms of AEP Ohio's Commission-approved tariffs. Further, AEP Ohio shall post its standard Schedule EIC contracting process on a publicly available website.

G. Load Ramp Period

7. The "Load Ramp Period" will commence upon energization and will not exceed four years, and the capacity used for determining minimum monthly billing demand will be no less than:
 - a. In Year 1, 30% of Contract Capacity.
 - b. In Year 2, 50% of Contract Capacity.
 - c. In Year 3, 70% of Contract Capacity.
 - d. In Year 4, 90% of Contract Capacity.

The definition of "Load Ramp Period" in the Application will be modified accordingly, and the definition of "Load Ramp Contract Capacity" in the Application will be eliminated.

H. Resizing Capacity for Existing Customers

8. To assist in alleviating transmission constraints, AEP Ohio shall initiate a program that will allow existing customers (i.e., those customers with an ESA executed prior to the effective date of Schedule EIC) the opportunity to reduce or "right size" their existing Contract Capacity upon implementation of the new Schedule EIC, and conduct annual reviews to allow customers to reduce their existing Contract Capacity to ensure that they have not contracted for too much capacity, without triggering the application of the new tariffs.

I. Process for Signing Up New EIC Customers

9. Until Schedule EIC becomes effective and is implemented, prospective large load customers will remain in AEP Ohio's Central Ohio queue, unless such customer load can be served by existing transmission system capacity. The following process applies to a new facility served under Schedule EIC:

- a. **Step One: Request for Load Study.** The customer will request that AEP Ohio conduct a formal study of the prospective load. The customer must demonstrate it is making reasonable efforts to gain possession and control of land (through an MOU or other showing) and provide a specific location, proposed load ramp, and proposed final Contract Capacity load. AEP Ohio will charge a one-time fee of \$10,000 for each load study to cover the study cost. Customers currently in AEP Ohio's Central Ohio queue must submit a study request and pay the fee within 120 days of the effective date of Tariff EIC or lose their spot in the queue.
- b. **Step Two: AEP Ohio Determines Service Plan.** AEP Ohio will conduct the load study and determine a service plan for the customer. AEP Ohio will make reasonable efforts to complete the load study within (i) 60 days if regional transmission upgrades are needed to serve the customer or (ii) 45 days (for all other situations). AEP Ohio will make reasonable efforts to prioritize customers on a "first come, first served" basis, but strict adherence to this principle may be impossible based on regional and local transmission grid conditions, location of customer property, the grid location of the upgrades, etc.

- c. **Step Three: Contracting.** Any buildout costs and CIAC will be addressed through an LOA consistent with AEP's then-existing tariff provisions that apply to all customers (the "CIAC Amount"). The LOA will not require credit security in an amount greater than the CIAC Amount. AEP Ohio will also present the customer an ESA under the EIC tariff that will include a good faith estimate of the energization date of service, but if regional transmission upgrades are needed, the in-service date estimate will be high-level and contingent on numerous factors outside of AEP Ohio's control (e.g., a PJM competitive window). The ESA Contract Capacity during the Load Ramp Period will be set at 0 MW and only become effective upon energization. Once the customer and AEP Ohio agree to the terms of an LOA and ESA, the customer will have 90 days to sign the LOA and ESA. Customer must demonstrate control over the property (e.g. own, lease or have an option) before contracts are executed. If the customer declines to sign within this time, the contracts will be automatically withdrawn and the customer will lose their spot in the queue.
- d. **Step Four: Construction and Energization.** AEP Ohio will include the customer's load in its PJM forecast, and the necessary transmission infrastructure to serve the customer will be constructed pursuant to the PJM transmission planning process. Once all infrastructure is in place to begin service, AEP Ohio will energize the customer and the ESA will begin. If electric infrastructure is not in place to serve the customer by the estimated in-service date in the ESA, the end date of the ESA will not change, and Contract Capacity for the Load Ramp Period will remain at 0 MW until AEP

Ohio has demonstrated that the customer can be served by available transmission facilities and the customer is energized.

J. Assigning Retail Capacity to Another Customer

10. If a customer (“Assigning Customer”) wishes to reduce its Contract Capacity under Schedule EIC during the term of the ESA, it may request that AEP Ohio assign up to 50% of its Contract Capacity (“Reallocated Capacity”) to another Schedule EIC customer (“Receiving Customer”) in lieu of continuing minimum demand charges for that Reallocated Capacity and/or paying some or all of its exit fee. If a successful assignment is made, the Assigning Customer would be relieved of its contractual obligations going forward relating to the assigned load. Consistent with any applicable legal or regulatory requirements, AEP Ohio will make a good faith effort to accommodate capacity assignments.

K. Emergency Interruption

11. Customers taking service under Schedule EIC may be interrupted during grid emergencies under the same circumstances as any other customer, including any applicable new regulation or future rule changes.

L. Behind-the-Meter Generation

12. Schedule EIC will expressly state that customers taking service under that schedule may interconnect behind-the-meter generation and/or co-located load on the same terms and under the applicable interconnection rules (PUCO, PJM OATT and PJM Manuals) as any other customer, including any applicable new regulation or future rule changes. AEP Ohio’s language in the section titled Customer-Owned Generation and Emergency Conditions will not be included in any schedule. The

minimum demand calculation will allow netting to include consideration of the customer's firm commitments to reduce load with behind-the-meter generation.

M. Exit Fee and Minimum Demand Charge Revenue

13. All exit fee and minimum demand charge revenue collected by AEP Ohio under Schedule EIC shall be credited to the BTCR revenue requirement or deferred as a regulatory liability with a carrying charge at AEP Ohio's weighted average cost of capital.

N. Contract Renewal

14. Following the conclusion of a Schedule EIC ESA, the Customer will be served under the terms of AEP Ohio's then existing GS tariff (or any successor tariff).

O. SSO

15. AEP Ohio's SSO proposal will be modified by the following provision: Customers served under Schedule EIC and all other customers having an existing ESA with Contract Capacity over 25 MW that are part of the 5,000 MW expansion currently under ESA will not be eligible to return to the existing default SSO auction product. Instead, the customers that fall under these tariff requirements and those that have an existing ESA with Contract Capacity over 25 MW will be served by a separate yet to be determined competitive and transparent process where competitive suppliers, subject to qualifying criteria approved by the Commission, will provide electric power and energy that is based on real time energy and a pass through of capacity plus an adder for ancillary costs and the supplier's cost.

P. MDC/FLT Tariff

16. The proposed Schedule MDC/FLT (Mobile Data Center/Flexible Load Tariff) will be eliminated, without prejudice to AEP Ohio's ability to propose tariff provisions related specifically to mobile data centers in a future proceeding, which any party to this proceeding may oppose or support.

Q. Initiation of Commission-Ordered Investigation ("COI")

17. The Signatory Parties request that the Commission initiate a COI that will evaluate opportunities that could positively impact near term transmission capacity constraint issues on AEP Ohio's system including utility-side opportunities such as utility data transparency, operational efficiencies, reconductoring and market-driven opportunities such as battery storage, surplus interconnection of distribution-level generation and storage, and virtual power plants, and grid-enhancing technologies from both utility and market driven opportunities.

R. The Three-Part Test for Commission Approval

18. The Signatory Parties agree that the Stipulation satisfies the three-part test traditionally used by the Commission to consider stipulations. Specifically, the Signatory Parties agree that:

- a. The Stipulation is a product of serious bargaining among capable, knowledgeable parties representing diverse interests.
- b. The Stipulation does not violate any important regulatory principle or practice.
- c. The Stipulation, as a whole, benefits customers and the public interest.

IV. Procedural Matters

A. Certain of the Signatory Parties will file testimony in support of the Stipulation, subject to the Commission's ruling on the Signatory Parties' motion for a continuance of the scheduled evidentiary hearing, which is being submitted concurrently with the Stipulation.

B. Except for enforcement purposes or to establish that the terms of the Stipulation are lawful, neither this Stipulation nor the information and data contained herein or attached hereto shall be cited as a precedent in any future proceeding for or against any Signatory Party, if the Commission approves the Stipulation. Nor shall the acceptance of any provision within this Stipulation be cited by any party or the Commission in any forum so as to imply or state that any Signatory party agrees with any specific provision of the Stipulation. More specifically, no specific element or item contained in or supporting this Stipulation shall be construed or applied to attribute the results set forth in this Stipulation as the results that any Signatory Party might support or seek, but for this Stipulation in these proceedings or in any other proceeding. This Stipulation contains a combination of outcomes that reflects an overall compromise involving a balance of competing positions, and it does not necessarily reflect the position that one or more of the Signatory Parties would have taken on any individual issue. Rather the Stipulation represents a package that, taken as a whole, is acceptable for the purposes of resolving all contested issues without resorting to litigation. The Signatory Parties believe that this Stipulation, taken as a whole, represents a reasonable compromise of varying interests.

C. By their signatures, the Signatory Parties indicate their support for the Stipulation. The Signatory Parties agree not to oppose this Stipulation. If the Stipulation is

contested, no Signatory Party will oppose an application for rehearing designed to defend or restore the terms of this Stipulation.

D. This Stipulation is conditioned upon adoption of the Stipulation by the Commission in its entirety and without material modification. Each Signatory Party has the right, in its sole discretion, to determine whether the Commission's approval of this Stipulation constitutes a "material modification" thereof. If the Commission rejects or materially modifies all or any part of this Stipulation, any Signatory Party shall have the right within thirty days of issuance of the Commission's order to apply for rehearing. The Signatory Parties agree that they will not oppose or argue against any other Party's application for rehearing that seeks to uphold the original unmodified Stipulation. If the Commission does not adopt the Stipulation without material modification upon any rehearing ruling, then within thirty days of such Commission rehearing ruling any Signatory Party may terminate its Signatory Party status and withdraw from the Stipulation by filing a notice with the Commission. No Signatory Party shall file a Notice of Withdrawal without first negotiating in good faith with the other Signatory Parties to achieve an outcome that substantially satisfies the intent of the Stipulation. If a new agreement achieves such an outcome, the Signatory Parties will file the new agreement for Commission review and approval. If the discussions to achieve an outcome that substantially satisfies the intent of the Stipulation are unsuccessful, and a Signatory Party files a Notice of Withdrawal, then the Commission will convene an evidentiary hearing to afford that Signatory Party the opportunity to contest the Stipulation by presenting evidence through witnesses, to cross examine witnesses, to present rebuttal testimony, and to brief all issues that the Commission shall decide based upon the record and briefs. If the discussions to achieve an outcome that substantially satisfies the intent of the Stipulation are successful, then some or all of the

Signatory Parties shall submit the amended Stipulation to the Commission for approval after a hearing if necessary.

E. Unless the Signatory Party exercises its right to terminate its Signatory Party status or withdraw as described above, each Signatory Party shall act in good faith and use reasonable efforts to support the reasonableness of this Stipulation before the Commission in this proceeding, and to cause its counsel to do the same, and in any appeal it participates in from the Commission's adoption and/or enforcement of this Stipulation. The Signatory Parties also agree to urge the Commission to accept and approve the terms hereof as promptly as possible.

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IN WITNESS WHEREOF, this Stipulation and Recommendation has been signed
by the authorized agents of the undersigned Signatory Parties as of this 10th day of October
2024.

/s/David F. Proano

David F. Proano

On Behalf of Amazon Data Services, Inc.

/s/Michael J. Settineri**

Michael J. Settineri

**On Behalf of Constellation Energy Generation,
LLC and Constellation NewEnergy, Inc.**

/s/Amily A. Imbrogno**

Amily A. Imbrogno

**On Behalf of Ohio Energy Leadership
Council**

/s/Kimberly A. Bojko**

Kimberly A. Bojko

**On Behalf of the Ohio Manufacturers'
Association Energy Group**

/s/Trent A. Dougherty**

Trent A. Dougherty

On Behalf of Enchanted Rock, LLC

/s/Nikhil Vijayka**

Nikhil Vijaykar

On Behalf of the Data Center Coalition

/s/Matthew R. Pritchard**

Matthew R. Pritchard

**On Behalf of the Retail Energy Supply
Association**

/s/Devin D. Parram**

Devin D. Parram

On Behalf of Google LLC

/s/Christopher T. Kennedy**

Christopher T. Kennedy

**On Behalf of Sidecat LLC, an Affiliate of
Meta Platforms, Inc.**

/s/Angela Paul Whitfield**

Angela Paul Whitfield

On Behalf of the Ohio Blockchain Council

/s/James F. Lang**

James F. Lang

On Behalf of Microsoft Corporation

/s/James Dunn**

James Dunn

On Behalf of One Energy Enterprises Inc.

/s/Stacie Cathcart**

Stacie Cathcart

On Behalf of Interstate Gas Supply

**** by signature means by DFP with authority
from counsel of record for Signatory Party**

CERTIFICATE OF SERVICE

I certify that the foregoing was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on this 10th day of October, 2024. In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing was sent by, or on behalf of, the undersigned counsel to the following parties of record, via email.

/s David F. Proaño

David F. Proaño (0078838)

Counsel for Amazon Data Services, Inc.

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in

Case No(s). 24-0508-EL-ATA

Summary: Stipulation Joint Stipulation and Recommendation electronically filed by
Mr. David F. Proano on behalf of Amazon Data Services, Inc..

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

OMAEG Ex.

22

INTERROGATORY

OMAEG-INT-01-041 On page 4 of Matthew McKenzie's direct testimony filed on May 13, 2024 in this proceeding, he discusses the "cost of transmission buildout."
a.: Have data centers within AEP's service territory received any "transmission buildout" from AEP since 2015?
b.: Which entity completes the "transmission buildout" referenced by Mr. McKenzie?
c.: Are the costs of "transmission buildout" collected from all customers through the supplemental transmission project process?
d.: Which entity collects the costs of the "transmission buildout" from customers?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and/or prefiled Direct Testimony in this matter. The Company further objects to the form of the question as this request is vague, undefined, and unduly burdensome. AEP Ohio further objects that this request is overbroad as it is not limited in time or scope. AEP Ohio further objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves an incomplete hypothetical. The Company further objects that the requested information is publicly available. Without waiving these objections or any general objections the Company may have, the Company states as follows.

a. If the question is seeking identification of additional transmission projects supporting additional data center load, please see the Company's response to OEG-INT-1-1.
b. Mr. McKenzie's reference to "transmission buildout" on page 4 of his testimony is to potential transmission investments that may be necessary in order for AEP Ohio to serve the 30,000 MW of potential data center projects on AEP Ohio's queue. Transmission facility construction is governed by the FERC-jurisdictional PJM tariff. Under that tariff, there are multiple entities that may be responsible for constructing specific transmission facilities, depending on the specific situation and factors such as the capacity of the transmission infrastructure being built, the reason for the project, the location of the project, and other factors. It cannot be determined which entity would construct any transmission investment needed to serve the more than 30,000 MW of data center projects on AEP Ohio's queue of potential future projects. If the project involves an upgrade to a facility in the AEP Ohio zone, the entity would likely be AEP Ohio or AEP Ohio Transmission Company. Nothing in AEP Ohio's proposed data center tariffs here seeks to change the PJM OATT or in any way affect the way transmission projects are completed under the PJM OATT.

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

c. AEP Ohio objects to this request insofar as it is vague and ambiguous. AEP Ohio further objects to this request insofar as it calls for speculation. Subject to and without waiving this objection, AEP Ohio states as follows: Mr. McKenzie's reference to "transmission buildout" on page 4 of his testimony is to potential transmission investments that may be necessary in order for AEP Ohio to serve the 30,000 MW of potential data center projects on AEP Ohio's queue. At this time, AEP Ohio cannot speculate about what specific projects or costs would be involved in this transmission buildout, or the extent to which any future projects would be "supplemental" as that term is defined by the FERC-jurisdictional PJM tariff. Whatever the scope and cost of any future transmission buildout to facilitate service to data center projects, AEP Ohio's transmission costs as a load serving entity ("LSE") (*i.e.*, as a transmission *user*) are reflected in AEP Ohio's Basic Transmission Cost Rider ("BTCR") and are based on the FERC-jurisdictional PJM tariff and the Transmission Agreement among the AEP East Companies. Under these governing tariffs, costs of any future "transmission buildout" (as referenced in AEP Ohio witness McKenzie's Testimony at 4) could be allocated among all transmission owners in PJM and/or among all transmission owners in the AEP East Zone, depending on the scope, location, and reasons for each future project, among other factors.

d. AEP Ohio objects to this request insofar as it is vague and ambiguous. AEP Ohio further objects to this request insofar as it calls for speculation. Subject to and without waiving this objection, AEP Ohio states as follows: Mr. McKenzie's reference to "transmission buildout" on page 4 of his testimony is to potential transmission investments that may be necessary in order for AEP Ohio to serve the 30,000 MW of potential data center projects on AEP Ohio's queue. At this time, AEP Ohio cannot speculate about what specific projects or costs would be involved in this transmission buildout, nor can AEP Ohio speculate about which entity would be responsible for constructing the projects. Broadly speaking, the costs that AEP Ohio and all other transmission owners ("TOs") in PJM incur are recovered from LSEs and other entities according to the FERC-jurisdictional PJM OATT. Nothing in AEP Ohio's proposed data center tariffs here seeks to change the PJM OATT or in any way affect the way transmission costs are recovered by TOs and allocated to LSEs under the PJM OATT.

Prepared by:

Kamran Ali

Matthew S. McKenzie

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**



INTERROGATORY

DCC-INT-02-001 In the Application, page 4, paragraph 12, AEP represents: "Absent additional capacity (discussed below), even just the future load growth that is under contract will leave minimal amounts of reserve capacity for additional (non-data center) load growth for all existing and future customers in central Ohio." Explain with particularity the "minimum amounts of reserve capacity" referenced therein, including the megawatts of such reserve capacity?

RESPONSE

The Company objects to the characterization of testimony as being inaccurate. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. See the Company's response to Staff-DR-1-5. The Company has not quantified the current amount of reserve capacity for additional load growth in Central Ohio.

Prepared by:

Counsel
Kamran Ali
Lisa O. Kelso

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)
Power Company for New Tariffs Related) Case No. 24-508-EL-ATA
to Data Centers and Mobile Data Centers.)

**DIRECT TESTIMONY OF JOHN A. SERYAK
ON BEHALF OF
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP**

August 29, 2024

1 **I. INTRODUCTION**

2 **Q1. Please state your name and business address.**

3 A1. My name is John A. Seryak. My principal place of business is at 5701 N. High Street,
4 Suite 112, Worthington, Ohio 43085.

5 **Q2. By whom are you employed and in what capacity?**

6 A2. I am the lead analyst at RunnerStone, LLC (RunnerStone) on energy regulatory, policy,
7 and market matters. I am also the Managing Partner of Go Sustainable Energy, LLC (Go
8 Sustainable Energy), a consultancy that provides technical assistance on energy technology
9 and energy management matters to the industrial, commercial, residential, and utility
10 sectors. RunnerStone is a wholly-owned subsidiary of Go Sustainable Energy.

11 **Q3. On whose behalf are you testifying in this proceeding?**

12 A3. My testimony is being sponsored by the Ohio Manufacturers' Association Energy Group
13 (OMAEG). OMAEG is a non-profit entity that strives to improve business conditions in
14 Ohio and drive down the cost of doing business for Ohio manufacturers. OMAEG
15 members take service under transmission, sub-transmission, primary, and secondary
16 electric rate schedules in the Ohio Power Company's (AEP Ohio) service territory.

17 **Q4. Please describe your professional experience and qualifications.**

18 A4. I received a Bachelor's degree in Mechanical Engineering and a Master's of Science degree
19 in Mechanical Engineering from the University of Dayton. I am a licensed Professional
20 Engineer in the state of Ohio. I have worked extensively on energy matters for over twenty
21 years. My experience includes fieldwork at industrial, commercial, and residential
22 buildings, identifying energy savings opportunities, and quantifying energy and dollar
23 savings. This experience has been for the last eighteen years chiefly through my
24 responsibilities as the founding partner of Go Sustainable Energy. I have also worked

1 extensively with electric distribution utilities on customer programming and technology
2 integration. Finally, I have over a decade of experience in regulatory and policy analysis
3 in the energy industry and have authored or co-authored over thirty peer-reviewed
4 academic papers on technical, programmatic, cultural, and regulatory issues concerning
5 energy rates, programs, resources, and policies.

6 **Q5. Have you participated in proceedings before the Public Utilities Commission of Ohio**
7 **(PUCO) previously?**

8 A5. Yes. I have provided testimony and advised clients on numerous energy-related issues
9 before the PUCO. More specifically, I have filed testimony in the following proceedings:

- 10 • *In the Matter of the Application of Ohio Edison Company, the Cleveland Electric*
11 *Illuminating Company, and the Toledo Edison Company for Authority to Establish a*
12 *Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security*
13 *Plan*, Case No. 23-301-EL-SSO, Direct Seryak Testimony (October 23, 2023);
- 14 • *In the Matter of the Application of Ohio Edison Company, the Cleveland Electric*
15 *Illuminating Company, and the Toledo Edison Company for Approval of Phase Two of*
16 *Their Distribution Grid Modernization Plan*, Case No. 22-704-EL-UNC, Direct Seryak
17 Testimony (October 20, 2023);
- 18 • *In the Matter of the OVEC Generation Purchase Rider Audits Required by R.C.*
19 *4928.148 for Duke Energy Ohio, Inc., the Dayton Power and Light Company d/b/a AES*
20 *Ohio, and Ohio Power Company d/b/a AEP Ohio*, Case No. 21-477-EL-RDR, Direct
21 Seryak Testimony (October 10, 2023);
- 22 • *In the Matter of the Review of the Reconciliation Rider of The Dayton Power and Light*
23 *Company*, Case No. 20-165-EL-RDR, Direct Seryak Testimony (September 12, 2023);
- 24 • *In the Matter of the Application of Ohio Power Company for Authority to Establish a*
25 *Standard Service Offer Pursuant to 4928.143, Ohio Rev. Code, in the Form of an*
26 *Electric Security Plan*, Case Nos. 23-23-EL-SSO, et al., Direct Seryak Testimony (June
27 9, 2023);
- 28 • *In the Matter of the Review of the Reconciliation Rider of The Dayton Power and Light*
29 *Company*, Case No. 20-165-EL-RDR, Direct Seryak Testimony (September 12, 2023);
- 30 • *In the Matter of the Review of the Power Purchase Agreement Rider of Ohio Power*
31 *Company for 2018*, Case Nos. 18-1004-EL-RDR, et al., Direct Seryak Testimony
32 (December 29, 2021);

- *In the Matter of the Review of the Reconciliation Rider of Duke Energy Ohio, Inc.*, Case No. 20-167-EL-RDR, Direct Seryak Testimony (October 27, 2021);
- *In the Matter of the Long-Term Forecast Report of AEP Ohio and Related Matters*, Case Nos. 18-0501-EL-FOR, et al., Direct Seryak Testimony (January 2, 2019);
- *In the Matter of the Application of the Ohio Power Company for Authority to Establish a Standard Service Offer*, Case Nos. 16-1852-EL-SSO, et al., Direct Seryak Testimony (May 2, 2017);
- *In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company For Approval of Their Energy Efficiency and Peak Demand Reduction Program Portfolio Plans for 2017 through 2019*, Case No. 16-0743-EL-POR, Direct Seryak Testimony (September 13, 2016);
- *In the Matter of the Application of AEP Ohio, Inc., for Recovery of Program Costs, Lost Distribution Revenue and Performance Incentives Related to its Energy Efficiency and Demand Response Programs*, Case Nos. 14-0457-EL-RDR, et al., Direct Seryak Testimony (March 4, 2016);
- *In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and the Toledo Edison Company for Authority to Provide for a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security Plan*, Case No. 14-1297-EL-SSO, Direct Seryak Testimony (March 2, 2015) and Supplemental Seryak Testimony (December 30, 2015);
- *In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter into an Affiliate Power Purchase Agreement for Inclusion in the Power Purchase Agreement Rider*, Case Nos. 14-1693-EL-RDR, et al., Direct Seryak Testimony (December 28, 2015); and,
- *In the Matter of the Application of AEP Ohio, Inc., for Approval to Continue Cost Recovery Mechanism for Energy Efficiency Programs through 2016*, Case No. 14-1580-EL-RDR, Direct Seryak Testimony (June 30, 2015).

II. OVERVIEW AND CONCLUSIONS

Q6. What is the purpose of your testimony in this proceeding?

A6. The purpose of my testimony is to address AEP Ohio's proposed Data Center Power and Mobile Data Center tariffs.

1 **Q7. Could you please summarize your conclusions and recommendations?**

2 A7. I recommend that the PUCO reject AEP Ohio's proposed Data Center Power and Mobile
3 Data Center tariffs, for the following reasons:

- 4 • AEP Ohio's proposed tariffs are discriminatory, unjust, unreasonable, and anti-
5 competitive in that they single out a certain type of business and impose new,
6 additional requirements on those businesses without substantiating a need or
7 support for the specific requirements.
- 8 • AEP Ohio's proposed tariffs create two new classes of customers without the
9 benefit of a cost-of-service study to determine the actual cost to serve those types
10 of customers compared to other types of customers and without considering load
11 characteristics or alternatives.
- 12 • AEP Ohio's proposed tariffs are discriminatory, unjust, unreasonable, and anti-
13 competitive in that they single out data centers to pay for firm service while
14 simultaneously requiring those same customers to forego that firm service by
15 subjecting the customers to interruption in certain cases.
- 16 • AEP Ohio's proposed tariffs are not needed to create firm service for data center
17 customers.
- 18 • AEP Ohio's proposed tariffs are not needed to trigger electric system infrastructure
19 upgrades.
- 20 • AEP Ohio's proposed tariffs do not address the root problem – that AEP Ohio's
21 supplemental transmission expenses are “unfettered” and have cost Ohioans
22 billions of dollars with no documented benefits.

- Better alternatives exist to alleviate congestion on the transmission network as compared to AEP Ohio’s proposed tariffs.

My colleague, Ryan Schuessler, is testifying to the additional following reasons to reject the Data Center Power and Mobile Data Center tariffs, which I agree with:

- AEP Ohio’s proposed tariffs are unjust and unreasonable because AEP Ohio uses speculative and unsubstantiated load forecasts that have not been validated by PJM as part of a load adjustment process.
- AEP Ohio’s proposed tariffs are unjust and unreasonable because they would worsen transmission system reliability, worsen transmission system peak loads, and thus create additional system costs to other customers.
- AEP Ohio’s Mobile Data Center tariff is unjust, discriminatory, and unreasonable because it improperly assumes, without evidence, that mobile data centers create unique system costs.

III. REQUIRING INTERRUPTION FOR FIRM SERVICE CUSTOMERS IS DISCRIMINATORY

Q8. Do AEP Ohio’s proposed tariffs have discriminatory requirements?

A8. Yes. The proposed Data Center Power and Mobile Data Center tariffs require that customers served under these tariffs be subject to interruption of electric service by AEP Ohio under certain conditions. Specifically, the proposed tariffs state that data center customers are forced to participate in PJM’s Emergency Demand Response program or a “Company-declared emergency event” or may be subject to disconnection.¹

¹ Direct Testimony of Matthew McKenzie at MSM-1 at 5 and MSM-2 at 5 (May 13, 2024) (hereinafter, McKenzie Testimony).

Q9. Why is the interruption requirement discriminatory?

A9. AEP Ohio does not have similar provisions in its existing tariffs for other customers. None of AEP Ohio's other customers or classes of customers are subject to mandatory, involuntary, and uncompensated interruption under the stated conditions.

Q10. Why is the interruption requirement unreasonable?

A10. AEP Ohio is proposing that the customers subject to these tariffs pay extremely high demand charges based on the customers' contract demand while at the same time requiring those customers to agree that AEP Ohio has the right to take that access away whenever AEP Ohio deems it necessary. A customer who pays for contract demand has entered into a contractual relationship with AEP Ohio to pay certain charges in exchange for AEP Ohio reserving and making electric infrastructure available to that customer, and not to other customers, at all times. This includes at peak times. A customer who has contracted for infrastructure availability at peak periods should always have the right to the service provided by that infrastructure except in cases of catastrophic grid emergencies. In short, AEP Ohio's proposed tariffs make the entire concept of contract demand meaningless.

Q11. Are AEP Ohio's proposed tariffs anti-competitive?

A11. Yes. AEP Ohio would require customers served under these proposed tariffs to participate in PJM's Emergency Demand Response program, but many competitive service providers already offer participation in the program directly to customers without the interference of an electric distribution utility. Demand response is a competitive energy service, and there is simply no need for AEP Ohio's involvement. Additionally, by its nature, this competitive energy service is voluntary for customers, which thus makes it discriminatory for AEP Ohio to require certain customer classes to participate in a voluntary program while not imposing the same requirement on all other customer classes. It is also anti-

1 competitive to require a customer's participation in the program because such a
2 requirement diminishes the negotiating power that a customer would have with an
3 Emergency Demand Response provider.

4 Moreover, AEP Ohio has an existing interruptible program (IRP-E) that allows
5 AEP Ohio to call for curtailment of customers' energy load, or to interrupt those loads
6 under certain conditions.² IRP-E is voluntary, and its participants are compensated for
7 their agreement to interrupt. If done correctly, an interruptible program like IRP-E can
8 benefit ratepayers and the electric system by organizing and compensating demand
9 resources to curtail during times of grid constraints or emergencies. The function of
10 customer load curtailment or interruption can be important and valuable—if used
11 properly—which is why customers are compensated for their participation. Compensating
12 a customer for this service is important because it allows the customer to make its own
13 value judgment on whether it is worthwhile to curtail its operations in an emergency. If a
14 prospective participant determines that the benefits offered by a program like the IRP-E
15 outweigh the cost of interruption, then it can voluntarily consent to participating in a
16 program similar to the IRP-E if available.

17 However, in AEP Ohio's service territory, AEP Ohio's interruptible program is
18 generally fully subscribed, and there are many other customers who would happily curtail
19 their electric load in exchange for compensation from AEP Ohio. Consequently, AEP Ohio
20 is undermining the market value of its interruptible program when it forces customers
21 served by the Data Center Power and Mobile Data Center tariffs to be subject to the same

² See Ohio Power Company Tariffs at 1st Revised Sheet Nos. 471-1 to -3 (Interruptible Power – Discretionary - Expanded) (effective June 1, 2024), available at <https://www.aepohio.com/lib/docs/ratesandtariffs/Ohio/September2024AEPOhioTariffBook.pdf>.

1 interruption but without compensation. And it is inherently discriminatory to compensate
2 some customers for a service while at the same time requiring other customers to provide
3 that same service for no compensation.

4 **Q12. Would AEP Ohio's load curtailment requirement or service disconnection improve**
5 **reliability?**

6 A12. Probably not. AEP Ohio has not demonstrated how it will work with data center customers
7 to enact load curtailment or disconnection in a way that functionally improves reliability.
8 It has not offered any substantive details on its proposals in this regard.³ While PJM's
9 Emergency Demand Response program has rules and details, AEP Ohio's requirement that
10 data centers and mobile data centers participate in PJM's program is duplicative of the PJM
11 market's effort to procure such resources. Additionally, AEP Ohio has not fully defined
12 what constitutes a "Company-declared emergency event" beyond PJM energy market
13 emergencies, how it decides what an emergency is, how it communicates the emergency,
14 what a customer would have to do, etc.⁴

15 Unfortunately, by not fully defining what constitutes an emergency event,
16 practically speaking, there are no emergency events to forecast or respond to. For example,
17 AEP Ohio has no emergency event procedure set forth for its IRP-E Tariff – it simply
18 duplicates PJM's demand response calls in practice.

19 Nonetheless, emergency events do exist that the Company *can* declare. For
20 example, AEP Ohio regularly receives warnings of emergencies of potential overloading
21 of its transmission facilities, distinct from PJM's demand response calls. The transmission

³ See, e.g., AEP Ohio's Response to Enchanted Rock INT-1-008 (Attachment JS-1); AEP Ohio's Response to DCC-INT-01-010 (Attachment JS-2); AEP Ohio's Response to OMAEG-INT-01-060 (Attachment JS-3); AEP Ohio's Response to OMAEG-INT-02-001 (Attachment JS-4).

⁴ AEP Ohio's Response to OMAEG-INT-01-053 (Attachment JS-3); AEP Ohio's Response to OMAEG-INT-02-001 (Attachment JS-4).

1 facility warnings, called Post-Contingency Local Load Relief Warnings (PCLLRW) are
2 specifically intended to allow transmission and distribution utilities to call customers for
3 “local load relief.” Yet, AEP Ohio and AEP Transmission Company (AEP Transco) have
4 no process for using their existing IRP-E customers to respond to a PCLLRW, or for
5 warning customers that there is a PCLLRW. AEP Transco receives about 150–200
6 PCLLRW warnings from PJM per year, including its Ohio territory, which comprises about
7 half of AEP Transco’s peak load.⁵ This is relatively high for PJM – AEP Transco
8 accounted for ~44% of all of PJM’s PCLLR warnings over the last five years.⁶

9 However, when asked directly if PCLLRW warnings are included in its example of
10 a “company-declared emergency event,” AEP Ohio was vague, stating that “the referenced
11 warning from PJM would constitute an EEA 2 level event within PJM.”⁷ It is not clear if
12 AEP Ohio considers a PCLLRW an EEA 2-level event, and if they intend to require data
13 centers to curtail load when there is a PCLLRW call on transmission facilities serving the
14 data centers.

15 Because AEP Ohio and AEP Transco are remiss in establishing and communicating
16 an emergency event protocol, the data center and mobile data center tariffs’ interruption
17 provisions do not improve reliability.

18 The PUCO should therefore reject AEP Ohio’s duplication of existing competitive
19 programs operated by PJM and should require AEP Ohio and AEP Transco to establish
20 load response procedures for PCLLRW calls.

⁵ Compiled from PJM’s Emergency Procedure Dashboard, PJM, available at
<https://emergencyprocedures.pjm.com/ep/pages/dashboard.jsf> (last visited August 28, 2024).

⁶ *Id.*

⁷ AEP Ohio’s Responses to OMAEG-INT-02-001 (Attachment JS-4).

1 **Q13. Do you have any other comments on load curtailment and service interruption**
2 **provisions included in the proposed tariffs?**

3 A13. Yes. Data center companies, the AEP companies, and the PUCO should take load response
4 and load management seriously. And other customer segments should have access to load
5 response programs. There is ample opportunity for organized, compensated participation
6 in such programs that actually improve system reliability.

7 Even data centers could participate, if they find it beneficial to their operations.
8 Data centers may be able to manage their system peaks or curtail loads in emergency
9 situations. They could do so with behind-the-meter generation, battery electric system
10 storage, or load curtailment. Data centers may be able to curtail load at certain times of
11 data processing that is not time-sensitive or detrimental to its business model. But in other
12 cases, data centers may be using artificial intelligence chips in an “inference” stage that is
13 actively supporting critical functions of their customers. Since only the data center
14 companies know if their load and processing can be interrupted without impacting safety
15 and operations elsewhere, a voluntary and compensated approach to load curtailment may
16 be the best solution.

17 Additionally, AEP Ohio and AEP Transco’s lack of protocol for PCLLRW has
18 created unacceptable business, life, and safety risks for its Ohio customers, which could
19 continue as customers are added to the system if protocols are not properly implemented
20 in this case. In order to prevent widespread blackouts, the AEP companies need to have
21 organized plans in place to act on multiple PCLLRW warnings with customers. Blackouts

1 can be avoidable if the AEP companies use readily available load response tools, organize
2 customers, and have a compensation scheme in place to incentivize quick customer action.

3 **IV. BETTER ALTERNATIVES EXIST TO ALLEVIATE TRANSMISSION**
4 **CONSTRAINTS**

5 **Q14. Is AEP Ohio claiming that there is a generation or transmission capacity constraint**
6 **in its service territory?**

7 A14. AEP Ohio is claiming that there is a transmission capacity constraint in its service territory,
8 not a generation capacity constraint.

9 **Q15. What is the difference between a transmission capacity constraint and a generation**
10 **capacity constraint?**

11 A15. A transmission capacity constraint would mean that no additional load can be added to the
12 local transmission facilities without the facilities violating reliability standards. A
13 transmission capacity constraint can be remedied by adding additional transmission line
14 capacity or reducing local load served by the transmission lines. A generation capacity
15 constraint would mean that PJM is short of generation in whole or in a region and is
16 generally remedied by adding additional power plants to its system, reducing load, or
17 increasing imported electricity.

18 **Q16. Is AEP Ohio claiming there is a transmission capacity constraint on its entire system**
19 **throughout its entire service territory?**

20 A16. No. It is my understanding that AEP Ohio's claim of transmission constraint is limited to
21 Central Ohio.

22 **Q17. Is there a capacity constraint on the transmission system in Central Ohio?**

23 A17. AEP Ohio has failed to provide the evidence necessary in its Application, testimony, or
24 discovery received to date to substantiate its claim that there is a transmission constraint in

1 Central Ohio.⁸ To the contrary, AEP Ohio has stated that there is enough transmission
2 capacity existing or up to 10,000 MW of load in Central Ohio before significant
3 enhancements need to be made.⁹ AEP Ohio states that they expect 4,400 MW of data
4 center load through 2030, which is all the data center load that it says it has Letters of
5 Agreement (LOA) or Electric Service Agreements (ESA) for and that this would bring
6 Central Ohio's total load to 9,000 MW.¹⁰ This means that, presently, there is ample space
7 on the Central Ohio transmission system to serve all new data center load through 2030.

8 Moreover, AEP Ohio's estimated measure of data center load may mismatch how
9 they are measuring transmission system capacity. For example, AEP Ohio expresses data
10 center load in terms of its "non-coincident peak," that is, the sum of all data centers peak
11 demands.¹¹ However, a customer's individual power peaks rarely coincide, and when
12 summed for their coincident peak will be lower in aggregate. This contrasts with how
13 transmission facility power load is measured, which should be on a coincident peak.

14 Put another way, non-coincident peaks are larger than coincident peaks, sometimes
15 by significant amounts. By comparing non-coincident customer peak demands to
16 coincident power availability on the transmission system, AEP Ohio is skewing the
17 comparison, understating how much capacity would actually be available on the
18 transmission facilities.

⁸ See, e.g., AEP Ohio's Response to Enchanted Rock INT-1-004 (Attachment JS-1); AEP Ohio's Response to DCC-INT-01-002 (Attachment JS-2); AEP Ohio's Response to OMAEG-INT-01-015 and OMAEG-INT-01-072 (Attachment JS-3); AEP Ohio's Response to OMAEG-INT-02-007 (Attachment JS-4); AEP Ohio's Response to OEG-INT-1-2 (Attachment JS-5); AEP Ohio's Response to DCC-INT-02-001 (Attachment JS-6); DCC-INT-03-004 (Attachment JS-7); AEP Ohio's Response to Staff DR-1-5 (Attachment JS-8).

⁹ Direct Testimony of Kamran Ali at 6 (May 13, 2024) (hereinafter, Ali Testimony).

¹⁰ *Id.* at 5–6.

¹¹ AEP Ohio's Responses to OMAEG-INT-01-010 (Attachment JS-3). See also AEP Ohio's Responses to OMAEG-INT-01-001 and OMAEG-INT-01-011 (Attachment JS-3).

1 While AEP Ohio has claimed there is additional interest in data center load siting
2 in Central Ohio, it has not provided any proof of the seriousness of this interest, and even
3 admits that much of the load may be speculative and/or duplicative.¹² As Witness
4 McKenzie states, “there is no way to separate committed data center customers from
5 speculative ones.”¹³ In any case, if the data center interest does exist, these data centers
6 can be located in other parts of the state (especially outside of Central Ohio), where
7 transmission facilities are not constrained.

8 **Q18. If there was a transmission system constraint, are there other solutions to alleviate**
9 **this constraint?**

10 A18. Yes. There are many ways to address transmission capacity constraints. Promising
11 solutions include businesses locating in other parts of the state where there is available
12 transmission system capacity, installing behind-the-meter generation resources,
13 implementing energy-efficiency improvements, and implementing pass-through billing of
14 the transmission billing determinant.

15 **Q19. How does a business locating in other parts of the state solve AEP Ohio’s purported**
16 **issue?**

17 A19. There is nothing inherently problematic about any given transmission line or facility having
18 reached its stated load limit. The transmission line is designed to carry power up to that
19 load limit, and more. Transmission facilities are designed with margins of safety, including
20 the ability to take on extra load from neighboring transmission facilities should an incident
21 occur. So, in practice, transmission facilities are considerably underloaded when there is

¹² McKenzie Testimony at 20. *See also* AEP Ohio’s Responses to DCC-INT-01-002 (Attachment JS-2); AEP Ohio’s Responses to OMAEG-INT-01-012, OMAEG-INT-01-013, OMAEG-INT-01-016, OMAEG-INT-01-026, OMAEG-INT-01-056 (Attachment JS-3); AEP Ohio’s Responses to OMAEG-INT-02-006 (Attachment JS-4); OEG-INT-1-1 through OEG-INT-1-3 (Attachment JS-5).

¹³ McKenzie Testimony at 10. *See also* AEP Ohio’s Responses to OCC-INT-01-003 (Attachment JS-9); AEP Ohio’s Responses to OMAEG-INT-01-026 (Attachment JS-3).

1 not an incident on the system. AEP Ohio seems to minimize this practice and fails to
2 substantiate any contrary claims. Based on what AEP Ohio has presented in this case, an
3 identified reliability issue with regard to the transmission system has not been supported.

4 AEP Ohio speculates that, possibly in some future year, Central Ohio will not have
5 additional transmission facility capacity for load and a margin of safety due to the massive
6 clustering of data centers in Central Ohio.¹⁴ However, this speculative statement does not
7 apply to other AEP Ohio transmission facilities in Ohio, other utilities' transmission
8 systems in Ohio, or the many other transmission facilities throughout the region with
9 available power capacity.

10 Simply put, data center businesses can locate in other parts of the state and still
11 conduct their business. AEP Ohio has failed to identify any inherent reliability problems
12 with its transmission system loads in Central Ohio and Ohio in general.

13 **Q20. Is there evidence that data center businesses can locate outside of Central Ohio?**

14 A20. Yes. Ohio's other investor-owned utilities have experienced flat or declining peak load
15 from their recent 20-year maximums. For example:

- 16 • AES Ohio: a 13% reduction, from a max 3,733 MW in 2005¹⁵ to 3,241 MW in
17 2023;¹⁶

¹⁴ McKenzie Testimony at 5–6.

¹⁵ *In the Matter of the 2010 Long-Term Forecast Report of The Dayton Power and Light Company and Related Matters*, Case No. 10-505-EL-FOR, AES Ohio Long-Term Electric Forecast Report, PUCO Form FE-T2, Summer Internal Load (April 15, 2010).

¹⁶ *In the Matter of the 2024 Long-Term Forecast Report of The Dayton Power and Light Company d/b/a AES Ohio and Related Matters*, Case No. 24-505-EL-FOR, AES Ohio Long-Term Electric Forecast Report, PUCO Form FE-T2, Summer Internal Load (April 12, 2024).

- Duke Energy Ohio: a 14% reduction, from 4,691 MW in 2005¹⁷ to 4,031 MW in 2023;¹⁸ and
- FirstEnergy: a 15% reduction, from 12,124 MW in 2018¹⁹ to 10,302 MW in 2023.²⁰

These utilities' service territories have not seen rapid growth in electricity consumption. Additionally, other parts of AEP Ohio's service area have also not seen rapid growth in demand.²¹

Q21. Has AEP Ohio as a whole seen rapid growth in electricity consumption?

A21. No. In fact, AEP Ohio has the largest reduction from their maximum peak load of any Ohio investor-owned utility in the past 20 years. AEP Ohio's overall peak load has declined 19% from 11,571 MW in 2007²² to 9,388 MW in 2023.²³ This is despite gaining 600 MW of new data center load according to AEP Ohio.²⁴

¹⁷ *In the Matter of the 2010 Long-Term Forecast Report of Duke Energy Ohio, Inc. and Related Matters*, Case No. 24-503-EL-FOR, Duke Energy Ohio Long-Term Electric Forecast Report, PUCO Form FE-T2, Summer Internal Load (June 15, 2010).

¹⁸ *In the Matter of the 2024 Long-Term Forecast Report of Duke Energy Ohio, Inc. and Related Matters*, Case No. 24-503-EL-FOR, Duke Energy Ohio Long-Term Electric Forecast Report, PUCO Form FE-T2, Summer Internal Load (July 25, 2024).

¹⁹ *In the Matter of the 2014 Long-Term Forecast Report of Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company and Related Matters*, Case No. 14-625-EL-FOR, FirstEnergy Long-Term Electric Forecast Report, PUCO Form FE-T2, Summer Internal Load (April 15, 2014).

²⁰ *In the Matter of the 2023 Long-Term Forecast Report of Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company and Related Matters*, Case No. 24-504-EL-FOR, FirstEnergy Long-Term Electric Forecast Report, PUCO Form FE-T2, Summer Internal Load (April 15, 2024).

²¹ *See In the Matter of the 2023 Long-Term Forecast Report of Ohio Power Company and Related Matters*, Case No. 24-501-EL-FOR, AEP Ohio Long-Term Forecast Report, PUCO Form FE-T2, Summer Internal Load (April 15, 2024) (hereinafter, AEP 2024 LTFR).

²² *In the Matter of the 2012 Long-Term Forecast Report of Ohio Power Company and Related Matters*, Case No. 12-501-EL-FOR, Long-Term Electric Forecast Report of Columbus Southern Power Company and Ohio Power Company, PUCO Form FE-T2, Summer Internal Load (August 15, 2012).

²³ AEP 2024 LTFR, PUCO Form FE-T2, Summer Internal Load.

²⁴ Ali Testimony at 4.

1 **Q22. But will AEP Ohio see rapid growth in electricity consumption in the future?**

2 A22. Not necessarily. AEP Ohio forecasts an increase of 210 MW, or 2% in load growth just as
3 recently as last year from 2024 through 2030.²⁵ Meaning that just last year, AEP Ohio did
4 not think load was going to increase on its system significantly.

5 AEP Ohio has previously over-forecasted load growth so I conducted an analysis
6 of AEP Ohio's forecasted summer demand load for six years, 2018 to 2023, to evaluate
7 AEP Ohio's claim that load will increase significantly by 2030—within the next six years.
8 On average, AEP Ohio over-forecasted its load by 6%. In one case, in six years, AEP Ohio
9 accurately predicted load six years out, in the other five cases, AEP Ohio overforecasted
10 its load, sometimes by as much as 12%.

11 Lastly, the fact that AEP Ohio's data center load growth was completely offset by
12 load reduction from other businesses should not be ignored. In short, AEP Ohio has not
13 provided any evidence to substantiate its claims regarding its projected load growth.

14 **Q23. How should Ohio's load forecasts be considered in this case?**

15 A23. Ohio's electric utilities have flat or declining peak load in most cases and thus likely do
16 not have constrained transmission facilities. Data center businesses should consider
17 locating in areas that are not constrained. Additionally, the PUCO should consider that the
18 historical growth in data center power needs in Ohio has not resulted in an overall increase
19 in the utilities' power needs, due to energy reductions in other loads on the utilities.

20 The utilities' load forecasts provide evidence that AEP Ohio's proposed tariffs are
21 unneeded because they imply that data centers can locate in other service territories, which
22 would alleviate any future potential transmission constraint while maintaining the ability

²⁵ AEP 2024 LTFR, PUCO Form FE-T2, Summer Internal Load.

of data centers to do business. The utilities' load forecasts also demonstrate that new data center load may not increase the utility system's load, as efficiency gains and load reductions elsewhere can offset the data center load growth.

Q24. What is a capacity hosting map, and how would it address AEP Ohio's purported issue with data centers?

A24. A capacity hosting map is a dataset linked to a map of electrical facilities that documents and displays to approved users the power loads on that electrical facility, its physical power rating, and other pertinent ratings. It should show the approved user how much power capacity is available on each electrical facility to serve new load, and how much capacity is available to host generation. Typically, a capacity hosting map is color-coded, sometimes referred to as a heat map, with electrical facilities that are highly loaded colored red and those with ample room for new load colored green.

Q25. How does a capacity hosting map address AEP Ohio's purported issue with data centers?

A25. First, a capacity hosting map for the transmission system would show authorized users where exactly there are system constraints and where there is ample room on the transmission system. As a result, businesses such as data centers could choose to locate where there is room on the transmission system, not where there are constraints.

Second, a capacity hosting map provides transparency. By requiring a utility to document the physical thermal rating of its electrical facilities, its load-carrying limits, and its current peak and off-peak load, regulators and key stakeholders would have insight into any utility's claims of a system constraint. Should an actual constraint on the transmission system occur, the data document in the capacity map would allow key parties to better evaluate how constrained the system is and whether the costs to increase system capacity would be outweighed by the benefits.

1 This is a real issue. For example, even though AEP Ohio's claims of a transmission
2 system constraint are central to this very case, AEP Ohio refused to provide sufficient data
3 of its transmission system ratings and load in discovery. For example, when asked if AEP
4 Ohio maintains actual peak load demand for its systems in Central Ohio, AEP Ohio stated
5 that this data "is not kept in the ordinary course of business."²⁶ Further, when asked if it
6 keeps a peak load demand forecast for Central Ohio, AEP Ohio stated simply "no."²⁷ If
7 AEP Ohio does not keep transmission facility loads or make forecasts for its systems in
8 Central Ohio, it is hard to understand how AEP Ohio even knows whether its systems are
9 constrained – by its own admission, it has no data.

10 **Q26. How would behind-the-meter generation address AEP Ohio's purported issue?**

11 A26. Behind-the-meter generation and energy storage would reduce load on the transmission
12 system, thus helping alleviate any real transmission system constraints that may exist. For
13 example, rooftop solar systems in Central Ohio reduce transmission system peaks by about
14 2.6 MW for every 10 MW installed, even accounting for winter peaks when solar output is
15 low. Combined heat and power systems exist in Ohio on the order of 5 to 10 MW capacity
16 and would take approximately that entire output off the transmission system at peak hours
17 and most other hours. Behind-the-meter wind can reduce customer load by about 1.8 MW
18 for every 10 MW installed. Customers' back-up gas generators also have the ability to take
19 many megawatts of load off of the grid at peak times or during grid emergencies. Lastly,
20 customers may soon be able to economically invest in battery systems, which would charge

²⁶ AEP Ohio's Responses to OMAEG-INT-01-005 and OMAEG-INT-01-006 (Attachment JS-3).

²⁷ AEP Ohio's Responses to OMAEG-INT-01-007 and OMAEG-INT-01-009 (Attachment JS-3). *See also* AEP Ohio's Responses to Enchanted Rock INT-1-002 (Attachment JS-1); AEP Ohio's Response to Staff DR-1-5 (Attachment JS-8).

1 during low power hours, and discharge during peak hours, thus leveling out load on the
2 transmission system.

3 In summary, behind-the-meter generation is an effective way of reducing load on
4 transmission facilities, but AEP Ohio does not seem to have given any serious
5 consideration to this solution.²⁸

6 **Q27. Are there other ways to reduce load on transmission facilities?**

7 A27. Yes, ample opportunity exists for electricity-using equipment to become more efficient at
8 customers' sites. Through energy efficiency and peak-load management, customers can
9 significantly reduce load on transmission facilities during peak times, thereby creating
10 more hosting capacity on the grid.

11 **Q28. Are there ways to encourage customers to adopt behind-the-meter generation,**
12 **improve their energy efficiency, and manage their peak loads?**

13 A28. Yes. One promising method would be for AEP Ohio to bill its customers for transmission
14 exactly how AEP Transco bills distribution utilities for transmission. AEP Ohio, after all,
15 is a transmission customer. Most transmission costs are based on its Network Service Peak
16 Load (NSPL), which is the power use of the aggregated customer base during the highest
17 coincident peak (CP) of all of AEP Transco's distribution utility customers.

18 Simply put, if AEP Ohio charged its customers on how the customers' usage creates
19 transmission costs during the 1CP, customers would have a price signal, a natural incentive,
20 to manage those costs. If AEP Ohio billed customers for transmission on the customer's
21 contribution to the NSPL during the 1CP then customers would manage their power use
22 during these grid peaks better.

²⁸ See, e.g., AEP Ohio's Responses to Enchanted Rock INT-1-005 through INT-1-007 (Attachment JS-1); OEG-INT-1-4 and OEG-INT-1-6 (Attachment JS-5); AEP Ohio's Response to Staff DR-1-2 (Attachment JS-8); AEP Ohio's Responses to OEG-INT-2-2 (Attachment JS-10); AEP Ohio's Response to Staff DR-2-2 (Attachment JS-11).

1 **Q29. Is there support for billing customers on the NSPL?**

2 A29. Yes. Other Ohio utilities have adopted or supported NSPL billing. For example, AES
3 Ohio agreed to adopt NSPL billing for its rate classes of primary service and higher by
4 June 2025.²⁹ FirstEnergy also proposed offering widespread NSPL billing in its recent
5 Electric Security Plan application, which many parties did not oppose. But the PUCO
6 ordered FirstEnergy's existing transmission pilot to be modestly expanded and continued,
7 and allows for additional customers to enroll via a reasonable arrangement.³⁰ AEP Ohio
8 customers once had NSPL billing access through their competitive retail electric supplier
9 (CRES), but now are constrained to a pilot program managed by AEP Ohio. By
10 implementing NSPL billing for large customers, AEP Ohio will encourage customers to
11 better manage their energy usage, which will in turn help mitigate many of the issues
12 identified by AEP Ohio without needing to implement discriminatory, unjust, and
13 unreasonable tariffs.

14 **Q30. In your experience, how do customers manage energy use differently under NSPL**
15 **billing as compared to a utility's monthly demand billing determinant typically used**
16 **for transmission billing?**

17 A30. Customers with NSPL billing manage their power use during transmission system peaks,
18 reducing their power use during these times and freeing up capacity on the electric grid.³¹
19 Each customer will develop its own plan, but every customer can manage their peak. Some
20 customers install behind-the-meter generation, others develop load-shifting plans, many

²⁹ *In the Matter of the Application of The Dayton Power and Light Company d/b/a AES Ohio for Approval of Its Electric Security Plan*, Case Nos. 22-900-EL-SSO, et al., Opinion and Order at 40 (August 9, 2023).

³⁰ *In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security Plan*, Case No. 23-301-EL-SSO, Opinion and Order at ¶¶ 239–43 (May 15, 2024).

³¹ Ryan Schuessler and John Seryak, "A Transmission Critical Peak Pricing Pilot for Manufacturers in Ohio," Proceedings of the 2021 American Council for an Energy-Efficient Economy Summer Study on Industry, Virtual (July 2021), available at <https://www.aceee.org/sites/default/files/pdfs/ssi21/panel-4/Seryak.pdf>.

1 turn off idling equipment, still others have greater incentive to invest in certain efficiency
2 projects.

3 In contrast, customers billed based on monthly demand determinants, especially if
4 there are demand ratchets, have little incentive to think about their power use during
5 transmission system peaks, and thus do not manage their power during system peaks. Most
6 are not even aware of when the local transmission system is under a peak or whether it is
7 constrained.

8 I find AEP Ohio's proposed Data Center Power and Mobile Data Center tariffs to
9 be even worse than monthly demand billing because it discourages customer energy
10 management of peak loads and will thus exacerbate and worsen load on the transmission
11 grid. Therefore, rather than implementing these discriminatory, unjust, and unreasonable
12 tariffs, the PUCO should instead consider charging customers based on their NSPL as a
13 way to solve the problems identified by AEP Ohio.

14 **Q31. Can you further explain why AEP Ohio's proposed tariffs make transmission system**
15 **peak loads worse?**

16 A31. As my colleague Ryan Schuessler states, the proposed tariffs minimum demand charges
17 "effectively disincentivize customers from managing their loads at peak grid times."³²

18 AEP Ohio's proposed tariffs create fixed charges for transmission system costs for its
19 largest users. By doing so, AEP Ohio's largest users are disincented to manage their
20 transmission system peak loads. With no incentive to manage their peak load, customers
21 will not manage their peak loads. AEP Ohio is thereby creating significant reliability

³² Direct Testimony of Ryan Schuessler at 16 (August 29, 2024) (hereinafter, Schuessler Testimony).

threats to its own grid, as customers have no insight into transmission system peak loads and no incentive to do anything about it.

V. AEP OHIO'S PROPOSED DATA CENTER POWER AND MOBILE DATA CENTER TARIFFS ARE UNNECESSARY

Q32. What is AEP Ohio's rationale for proposing new tariffs for data centers?

A32. My understanding of AEP Ohio's argument is that they believe new tariffs are needed because a data center or mobile data center customer's contract demand may trigger infrastructure upgrades, but the customer may not actually use their contract demand. AEP Ohio expresses concern that data centers may not fully energize up to their contract demand request, or may take a long time to do so. In such a case, customers are paying lower amounts through their demand charge as compared to if they reached their contract demand.

AEP Ohio also expresses concerns that the customer's contract demand may require high voltage transmission infrastructure upgrades to be made. However, it remains unclear how exactly the proposed distribution tariffs will support investment in high voltage transmission infrastructure.³³

Q33. How are infrastructure upgrade costs currently allocated to the customer that triggered the upgrade?

A33. The customer that triggers the upgrade is required to pay 40% of the costs of the "line extension" as a Cost in Aid of Construction (CIAC). The other 60% of the upgrade cost is socialized to all AEP Ohio customers.³⁴ Line extension costs only include those costs

³³ See, e.g., AEP Ohio's Responses to DCC-INT-01-008 (Attachment JS-2); AEP Ohio's Responses to OMAEG-INT-01-040, OMAEG-INT-01-041, OMAEG-INT-01-047 (Attachment JS-3); AEP Ohio's Responses to OMAEG-INT-02-008 (Attachment JS-4); AEP Ohio's Responses to DCC-INT-02-020 and DCC-INT-02-021 (Attachment JS-6).

³⁴ Ohio Power Company Tariffs at 1st Revised Sheet Nos. 103-5 to -8 (Terms & Conditions of Service) (effective April 1, 2023).

1 “necessary for delivering electrical energy from the point of origin to one or more of the
2 customer’s points of delivery.” Other costs are not included in CIAC, including “Facilities
3 provided by the Company to maintain, protect, upgrade, or improve its overall distribution
4 system (even if necessary due to a customer’s load addition),”³⁵ or costs associated with
5 upgrading high voltage transmission lines by AEP Ohio’s affiliate, AEP Transco.³⁶

6 However, the data centers subject to AEP Ohio’s proposed tariffs are likely
7 receiving Transmission or Subtransmission service from AEP Ohio. Thus, they may
8 require some costs for a line extension, but the customer’s load addition may trigger
9 upgrades needed on the transmission system to distribute electrical energy to the customer.
10 Such system upgrades could fall outside of the CIAC line extension parameters.

11 These projects likely would be categorized as “Supplemental Transmission
12 projects,” and would thus not be reviewed by the PUCO or by PJM under any type of
13 cost/benefit analysis or to determine if reliability improvements result from the upgrade.
14 This lack of review and transparency also makes the exact costs of such projects to
15 customers much harder to determine.³⁷ In this case, my understanding is that the customer
16 does not pay directly for such upgrades. Instead, all of the costs are socialized to the AEP
17 Transco customer base through PJM.³⁸

³⁵ Ohio Power Company Tariffs at 1st Revised Sheet Nos. 103-6 (Terms & Conditions of Service) (effective April 1, 2023). *See also* AEP Ohio’s Responses to OMAEG-INT-01-050 and OMAEG-INT-01-051 (Attachment JS-3); AEP Ohio’s Responses to OMAEG-INT-02-009 (Attachment JS-4).

³⁶ AEP Ohio’s Responses to OMAEG-INT-01-050 and OMAEG-INT-01-051 (Attachment JS-3); AEP Ohio’s Responses to OMAEG-INT-02-009 (Attachment JS-4); AEP Ohio’s Responses to OEG-INT-2-1 and OEG-INT-2-4 (Attachment JS-10).

³⁷ *See* AEP Ohio’s Responses to OMAEG-INT-01-042 through OMAEG-INT-01-046 (Attachment JS-3); AEP Ohio’s Responses to OMAEG-INT-02-010 (Attachment JS-4).

³⁸ *See* AEP Ohio’s Responses to OEG-INT-2-4 (Attachment JS-10).

1 **Q34. Is it possible that the majority of electric system upgrade costs triggered by data**
2 **centers are not related to the distribution utility service?**

3 A34. Yes, that is my understanding. AEP Ohio had an opportunity to clarify this issue in this
4 case, but when asked what portion of supplemental transmission project costs are collected
5 from prospective customers like data centers, AEP Ohio skirted the question and instead
6 stated only that “prospective customers” do not pay rates until they are “energized”
7 customers.³⁹ AEP Ohio similarly remains opaque about whether data center customers
8 trigger supplemental transmission projects, and whether those customers pay some form of
9 CIAC for supplemental transmission projects or whether the tariff solutions offered in this
10 case will be able to produce distribution revenue that can be used for necessary
11 transmission upgrades, including high voltage transmission upgrades.⁴⁰

12 **Q35. Is it possible that data centers and other customers already contribute nothing to the**
13 **supplemental transmission project spending they are triggering?**

14 A35. Yes, that is my understanding. Once again, AEP Ohio had an opportunity to clarify if this
15 is the case in discovery and refused to clarify this issue. But when asked, AEP Ohio stated:
16 “The facilities to which a customer’s CIAC requirement applies is governed by Paragraph
17 10 of the Terms and Conditions of AEP Ohio’s PUCO-Approved Tariff.”⁴¹ Paragraph 10
18 can be read to exclude supplemental transmission projects. AEP Ohio also continues to
19 refrain from directly answering questions such as, can data centers trigger supplemental
20 transmission project upgrades? And if so, are the costs of the local supplemental
21 transmission project upgrades covered by the CIAC? And, will any of the distribution

³⁹ AEP Ohio’s Responses to OMAEG-INT-01-044 (Attachment JS-3).

⁴⁰ See AEP Ohio’s Responses to OMAEG-INT-01-040 through OMAEG-INT-01-047, OMAEG-INT-01-050 and OMAEG-INT-01-051 (Attachment JS-3).

⁴¹ AEP Ohio’s Responses to OMAEG-INT-01-050 (Attachment JS-3). See also AEP Ohio’s Responses to OMAEG-INT-01-051 (Attachment JS-3).

1 revenue collected by AEP Ohio's proposed tariff be able to be used to invest in high voltage
2 transmission upgrades?

3 **Q36. Would a 40% CIAC be a fair way for a customer to contribute to the costs of a**
4 **supplemental transmission project?**

5 A36. The 40% CIAC payment required for distribution projects is certainly more fair than paying
6 nothing at all.

7 **Q37. If customers do not have a CIAC for the high voltage transmission upgrades needed**
8 **to connect the customer, are AEP Ohio's proposed tariffs a fair way of ensuring these**
9 **customers pay for some of the costs?**

10 A37. No, I do not believe so. Not only is it not clear whether the revenues collected under the
11 tariffs will be able to be used to offset any high voltage transmission upgrades, AEP Ohio's
12 proposed tariffs stand to create system costs and reliability issues because they
13 disincentivize customers to manage their power use during transmission system peaks,
14 which in turn creates reliability issues and system costs. I think it is better for a customer
15 to pay a portion of the upgrade cost upfront, like CIAC mechanisms do for distribution
16 upgrades.

17 **Q38. Do data center customers need AEP Ohio's proposed tariffs to get electric service**
18 **with contract capacity?**

19 A38. No, customers of certain sizes already sign agreements with AEP Ohio that specify contract
20 demand.

21 **VI. CONCLUSION**

22 **Q39. Do you have a summary recommendation?**

23 A39. I recommend that the PUCO reject AEP Ohio's proposed Data Center Power and Mobile
24 Data Center tariffs as they are unjust, discriminatory, unnecessary, and will create risks
25 and additional costs to the electric system.

1 **Q40. Does this conclude your testimony?**

2 A40. Yes, but I reserve the right to supplement or revise my testimony with any new information

3 that becomes available through discovery or otherwise.

CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a copy of the foregoing document also is being served via electronic mail on August 29, 2024 upon the parties listed below.

/s/ Kimberly W. Bojko
Kimberly W. Bojko

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Attachment JS-1

(Excerpted AEP Ohio's Responses to Enchanted Rock's First
Set of Discovery Requests)

**OHIO POWER COMPANY'S RESPONSE TO
ENCHANTED ROCK'S, LLC.
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

INT 1-002 In AEP's load forecasts, referenced in Application and Testimony, identify what percentage of load growth is driven by non-data center demand?

RESPONSE

AEP Ohio objects to this request as vague, undefined, and ambiguous. The Company further objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects to the extent the request mischaracterizes the Company's Application and/or filed testimony. Subject to and without waiving these objections, AEP Ohio states please see the Company's response to Staff DR 1-5.

**OHIO POWER COMPANY'S RESPONSE TO
ENCHANTED ROCK'S, LLC.
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

INT 1-004 Please describe the specific nature of the transmission constraint described in the Application and Testimony, in terms of duration of overload issues and ability to redispatch generation or transmission to manage a constraint within NERC requirements.

RESPONSE

AEP Ohio objects to this request as vague, undefined, and ambiguous. The Company further objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects to the extent the request mischaracterizes the Company's Application and/or filed testimony. AEP Ohio further objects to the extent the request calls for information that is not held in the ordinary course of business and would be unduly burdensome to provide. The Company further objects that the request calls for a narrative response and would be unduly burdensome to provide. Subject to and without waiving these objections, AEP Ohio states as follows. Please see the Company's response to Staff DR 2-2. As described in witness Ali's testimony, there is no RTO controlled generation currently located in the central Ohio region; therefore, generation redispatch solutions to address transmission constraints are not available.

**OHIO POWER COMPANY’S RESPONSE TO
ENCHANTED ROCK’S, LLC.
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

INT 1-005 In developing the proposed Tariff, Schedule DCP, identify if and how AEP considered providing optionality for data center developers to deploy flexible, on-site generation to help avoid or defer transmission expansion needs and thereby reduce data center demand charge exposure and AEP risk of stranded investments.

RESPONSE

AEP Ohio objects to this request insofar as it calls for information about AEP Ohio’s case development process, which is information that is privileged and confidential and subject to the attorney work product doctrine. AEP Ohio further objects to this request insofar as it calls for speculation and is vague and ambiguous. Specifically AEP Ohio objects to the concepts of “optionality,” “flexible, onsite generation,” “transmission expansion needs,” “demand charge exposure,” and “AEP risk of stranded investments” as ambiguous and undefined. The Company further objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. AEP Ohio further objects to this request as argumentative and raising policy arguments better addressed in comments or testimony. Subject to and without waiving these objections, AEP Ohio states that Ohio law, Commission regulations, and AEP Ohio’s PUCO-approved tariffs contain provisions that address behind-the-meter generation, and implementation of the proposed tariff will need to address issues in this regard on a case by case basis.

**OHIO POWER COMPANY'S RESPONSE TO
ENCHANTED ROCK'S, LLC.
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

INT 1-006	Identify if and how AEP considered the optionality for data center developers to bring on-site generation to help improve local generation supply.
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RESPONSE

Please see the Company's response to Enchanted Rock INT 1-005, the objections and response to which are hereby incorporated by reference.

**OHIO POWER COMPANY'S RESPONSE TO
ENCHANTED ROCK'S, LLC.
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

INT 1-007	Identify if and how AEP considered the use of on-site generation to provide customers with temporary power until identified transmission upgrades are constructed.
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RESPONSE

Please see the Company's response to Enchanted Rock INT 1-005, the objections and response to which are hereby incorporated by reference.

**OHIO POWER COMPANY'S RESPONSE TO
ENCHANTED ROCK'S, LLC.
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

INT 1-008 With respect to the Tariff's requirement for customers to reduce demand during PJM or Company-declared emergencies, Schedule DCP at page 5, please:

- (1): identify any analysis, plans, or projections by the Company (or in possession of the Company) that project the number and duration of relevant demand reduction events or emergencies; and
- (2): identify the number and duration of similar demand reduction events or emergencies over that have occurred in your service territory over the past 5 years.

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and prefiled Direct Testimony in this matter. The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. The Company further objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. The Company further objects that the request is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. Without waiving the foregoing objection(s) or any general objection the Company may have, the Subject to and without waiving these objections, AEP Ohio responds as follows:

1. AEP Ohio does not possess any documents that project the number and duration of demand reduction events or emergencies that would be called under the proposed tariff.
2. Historical PJM demand reduction events and emergencies are publicly archived at: <https://emergencyprocedures.pjm.com/> .

Attachment JS-2

(Excerpted AEP Ohio's Responses to DCC's First Set of
Discovery Requests)

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

- DCC-INT-01-002 On page 8 of Lisa Kelso's direct testimony filed on May 13, 2024 in this proceeding, she states, "AEP Ohio has received inquiries and preliminary requests for service from over 50 customers at over 90 sites totaling more than 30,000 MW."
- a.: How does AEP define the term "preliminary requests"?
- b.: Please describe in detail any deposit or other financial requirements that are associated with the "preliminary requests"?
- c.: How does AEP define the term "inquiries"?
- d.: Please describe in detail any deposit or other financial requirements that are associated with the referenced "inquiries"?
- e.: Please explain whether AEP has promoted or advertised site development opportunities within its service territory to data center customers, either through its business and economic development practices or otherwise.
- f.: Please explain whether AEP has actively recruited data center companies to develop facilities within its service territory, either through its business and economic development practices or otherwise.

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects to the characterization of testimony as being inaccurate. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects because it is unable to fully answer the hypothetical question posed in the absence of all of the pertinent assumptions and fact/circumstances that apply to the hypothetical scenario. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows.

- a. Although AEP Ohio did not define this term, the 30,000 MW queue is made up of requests made by a prospective customer for a specific location and MW amount.

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

- b. No financial commitment is made until agreements between the customer and the Company are executed. No agreements have been executed with customers in the 30,000 MW queue.
- c. The customers who have expressed interest in building 30,000 MW of data center load in Central Ohio have spoken to AEP Ohio personnel about specific, potential data center projects that the customers would locate in AEP Ohio's Central Ohio service territory.
- d. Please refer to the Company's response to DCC-INT-01-002 (b).
- e. AEP Ohio consistently promotes economic development within its service territory through its economic and business development groups and many of the economic development prospects in recent years have been related to data center customers.
- f. Please see response at DCC-INT-01-002(e).

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

- DCC-INT-01-006 On page 9 of Matthew McKenzie's direct testimony filed on May 13, 2024 in this proceeding, he states, "Data centers also would be required to pay minimum demand charges based on 90% of their contract capacity under the proposed tariff, rather than 60% that would apply under the current general service tariff."
- a.: What specific factors or considerations led to the decision to set the minimum demand charges for data centers at 90% of their contract capacity under the proposed tariff?
- b.: Were any comparisons made with demand charge structures for data centers implemented by other utilities? If so, please provide details and outcomes of these comparisons.
- c.: Were any alternative minimum demand charge percentages considered for data centers? If so, please describe these alternatives and the rationale for ultimately selecting 90%.
- d.: Has AEP assessed any potential negative impacts on economic development or data center attraction/retention in the region due to the increased minimum demand charges? If so, please provide the findings of such assessments.
- e.: Has AEP evaluated the potential impact of the increased minimum demand charges on construction jobs associated with data center projects? If so, please provide the findings and underlying analysis of such evaluations.
- f.: Has AEP considered the potential effects of the increased minimum demand charges on tax revenue generated by data center projects? If so, please provide the findings and underlying analysis of such considerations.
- g.: Has AEP assessed the potential indirect economic impacts of the increased minimum demand charges on the broader economy, including any effects on related industries and local businesses? If so, please provide the findings and underlying analysis of such considerations.

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

h.: Did AEP conduct an economic analysis to justify this change in minimum demand charges for data centers?

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects to the characterization of testimony as being inaccurate. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects because it is unable to fully answer the hypothetical question posed in the absence of all of the pertinent assumptions and fact/circumstances that apply to the hypothetical scenario. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows.

a-c. AEP Ohio objects to the requests on the ground that what alternative regulatory proposals AEP Ohio considered in preparation for this proceeding is protected by attorney-client privilege and the attorney work product doctrine. The reasons and explanations supporting the proposals in the application are thoroughly addressed in the Company's testimonies.

d-h. As explained in AEP Ohio witness McKenzie's testimony (at 4), the purpose of AEP Ohio's proposal is, in part, to keep AEP Ohio's service territory open for economic development by requiring new data center customers to make long-term financial commitments that will support transmission investment to facilitate both the growth of ordinary job-creating economic development and the growth of data centers. Further explanation of how AEP Ohio's proposed data center tariff promotes economic development is provided in the testimony of AEP Ohio witness Kelso (at 8-10). AEP Ohio has not conducted any formal economic analysis comparing the possible scenario in which the proposed data center tariff is approved versus any other scenario, such as the data center tariff being approved with modifications or denied.

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

DCC-INT-01-008 On page 20 of Matthew McKenzie's direct testimony filed on May 13, 2024 in this proceeding, he states "the proposed tariff provides that a customer may cancel the ESA after five years if the customer pays an "exit fee" equal to three years of minimum charges."

a.: How did AEP determine that the exit fee should consist of three years of minimum charges?

b.: Did AEP conduct an economic analysis to justify the amount of the exit fee required by the tariff?

c.: How do exit fees required by the tariff that are paid to AEP facilitate investment in transmission infrastructure?

d.: Please explain in detail the regulatory accounting treatment that will be applied to any exit fees received by AEP.

e.: If transmission capacity is built to serve forecasted load for a data center customer that pays an exit fee, and that transmission capacity is subsequently utilized to serve other customers' loads, does AEP plan to return any portion of the exit fee?

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects to the characterization of testimony as being inaccurate. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects because it is unable to fully answer the hypothetical question posed in the absence of all of the pertinent assumptions and fact/circumstances that apply to the hypothetical scenario. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows.

- a. As explained in AEP Ohio witness McKenzie's testimony (at 18), the proposed "exit fee" was set at three years' minimum charges to give data center customers "a small amount of relief" if their "plans drastically change" and they can "no longer go through with their commitments, while simultaneously protecting the rest of AEP Ohio's customers."
- b. Please see AEP Ohio's response to DCC-INT-01-006, Part (d).
- c. As explained throughout AEP Ohio's application and testimony, AEP Ohio's proposed tariffs will facilitate transmission planning by giving data center customers greater

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

incentives to accurately estimate their actual power needs and to follow through on those plans. The exit fee is designed to ensure that those greater incentives supporting transmission planning are maintained even if the customer's plans drastically change and they elect to exit the contract before the end of the ten-year term.

- d. Please see AEP Ohio's response to OMAEG-INT-01-047.
- e. AEP Ohio objects to this request as vague and ambiguous, specifically as to the meaning of the term "return." If the question is asking whether AEP Ohio would pay some amount of the exit fee back to the customer that paid it, AEP Ohio did not make a proposal addressing exit fee revenue in its Application or supporting testimony.

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

DCC-INT-01-010 The proposed tariff mandates emergency demand response participation for data center customers. Has AEP conducted analysis on how this requirement would impact data center operations, particularly in terms of taking critical infrastructure such as healthcare facilities, election offices, and other essential digital services offline? If so, please provide the findings of such analysis.

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects to the characterization of testimony as being inaccurate. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The Company objects because it is unable to fully answer the hypothetical question posed in the absence of all of the pertinent assumptions and fact/circumstances that apply to the hypothetical scenario. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows.

AEP Ohio's proposed data center tariffs would require a data center customer "to reduce its demand upon the Company's system during an RTO or Company-declared emergency event (including but not limited to applicable NERC Energy Emergency Alert level declarations by PJM)." (McKenzie Testimony, Exhibit MSM-1, at 5.) The tariffs also provide that "[i]f an emergency situation requires an immediate action by AEP Ohio, the customer may be involuntarily interrupted immediately without notification." (*Id.*) This tariff language does not mandate that data center customers participate in any *voluntary* programs where customers are compensated for curtailing load, such as AEP Ohio's Interruptible Power Rider ("IRP") or PJM's demand response program. Rather, the tariff language states that data centers could be required to *involuntarily* curtail their load if there were an extreme energy emergency on the grid. AEP Ohio would only require this involuntary curtailment in a situation where voluntary demand response programs and other PJM or AEP Ohio initiatives have not resolved the problem, and involuntary curtailments are necessary to maintain the stability of the grid. AEP Ohio has not conducted any formal analysis of how this tariff language would "impact data center operations" versus any other scenario, such as the data center tariff being approved with modifications or denied.

Attachment JS-3

(Excerpted AEP Ohio's Responses to OMAEG's First Set of
Discovery Requests)

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-001 Is the historic peak demand identified in Figure LOK-1 of Lisa Kelso’s direct testimony filed on May 13, 2024 in this proceeding the average monthly demand, the network service peak load (NSPL), the peak load contribution (PLC), or some other measure of peak demand?

RESPONSE

AEP Ohio objects to this request as vague, undefined, and ambiguous. AEP Ohio further objects to the extent the request mischaracterizes the Company’s Application or prefiled Direct Testimony in this matter. The Company further objects that the requested information is publicly available in the Commission's docket. Without waiving these objections or any general objections the Company may have, the Company states as follows. Figure LOK-1 represents the peak demand for the AEP Ohio system for each year in the figure.

Prepared by:
Lisa O. Kelso

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-005 Does AEP maintain the actual peak load demand that occurred on its system for Central Ohio as defined by AEP for its service territory?

RESPONSE

AEP Ohio further objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. AEP Ohio further objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. The Company further objects that the request is unduly burdensome because it is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. AEP Ohio further objects that this request is vague, undefined, and unintelligible. Without waiving these objections or any general objections the Company may have, the Company states as follows. As referenced in Witness Ali’s testimony, the approximate current peak demand in Central Ohio is 4,000 MW.

Prepared by:

Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-006 If the response to OMAEG-INT-01-005 is affirmative, what was the peak load demand that occurred on AEP’s system for Central Ohio by year for the past ten years (i.e., 2014 through 2023)?

RESPONSE

Please see the Company's response to OMAEG-INT-01-005, the objections and response to which are hereby incorporated by reference.

Prepared by:
Kamran Ali

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-007 Does AEP maintain a peak load demand forecast for Central Ohio as defined by AEP for its service territory?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. Without waiving these objections or any general objections the Company may have, the Company states as follows. No.

Prepared by:

Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-008 If the response to OMAEG-INT-01-007 is affirmative, what is the peak load demand forecast for Central Ohio as defined by AEP for its service territory by year for the next seven years (i.e., 2024 through 2030)?

RESPONSE

Please see the Company's response to OMAEG-INT-01-007, the objections and response to which are hereby incorporated by reference.

Prepared by:
Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-009 On page 8 of Matthew McKenzie’s direct testimony filed on May 13, 2024 in this proceeding, he states that “growth from other customers is on a much smaller scale” compared to growth from data centers. If the response to OMAEG-INT-01-007 is affirmative, what are the peak demand load growth forecasts by year for the next seven years (i.e., 2024 through 2030) for “other customers,” including the residential, secondary, and primary service classes?

RESPONSE

Please see the Company's response to OMAEG-INT-01-007, the objections and response to which are hereby incorporated by reference.

Prepared by:
Matthew S. McKenzie

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-010 On page 4 of Kamran Ali’s direct testimony filed on May 13, 2024 in this proceeding, he states that the data center load served by the AEP transmission system in Central Ohio as defined by AEP consists of approximately 600 MW. Is this 600 MW of data center load the average monthly demand, the contractual capacity, the peak load contribution, or some other measurement of load?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. Without waiving these objections or any general objections the Company may have, the Company states as follows. The 600 MW referenced in Witness Ali’s testimony is the approximate noncoincidental peak demand for those respective data centers.

Prepared by:
Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-011 On page 4 of Kamran Ali’s direct testimony filed on May 13, 2024 in this proceeding, he states that AEP will be adding approximately 4,400 MW of load in the Central Ohio areas as defined by AEP by 2030. Is this 4,400 MW of new data center load the average expected monthly demand, contractual capacity, peak load contribution, or some other measurement of load?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. Without waiving these objections or any general objections the Company may have, the Company states as follows. The approximate 4,400 MW load is derived from the contract capacity of approximately 5,000 MW less the approximately 600 MW referenced in INT-01-010.

Prepared by:
Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-012 On page 5 of Kamran Ali’s direct testimony filed on May 13, 2024 in this proceeding, he notes the need for a solution to accommodate an additional 2,875 MW of load in the Central Ohio area as defined by AEP. What is this “solution” that AEP is proposing?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see response to OEG-INT-01-001.

Prepared by:
Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-013 Referring to pages 4–5 of Kamran Ali’s direct testimony filed on May 13, 2024 in this proceeding, is the 2,875 MW of additional data center load that AEP has a “solution” for part of the overall 4,400 MW of additional data center load mentioned previously?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. Without waiving these objections or any general objections the Company may have, the Company states as follows. Yes.

Prepared by:
Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-015 On page 6 of Kamran Ali’s direct testimony filed on May 13, 2024 in this proceeding, he states that AEP determined through a “holistic infrastructure analysis” that “significant infrastructure enhancements” will be needed for demand in excess of 10,000 MW in Central Ohio as defined by AEP. But he also states that demand is expected to reach only 9,000 MW based on signed agreements. Does this mean that AEP has enough transmission facility capacity to serve the expected 9,000 MW in Central Ohio as defined by AEP with no new infrastructure enhancements?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. AEP Ohio further objects to this request as argumentative. Without waiving these objections or any general objections the Company may have, the Company states as follows. Yes, the existing and proposed infrastructure associated with the new interconnections will allow the Company to serve the expected 9000 MW of demand in Central Ohio. The transmission “solution” as described in OMAEG-INT-012 includes the infrastructure work required to connect the expected 9,000 MW of total demand in Central Ohio.

Prepared by:

Kamran Ali

**OHIO POWER COMPANY’S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-016 On page 5 of Matthew McKenzie’s direct testimony filed on May 13, 2024 in this proceeding, he claims that customers have “expressed interest” in building additional data centers with more than 30,000 MW of load in Central Ohio as defined by AEP. How does AEP define the term “expressed interest”?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. Without waiving these objections or any general objections the Company may have, the Company states as follows. The customers who have expressed interest in building 30,000 MW of data center load in Central Ohio have spoken to AEP Ohio personnel about specific, potential data center projects that the customers would locate in AEP Ohio’s Central Ohio service territory.

Prepared by:
Matthew S. McKenzie

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-026 On page 5 of Matthew McKenzie’s direct testimony filed on May 13, 2024 in this proceeding, he states that building a new extra-high- voltage transmission line to Central Ohio could cost billions of dollars and take 7–10 years to plan, design, site, and construct.

a.: What is the basis for this statement?

b.: Has AEP considered any other alternatives to manage predicted load growth?

c.: If the answer to OMAEG-INT-01-026(b) is affirmative, what alternatives were considered prior to filing this case?

d.: Referring to OMAEG-INT-01-026(c), what were the specific reasons for rejecting these alternatives?

e.: If the answer to OMAEG-INT-01-026(b) is negative, why were no alternatives considered prior to filing this case?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. AEP Ohio further objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections or any general objections the Company may have, the Company states as follows.

- a. This is a high-level estimate meant to illustrate the overall scale and timeline of one potential transmission investment that could be needed to serve additional data center load in Central Ohio. The estimate was made by AEP’s transmission planning group headed by AEP Ohio witness Ali.
- b. The “extra-high-voltage transmission line to Central Ohio” is not a specific project but rather a high-level estimate meant to illustrate the overall scale and timeline of one potential transmission investment that could be needed to serve additional data center load in Central Ohio. Once AEP Ohio has more certainty about potential data center load through the ESA process proposed in this proceeding, AEP Ohio will submit the projected load as part of its load forecast to PJM. Then, multiple potential solutions and alternatives to serve data center load will be studied, and specific projects will be selected and constructed. This process is governed by the FERC-jurisdictional PJM tariff. It would be premature for AEP Ohio to study or consider specific transmission projects, solutions, or alternatives before knowing the amount and location of additional data center load to be served.
- c. See AEP Ohio’s response to part (b) above.

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

- d. See AEP Ohio's response to part (b) above.
- e. See AEP Ohio's response to part (b) above.

Prepared by:

Matthew S. McKenzie

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-040

On page 4 of Matthew McKenzie's direct testimony filed on May 13, 2024 in this proceeding, he states that the proposed tariffs will support investment in transmission infrastructure.

a.: Which entity is responsible for constructing necessary transmission facilities to connect new load or facilitate increases in load?

b.: How will the demand charges required by the tariffs that are paid to AEP facilitate investment in transmission infrastructure?

c.: How does the required collateral held by AEP facilitate investment in transmission infrastructure?

d.: How do exit fees required by the tariffs that are paid to AEP facilitate investment in transmission infrastructure?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague, undefined, and ambiguous. AEP Ohio further objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects that the request calls for a narrative response and would be unduly burdensome to provide. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves an incomplete hypothetical. The Company further objects that the requested information is publicly available. Without waiving these objections or any general objections the Company may have, the Company states as follows.

a. Transmission facility construction is governed by the FERC-jurisdictional PJM tariff. Under that tariff, there are multiple entities that may be responsible for constructing specific transmission facilities, depending on the specific situation and factors such as the capacity of the transmission infrastructure being built, the reason for the project, the location of the project, and other factors. If the project involves an upgrade to a facility in the AEP Ohio zone, the entity would likely be AEP Ohio or AEP Ohio Transmission Company.

b. As explained in AEP Ohio witness McKenzie's Testimony (*e.g.*, at 10), the purpose of the Company's proposed tariffs is to facilitate and right-size transmission investment by requiring data center customers to make greater financial commitments. These financial commitments will facilitate transmission planning by, among other things, providing a means to separate committed data center projects from speculative ones and by creating incentives for data center customers to follow through with their planned load.

c. The proposed Collateral Requirement in the Company's proposed Schedules DCT and MDC/FLT are intended to address several issues. As an initial matter, the Collateral

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

Requirement protects AEP Ohio’s other customers because it provides a source of revenue to offset transmission costs in the event a data center customer declares bankruptcy or becomes insolvent and therefore cannot pay the minimum charges required under the proposed ESA. Moreover, the Collateral Requirement will help separate committed data center projects from speculative ones, since committed data center projects will be more likely than speculative projects to incur the burden or cost to provide the Collateral Requirement. Additionally, the Collateral Requirement will reinforce the incentives that the proposed tariffs give data center customers to accurately estimate and follow through with their commitments. This is because the Collateral Requirement prevents data center customers from escaping their financial obligations under the ESA by declaring bankruptcy or becoming insolvent. As explained in Part (b) above and in AEP Ohio witness McKenzie’s Testimony (*e.g.*, at 10), these two functions of the proposed tariffs that the Collateral Requirement supports – (i) separating committed data center projects from speculative ones and (ii) providing incentives for data center projects to accurately estimate and follow through with their planned load – are specifically intended to support transmission planning by, among other things, encouraging accurate load forecasting.

d. Much like the proposed minimum demand charges (see Part (b) above) and the proposed Collateral Requirement (see Part (c) above), the proposed exit fees are intended to protect AEP Ohio’s other customers by providing a source of revenue to offset transmission costs in the event a data center customer chooses to exit its ESA. In addition, the proposed exit fee reinforces the incentives that the proposed tariffs give data center customers to accurately estimate and follow through with their commitments, since data centers will be required to pay three years of minimum payments as an exit fee if they wish to exit the ESA. This will help facilitate transmission planning by, among other things, providing a means to separate committed data center projects from speculative ones and by creating incentives for data center customers to follow through with their planned load.

Prepared by:

Matthew S. McKenzie

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-041 On page 4 of Matthew McKenzie’s direct testimony filed on May 13, 2024 in this proceeding, he discusses the “cost of transmission buildout.”

a.: Have data centers within AEP’s service territory received any “transmission buildout” from AEP since 2015?

b.: Which entity completes the “transmission buildout” referenced by Mr. McKenzie?

c.: Are the costs of “transmission buildout” collected from all customers through the supplemental transmission project process?

d.: Which entity collects the costs of the “transmission buildout” from customers?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. The Company further objects to the form of the question as this request is vague, undefined, and unduly burdensome. AEP Ohio further objects that this request is overbroad as it is not limited in time or scope. AEP Ohio further objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves an incomplete hypothetical. The Company further objects that the requested information is publicly available. Without waiving these objections or any general objections the Company may have, the Company states as follows.

a. If the question is seeking identification of additional transmission projects supporting additional data center load, please see the Company’s response to OEG-INT-1-1.

b. Mr. McKenzie’s reference to “transmission buildout” on page 4 of his testimony is to potential transmission investments that may be necessary in order for AEP Ohio to serve the 30,000 MW of potential data center projects on AEP Ohio’s queue. Transmission facility construction is governed by the FERC-jurisdictional PJM tariff. Under that tariff, there are multiple entities that may be responsible for constructing specific transmission facilities, depending on the specific situation and factors such as the capacity of the transmission infrastructure being built, the reason for the project, the location of the project, and other factors. It cannot be determined which entity would construct any transmission investment needed to serve the more than 30,000 MW of data center projects on AEP Ohio’s queue of potential future projects. If the project involves an upgrade to a facility in the AEP Ohio zone, the entity would likely be AEP Ohio or AEP Ohio Transmission Company. Nothing in AEP Ohio’s proposed data center tariffs here seeks to change the PJM OATT or in any way affect the way transmission projects are completed under the PJM OATT.

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

c. AEP Ohio objects to this request insofar as it is vague and ambiguous. AEP Ohio further objects to this request insofar as it calls for speculation. Subject to and without waiving this objection, AEP Ohio states as follows: Mr. McKenzie’s reference to “transmission buildout” on page 4 of his testimony is to potential transmission investments that may be necessary in order for AEP Ohio to serve the 30,000 MW of potential data center projects on AEP Ohio’s queue. At this time, AEP Ohio cannot speculate about what specific projects or costs would be involved in this transmission buildout, or the extent to which any future projects would be “supplemental” as that term is defined by the FERC-jurisdictional PJM tariff. Whatever the scope and cost of any future transmission buildout to facilitate service to data center projects, AEP Ohio’s transmission costs as a load serving entity (“LSE”) (*i.e.*, as a transmission *user*) are reflected in AEP Ohio’s Basic Transmission Cost Rider (“BTCR”) and are based on the FERC-jurisdictional PJM tariff and the Transmission Agreement among the AEP East Companies. Under these governing tariffs, costs of any future “transmission buildout” (as referenced in AEP Ohio witness McKenzie’s Testimony at 4) could be allocated among all transmission owners in PJM and/or among all transmission owners in the AEP East Zone, depending on the scope, location, and reasons for each future project, among other factors.

d. AEP Ohio objects to this request insofar as it is vague and ambiguous. AEP Ohio further objects to this request insofar as it calls for speculation. Subject to and without waiving this objection, AEP Ohio states as follows: Mr. McKenzie’s reference to “transmission buildout” on page 4 of his testimony is to potential transmission investments that may be necessary in order for AEP Ohio to serve the 30,000 MW of potential data center projects on AEP Ohio’s queue. At this time, AEP Ohio cannot speculate about what specific projects or costs would be involved in this transmission buildout, nor can AEP Ohio speculate about which entity would be responsible for constructing the projects. Broadly speaking, the costs that AEP Ohio and all other transmission owners (“TOs”) in PJM incur are recovered from LSEs and other entities according to the FERC-jurisdictional PJM OATT. Nothing in AEP Ohio’s proposed data center tariffs here seeks to change the PJM OATT or in any way affect the way transmission costs are recovered by TOs and allocated to LSEs under the PJM OATT.

Prepared by:

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Matthew S. McKenzie

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-042 Has AEP or an affiliate-maintained records regarding the costs of supplemental transmission projects in Ohio since 2015?

RESPONSE

AEP Ohio objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the form of the question as this request is vague, undefined, and unduly burdensome. AEP Ohio further objects that this request is overbroad as it is not limited in time or scope. The Company further objects to the extent this request seeks information from an unregulated affiliate. The Company further objects that the request is unduly burdensome because it is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. The Company further objects that the requested information is publicly available. Without waiving these objections or any general objections the Company may have, the Company states as follows. All projected costs of transmission are available on PJM’s construction tracker website: <https://www.pjm.com/planning/m/project-construction>. The cumulative historical, actual costs for transmission projects are available through AEP’s FERC Form 1 filings.

Prepared by:

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**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-043 If the answer to OMAEG-INT-01-042 is affirmative, what are the aggregate costs of supplemental transmission projects in AEP’s service territory in Ohio since 2015?

RESPONSE

Please see the Company's response to OMAEG-INT-01-042, the objections and response to which are hereby incorporated by reference.

Prepared by:
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**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-044 What portion of supplemental transmission project costs is collected from prospective customers such as data centers?

RESPONSE

AEP Ohio objects that this request is vague, undefined and ambiguous. AEP Ohio further objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves an incomplete hypothetical. Without waiving these objections or any general objections the Company may have, the Company states as follows. No transmission project costs are recovered from “prospective customers” because “prospective customers” do not pay AEP Ohio’s electric service rates until their projects are energized and AEP Ohio begins providing electric service.

Prepared by:

Matthew S. McKenzie

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-045 Has AEP or an affiliate maintained records regarding the costs of supplemental transmission projects in Central Ohio as defined by AEP since 2015?

RESPONSE

AEP Ohio objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent this request seeks information from an unregulated affiliate. The Company further objects to the form of the question as this request is vague, undefined, and unduly burdensome. AEP Ohio further objects that this request is overbroad as it is not limited in time or scope. The Company further objects that the request is unduly burdensome because it is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. The Company further objects that the requested information is publicly available. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see response to OMAEG-INT-01-042.

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**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-046 If the answer to OMAEG-INT-01-045 is affirmative, what are the aggregate costs of the supplemental transmission projects in Central Ohio as defined by AEP since 2015?

RESPONSE

Please see the Company's response to OMAEG-INT-01-042, the objections and response to which are hereby incorporated by reference.

Prepared by:
Kamran Ali

**OHIO POWER COMPANY'S RESPONSE TO
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DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-047 Does AEP have a proposal regarding the revenues that will be received by AEP under the new tariffs by AEP from data center customers (i.e., where they will be booked or applied)? Please identify where the revenue from the demand charges and exit fees will be booked or applied.

RESPONSE

AEP Ohio objects to the this request as vague, undefined, and ambiguous. Specifically, the concept of "booked or applied" is vague and undefined. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves an incomplete hypothetical. Without waiving these objections or any general objections the Company may have, the Company states as follows. AEP Ohio is proposing no change to the way revenue from demand charges are accounted for on AEP Ohio's books. In other words, revenue from demand charges collected from data center customers would be accounted for according to the current accounting practices for revenue from demand charges billed to non-data-center customers, without any change. With respect to exit fees, AEP Ohio is not proposing any specific accounting methodology in this proceeding.

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**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-050 On page 12 of Matthew McKenzie’s direct testimony filed on May 13, 2024 in this proceeding, he describes the Contribution in Aid of Construction (CIAC) agreement that customers have to sign with AEP. Does the CIAC agreement apply to distribution facility upgrades, supplemental transmission facility upgrades, or both?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and/or prefiled Direct Testimony in this matter. AEP Ohio further objects that this request is vague and undefined. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that this request seeks information associated with an incomplete hypothetical. Without waiving these objections or any general objections the Company may have, the Company states as follows. The facilities to which a customer’s CIAC requirement applies is governed by Paragraph 10 of the Terms and Conditions of AEP Ohio’s PUCO-Approved Tariff. The CIAC requirement is applied on a case-by-case basis according to the specific facilities required for each customer. This is the same for data center customers as for non-data-center customers.

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**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-051 Are there transmission or distribution facility investments for customers that do not require a CIAC?

RESPONSE

Please see the Company's response to OMAEG-INT-01-050, the objections and response to which are hereby incorporated by reference.

Prepared by:

Matthew S. McKenzie

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-053 In an emergency load shed situation, would customers with contract capacity have power maintained while other customers on the same transmission facility have their power shut-off?

RESPONSE

AEP Ohio objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that this request seeks information associated with an incomplete hypothetical. AEP Ohio further objects that this request is vague, undefined, and unintelligible such that the Company cannot respond to the question without further clarification.

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**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
FIRST SET**

INTERROGATORY

OMAEG-INT-01-072 What is AEP's available transmission facility capacity outside of Central Ohio as defined by AEP, but within the geographic boundaries of Ohio?

RESPONSE

AEP Ohio objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. The Company further objects that the request involves an incomplete hypothetical.

The Company further objects that the request is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. Without waiving these objections or any general objections the Company may have, the Company states as follows. The available transmission capacity at any geographic location is depended on a number of factors including but not limited to available generation, transmission outages, transmission congestions, load profile of existing customer, etc. For that reason and in accordance with published standards and criteria, the Company's practice is to perform a study prior to committing to serve a new load.

Prepared by:

Kamran Ali

Attachment JS-4

(Excerpted AEP Ohio's Responses to OMAEG's Second Set of
Discovery Requests)

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
SECOND SET**

INTERROGATORY

OMAEG-INT-02-001 AEP Ohio’s proposed Data Center Power Tariff states that a customer is “required to reduce its demand upon the Company’s system during an RTO or Company-declared emergency event.” Does AEP Ohio consider a Post-Contingency Local Load Relief Warning from PJM to be an RTO-declared emergency event, which would trigger this provision of the proposed tariff?

RESPONSE

The referenced warning from PJM would constitute an EEA 2 level event within PJM. However, there can be area-specific events that will result in real-time voltage or thermal contingencies that would result in immediate load curtailment on the system.

Prepared by:
Matthew S. McKenzie

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
SECOND SET**

INTERROGATORY

OMAEG-INT-02-006 Referring to page 7 of the Application filed on May 13, 2024 in this case where AEP Ohio states there is a "queue" for the 30,000 MW of inquiries, what are the specific steps that AEP Ohio takes internally once a potential customer has been placed in the queue?

RESPONSE

The Company objects to the form of the question and further objects because this request is vague, ambiguous, unintelligible, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. As described in the testimony of Company witness McKenzie, under AEP Ohio's proposal in this proceeding, "AEP Ohio will ask new data center customers to sign ESAs before transmission infrastructure is built to serve the data center's load. Immediately after the data center tariff is approved, AEP Ohio will reach out to the 30,000 MW of potential customers who have told AEP Ohio they have an interest in building a data center in AEP Ohio's service territory. AEP Ohio will ask these potential customers whether they are willing to sign a ten-year commitment under the data center contract. AEP Ohio expects that many potential data center customers will be willing to make this commitment and will sign the ESA, but there will likely be some customers who will not sign because their interest in building a data center has passed or was speculative to begin with."

Prepared by:

Lisa O. Kelso

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
SECOND SET**

INTERROGATORY

OMAEG-INT-02-007 For data center loads under 25 MW that are served with existing infrastructure, are extra-high-voltage (EHV) lines already sized to serve existing infrastructure and load?

RESPONSE

The Company objects to the form of the question and further objects because this request is vague, ambiguous, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. Yes. AEP Ohio does not begin service to a data center customer unless there is sufficient transmission capacity to serve that load. Therefore, data centers “under 25 MW that are served with existing infrastructure” are served with existing infrastructure.

Prepared by:
Matthew S. McKenzie

**OHIO POWER COMPANY’S RESPONSE TO
THE OHIO MANUFACTURERS’ ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
SECOND SET**

INTERROGATORY

OMAEG-INT-02-008 Referring to AEP Ohio’s response to OMAEG-INT-01-040(a) stating that “there are multiple entities that may be responsible for constructing specific transmission facilities,” how is it determined whether AEP Ohio or AEP Transmission Company (AEP TransCo) builds transmission facilities?

RESPONSE

The Company objects to the form of the question and further objects because this request is vague, ambiguous, overbroad and/or unduly burdensome. The Company further objects to the extent the request seeks information which is outside the scope of the case and is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. AEP utilizes the Project Selection Guidelines in deciding which entity will construct specific transmission facilities.

Prepared by:

Kamran Ali

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
SECOND SET**

INTERROGATORY

- OMAEG-INT-02-009 Referring to page 12 of Matthew McKenzie's direct testimony filed on May 13, 2024 in this proceeding where he describes the Contribution in Aid of Construction (CIAC) agreement that customers have to sign with AEP:
- a.: Does CIAC apply to all AEP Ohio line extensions, whether distribution or transmission?
- b.: Does CIAC apply to AEP TransCo's costs to construct line extensions?
- c.: Does CIAC apply to AEP TransCo's costs associated with supplemental transmission projects?

RESPONSE

AEP Ohio objects that this request is vague, undefined, and unintelligible such that the Company cannot respond to the question without further clarification. The Company further objects because it is unable to fully answer the hypothetical question posed in the absence of all of the pertinent assumptions and fact/circumstances that apply to the hypothetical scenario. Additionally, the Company objects that the requested information is publicly available in the Company's tariffs and states that each individual provision of the tariffs lists the most recent date it was revised. Without waiving forgoing objections, the Company states as follows:

- a. Under AEP Ohio's Commission-approved tariff, CIAC requirements apply to all AEP Ohio retail customers for all "line extensions" as that term is defined in the tariff, regardless of whether the customer's service voltage is distribution voltage or transmission voltage.
- b.-c. AEP Ohio Transmission Company Inc. is not a party to this proceeding.

Prepared by:

Matthew S. McKenzie

**OHIO POWER COMPANY'S RESPONSE TO
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP
DISCOVERY REQUEST
PUCO CASE NO. 24-508-EL-ATA
SECOND SET**

INTERROGATORY

OMAEG-INT-02-010 Can AEP TransCo's costs associated with constructing line extensions include supplemental transmission projects?

REQUESTS FOR PRODUCTION OF DOCUMENTS

RESPONSE

The Company objects to the form of the question and further objects because this request is vague, ambiguous, overbroad and/or unduly burdensome. The Company further objects to the extent the request seeks information which is outside the scope of the case and is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Prepared by:

Kamran Ali

Attachment JS-5

(Excerpted AEP Ohio's Responses to OEG's First Set of
Discovery Requests)

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

INTERROGATORY

OEG-INT-1-1. At Paragraph 16 of the Application, AEP states that “significant transmission investments will be required for AEP Ohio to continue to provide safe and reliable electricity to the existing customers and customers with signed agreements for service commencing in the near future.” Please describe the dollar amount by year of these “significant transmission investments” to serve existing load and customers with signed agreements.

a.: Please reconcile the above statement with Mr. Ali’s statement on page 8 of his Testimony that “As a result of investments that have been made to expand the capacity of the Central Ohio transmission grid since 2012, the Company has the ability to serve the additional incremental contracted demand.”

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company’s Application and prefiled Direct Testimony in this matter. The Company further objects to this request as vague and undefined, including but not limited to use of the term “reconcile.” The Company further objects that the request calls for a narrative response and would be unduly burdensome to provide. Without waiving these objections or any general objections the Company may have, the Company states as follows. Paragraph 16 of the Application is discussing transmission investments that will be needed not only to serve the approximately 5,000 MW of load by 2030 from data center projects that have signed ESAs, but also the investments that are required to serve the more than 30,000 MW of load from potential customers who have expressed interest in building data centers in AEP Ohio’s Central Ohio service territory. The statement in AEP Ohio witness Ali’s testimony is in reference to the existing infrastructure and relatively lower cost for required upgrades to serve only the approximately 5,000 MW by 2030 of data center projects with signed ESAs. All transmission investments to serve these customers with signed ESAs have been presented (with costs) in the PJM M-3 process and are available publicly, see: [20231205-item-13---aep-supplemental-projects.ashx \(pjm.com\)](https://www.pjm.com/commitments/20231205-item-13---aep-supplemental-projects.ashx).

Prepared by:

Counsel
Kamran Ali

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

INTERROGATORY

OEG-INT-1-2. At Paragraphs 16 and 17 of the Application, AEP states that “to accommodate the more than 30,000 MW of requested load” it may be necessary to build “120 miles of kV line [and] would take approximately 7-10 years to build and could cost hundreds of million of dollars.” Mr. McKenzie asserts at pages 5-7 of his Testimony that a new 120-mile 765 kV transmission line could cost billions of dollars. Please reconcile these apparently conflicting cost estimates.

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and prefiled Direct Testimony in this matter. The Company further objects to this request as vague and undefined, including but not limited to use of the term “reconcile.” The Company further objects that the request calls for a narrative response and would be unduly burdensome to provide. Without waiving these objections or any general objections the Company may have, the Company states as follows. Each statement was meant to provide a high-level order of magnitude for the likely significant cost of the referenced investment. AEP Ohio has not conducted any specific analysis of potential transmission investment to be built in the future. Please see AEP Ohio's response to OEG-INT-1-3 concerning estimated per-mile cost of 765 kV transmission line construction.

Prepared by:

Counsel
Matthew S. McKenzie

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

INTERROGATORY

OEG-INT-1-3. Please provide a quantification of the billions of dollars to construct a new 120 mile 765 kV line referenced by Mr. McKenzie. In your quantification, please provide the cost of steel towers (including foundations) and wires, indicate how construction period interest was treated and identify the amount of interest, identify necessary substation upgrades and the cost, identify new substation costs, identify land acquisition, right of way and permitting costs, identify A&G and overhead costs, and identify whether a contingency was included and if so what percent.

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and prefiled Direct Testimony in this matter. The Company further objects to this request as vague and undefined. The Company further objects that the request calls for a narrative response. The Company further objects that the request is unduly burdensome because it is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. Without waiving these objections or any general objections the Company may have, the Company states as follows. The requested quantification has not been completed and is not available as requested. The Company has provided cost estimates on a general per-mile cost basis based on previous history and experience in constructing 765 kV transmission lines. Currently, new 765 kV lines are expected to cost \$4-\$7M per mile (including towers, conductors, associated hardware and right-of-way). This cost does not include any station or terminal costs. Additionally, right-of-way costs can vary significantly across the length of the line and all costs are subject to change over time. All costs will go through an engineering and estimating stage when solutions are identified and formalized; this illustration was provided to point to potential solutions and costs that would be associated with them.

Prepared by:

Counsel
Kamran Ali

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

INTERROGATORY

- OEG-INT-1-4. Please refer to the Testimony of Mr. Ali.
- a.: At page 3 he states that there are "approximately 8,648 circuit miles of transmission line in the Ohio system..." Does this include the transmission lines of both AEP Ohio and AEP Ohio Transmission Company? If yes, please provide the breakdown between the utility and the Transco.
 - b.: At page three he lists the three types of transmission: extra high voltage, transmission, and sub-transmission. For each of these three categories, for the utility and Transco listed separately, please provide the number of miles and rate base cost included in the most recent OATTs.
 - c.: At page three he states that Ohio's transmission system includes approximately 9,388 MW of peak load in 2023. Please break this out by wholesale and retail interconnections.
 - d.: Please provide the "holistic infrastructure analysis" referenced on page 6 line 17.
 - e.: On page 10, Mr. Ali describes \$5 billion of new transmission projects approved by PJM for Dominion and FirstEnergy to serve over 7,500 MW of new data center load. To the extent known, will these costs be socialized across PJM through RTEP or some other process? If yes, what percent will be assigned to the AEP East transmission zone?
 - f.: For system planning purposes, what is AEP's estimate of the per mile cost of new 765 kV transmission?
 - g.: At page 12, Mr. Ali states that "Any new EHV line will have far reaching, regional implications and will need to be thoroughly analyzed and considered by PJM and stakeholders." If a new 765 kV line is built to serve new data center load in Central Ohio, does AEP expect that part of the cost will be socialized through RTEP or some other process? If yes, what percent? What percent of such a new line does do you expect will be assigned to AEP Ohio?

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and prefiled Direct Testimony in this matter. The Company further objects to this request as vague and undefined. The Company further objects that the request calls for a narrative response. The Company further objects that the request is unduly burdensome because it is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. Without waiving these objections or any general objections the Company may have, the Company states as follows:

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

- a. Yes, approximately 8,648 circuit miles of transmission line in the Ohio system includes both AEP Ohio (7,320) and AEP Ohio Transmission Company (1,328).
- b. AEP Ohio further objects that the request is vague and compound. Without waiving these objections or any general objections the Company may have, the Company states as follows. The rate base of the three types of transmission investment identified in witness Ali's testimony is not separately tracked. Rate base associated with the current OATT is available at: <https://www.aep.com/requiredpostings/oatt> .
- c. The peak retail load in 2023 was 8,103 MW. The peak wholesale load in 2023 was 1,285 MW.
- d. Please see the Company's response to Staff DR 2-2.
- e. AEP Ohio further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects because the request seeks information that is not known at this time and is not within the Company's possession. Without waiving these objections or any general objections the Company may have, the Company states as follows. All PJM cost allocation assignments for future projects can be found on the PJM construction tracker spreadsheet. The PJM construction tracker spreadsheet baseline ID associated with the Dominion projects referenced in Witness Ali's testimony is b3800.
- f. Please see the Company's response to OEG-INT-1-3, the objections and response to which are hereby incorporated by reference.
- g. AEP Ohio further objects to the extent the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves and incomplete hypothetical. Without waiving these objections or any general objections the Company may have, the Company states as follows. Any cost allocation determination will be completed by PJM in accordance with the FERC approved tariff. Please see: <https://www.pjm.com/planning/m/project-construction> .

Prepared by:

Counsel
Kamran Ali

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

INTERROGATORY

OEG-INT-1-6.

Please refer to the Testimony of Mr. McKenzie.

a.: On page 4 he discusses that if data center projects are cancelled or use less power than planned, then “more of the costs of the transmission buildout will be borne by retail customers in the PJM region including AEP Ohio’s other customers.” Does AEP expect that the cost of any new 765 kV line will be socialized across PJM through the RTEP or similar process? If yes, what percent will be socialized and what percent will be assigned to the AEP Ohio?

b.: At page 5 he explains that because there is “no RTO controlled generation in Central Ohio” AEP Ohio must import power. Please describe how much transmission could be avoided if new generation was constructed in Central Ohio. Please describe why new local generation in Central Ohio could avoid new transmission. Please provide any studies prepared by AEP that address this topic.

c.: At page 5 he stated that according to Mr. Ali, building a “new EHV transmission line to Central Ohio could cost billions of dollars and take 7-10 years to plan, design, site and construct.” Please provide all studies or analysis to support the statement that a new EHV line could cost “billions of dollars.”

d.: Please provide all studies that forecast the impact on AEP Ohio’s BPCR rates if a new 120 mile 765 kV transmission line is built compared to not building the new EHV line. For purposes of this question please assume two demand scenarios. One where half of the 30,000 MW of new data center load is built and another where all of the data center load is built.

e.: At pages 11-12, he testifies that AEP Ohio has signed LOAs and ESAs with customers for approximately 5,000 of new data centers by 2030. Please provide copies of these LOAs and ESAs with the names of the individual customers redacted.

f.: At page 13 he states that “no single data center can be asked to sign an LOA to reimburse AEP Ohio for the cost of a multibillion-dollar 765 kV line that is being built for numerous customers.” Please provide all studies which examine the feasibility and reasonableness of having the new data centers pay up-front through LOAs before the customer is energized for their portion of the incremental cost to serve this new load, as opposed to one customer paying for the entire 765 kV line. If no such studies exist, please explain why AEP Ohio has not examined this issue.

g.: Please provide all studies which examine the feasibility and reasonableness of having the new data centers pay for their portion of the incremental costs of a new 765 kV line over time (not up-front)

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

through ESAs after the customer is energized.

h.: If this Application is approved, please confirm that there is nothing which would prohibit future Commissions from changing the annual BTCR cost allocation method among rate schedules including the new DCP and MDC/FLT rates.

i.: What is the typical level of customer specific costs to serve new data center load (such as a new radial transmission line that only serves one customer or a new substation that only serves one customer). Please provide this information for data centers of 50 MW, 100 MW and 500 Mw.

RESPONSE

AEP Ohio objects to the extent the request mischaracterizes the Company's Application and prefiled Direct Testimony in this matter. The Company further objects to this request as vague and undefined. The Company further objects that the request calls for a narrative response. The Company further objects that the request is unduly burdensome because it is seeking information that is not kept in the ordinary course of business and would be unduly burdensome to provide. Without waiving these objections or any general objections the Company may have, the Company states as follows:

- a. Please see the Company's response to OEG-INT-1-4.g, the objections and response to which are hereby incorporated by reference.
- b. AEP Ohio further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves and incomplete hypothetical. Without waiving these objections or any general objections the Company may have, the Company states as follows. AEP Ohio has not conducted the requested study.
- c. Please see the Company's response to OEG-INT-1-3, the objections and response to which are hereby incorporated by reference.
- d. AEP Ohio further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves and incomplete hypothetical. Without waiving these objections or any general objections the Company may have, the Company states as follows. AEP Ohio has not conducted the requested study.
- e. AEP Ohio objects that the request seeks information that is not relevant or likely to lead to the discovery of admissible information. AEP Ohio further objects that the request is overly broad and unduly burdensome. The Company further objects to the extent it seeks competitively sensitive customer information that is protected by Ohio law and/or Ohio Adm. Code 4901:1-10-24. Without waiving these objections or any general objections the Company may have, the Company states as follows. Please see AEP Ohio's response to Staff DR 1-2.

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

- f. AEP Ohio has not conducted the requested study. The statement was meant to convey that it would be unreasonable to ask any single customer to sign an LOA associated with the full cost of a 765 kV transmission line.
- g. AEP Ohio has not conducted any studies regarding the cost allocation or rate design for any transmission costs associated with new 765 kV transmission lines.
- h. AEP Ohio further objects because the request calls for speculation about future events that are not yet known to AEP Ohio. The Company further objects that the request involves and incomplete hypothetical. The Company further objects that the request seeks a legal conclusion.
- i. The Company further objects that the request seeks a legal conclusion. Without waiving these objections or any general objections the Company may have, the Company states as follows. CIAC costs are based on the actual costs needed to connect service to the customer, which depends on numerous factual circumstances specific to that customer. For the terms and conditions associated with allocating CIAC, please see the Company's approved tariffs; specifically, Sheet Nos. 103-6 through 103-9, which are available at: <https://www.aepohio.com/lib/docs/ratesandtariffs/Ohio/June2024AEPOhioTariffBook.pdf>. There may be a way to develop average or generic cost estimates for data center service connections at various levels of capacity.

Prepared by:

Counsel

Matthew S. McKenzie (sub-parts a, d, e, f, g, and i)

Kamran Ali (sub-parts b & c)

Respectfully submitted

/s/ Michael J. Schuler

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Attachment JS-6

(Excerpted AEP Ohio's Responses to DCC's Second Set of
Discovery Requests)

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**

INTERROGATORY

DCC-INT-02-001 In the Application, page 4, paragraph 12, AEP represents: "Absent additional capacity (discussed below), even just the future load growth that is under contract will leave minimal amounts of reserve capacity for additional (non-data center) load growth for all existing and future customers in central Ohio." Explain with particularity the "minimum amounts of reserve capacity" referenced therein, including the megawatts of such reserve capacity?

RESPONSE

The Company objects to the characterization of testimony as being inaccurate. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. See the Company's response to Staff-DR-1-5. The Company has not quantified the current amount of reserve capacity for additional load growth in Central Ohio.

Prepared by:

Counsel
Kamran Ali
Lisa O. Kelso

**OHIO POWER COMPANY’S RESPONSE TO
DATA CENTER COALITION’S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**

INTERROGATORY

DCC-INT-02-020 Describe with particularity how charges collected under the proposed Data Center Power tariff will be utilized by AEP.

RESPONSE

The Company objects to the form of the question and further objects because this request is vague, ambiguous, overbroad and/or unduly burdensome. Specifically, AEP Ohio objects to the phrase “utilized by AEP” as undefined and vague. Without waiving and subject to these objections, AEP Ohio states as follows: Please see the Company’s response to DCC-INT-02-021.

Prepared by:

Counsel
Matthew S. McKenzie

**OHIO POWER COMPANY’S RESPONSE TO
DATA CENTER COALITION’S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**

INTERROGATORY

DCC-INT-02-021 Describe with particularity if and how the charges collected by AEP under the proposed Data Center Power tariff would pay for the construction of additional high-voltage transmission infrastructure.

RESPONSE

The Company objects to the form of the question and further objects because this request is vague, ambiguous, overbroad and/or unduly burdensome. AEP Ohio objects to this request as vague and ambiguous. Specifically, AEP Ohio objects to the phrase “pay for” as undefined and vague. Subject to and without waiving these objections, AEP Ohio states as follows: AEP Ohio incurs charges for the use of the PJM transmission system as a load serving entity (“LSE”) under the FERC-jurisdictional PJM Open Access Transmission Tariff (“OATT”) and according to the FERC-jurisdictional AEP East Companies Transmission Agreement (“AEP East Agreement”). Currently, AEP Ohio recovers these LSE transmission charges through its Basic Transmission Cost Rider (“BTCR”). When new transmission infrastructure is built, a portion of the cost of this infrastructure is allocated to AEP Ohio as an LSE under the OATT and AEP East Agreement. These incremental costs would then be reflected in the BTCR. Customers served under AEP Ohio’s proposed Data Center and Mobile Data Center Tariffs would pay BTCR charges, and these BTCR charges would be subject to the minimum demand provisions in the proposed tariffs. By contributing BTCR revenue according to the minimum demand provisions in the proposed tariffs, data center and mobile data center customers would offset the costs of new transmission investment that flow through the BTCR and thereby lower rates for other customers. With respect to accounting for demand charge and exit fee revenue, see the Company’s response to OMAEG-INT-01-047.

Prepared by:

Counsel
Matthew S. McKenzie

Attachment JS-7

(Excerpted AEP Ohio's Responses to DCC's Third Set of
Discovery Requests)

**OHIO POWER COMPANY'S RESPONSE TO
DATA CENTER COALITION'S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
THIRD SET**

INTERROGATORY

DCC-INT-03-004 Refer to witness McKenzie's testimony, page 9, lines 10-12, where he states: "We need to make sure that data centers do not use up AEP Ohio's capacity so that we have enough capacity available for new job-creating businesses, large and small."
a.: If the proposed Data Center Tariff is approved, how does AEP Ohio plan on ensuring that data centers do not "use up" AEP Ohio's capacity?
b.: Is it AEP's position that rates should be designed to encourage or discourage certain types of businesses to interconnect to AEP's system?

RESPONSE:

REQUEST FOR PRODUCTION OF DOCUMENTS

RESPONSE

- a. As explained in Mr. McKenzie's testimony (at 21), if the data center and mobile data center tariffs are approved as proposed, AEP Ohio will ask customers in AEP Ohio's current 30,000 MW data center queue to sign ESAs under the new tariffs. Once ESAs are signed, the amount of data center load under contract will be used in the transmission planning process to ensure that sufficient and right-sized transmission capacity is built to serve AEP Ohio's data center load. During this interim period, AEP Ohio has sufficient transmission capacity to serve projected non-data center load.
- b. That is not an accurate summary of AEP Ohio's position. As AEP Ohio witness McKenzie explains (at 19): "AEP Ohio's intent is to strike a balance between two competing interests. On the one hand, the data center tariff commitments should be high enough that they provide strong incentives for data centers to follow through with their plans. The commitments should also be high enough that they provide substantial offsetting revenue to pay for necessary investments. On the other hand, the data center tariff commitments should not be so high that they stifle data center development and make it impossible for data centers to agree to."

Prepared by:

Matthew S. McKenzie

Attachment JS-8

(Excerpted AEP Ohio's Responses to Staff's First Set of Data
Requests)

**OHIO POWER COMPANY’S RESPONSE TO
THE PUBLIC UTILITIES COMMISSION OF OHIO’S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

DATA REQUEST

Staff-DR 1-2 The Application 12 states that “AEP Ohio has signed Letters of Agreement or Electric Service Agreements with data center customers that will more than double the amount of load in central Ohio by 2030.” Please provide a copy of all such Letters of Agreement and Electric Service Agreements.

RESPONSE

Please see Staff DR 1-2 COMPETITIVELY SENSITIVE CONFIDENTIAL Attachment 1 for a list of customer data center projects that supports the statement that AEP Ohio’s load in Central Ohio will double by 2030 based on data center project growth. In the list, “Y” means that a Letter of Agreement (“LOA”) or Electric Service Agreement (“ESA”), as applicable, has been signed. Some customers have multiple LOAs representing multiple phases of the design, engineering, and construction process. Customer names have been replaced with pseudonyms to protect competitively sensitive confidential information. Copies of the underlying LOAs and ESAs are available for inspection by Staff at AEP Ohio’s offices, 700 Morrison Rd., Gahanna, Ohio 43230. Although the Company makes changes to its form agreements from time to time, a redacted example LOA and ESA are attached as Staff DR 1-2 Attachments 2 and 3 as being illustrative of the signed LOAs and ESAs being referenced in this answer.

**OHIO POWER COMPANY’S RESPONSE TO
THE PUBLIC UTILITIES COMMISSION OF OHIO’S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-RDR
FIRST SET**

DATA REQUEST

Staff-DR 1-5

Page 8 of the McKenzie testimony states, “AEP Ohio has signed ESAs with customers planning to build approximately 5,000 MW of data center load by 2030. Growth from other customers is on a much smaller scale.” What is the expected additional load by 2030 for non-data center load?

RESPONSE

AEP Ohio’s distribution planning team currently estimates that known and expected Central Ohio load growth from customers *other than data center customers* between 2024 and 2030 is approximately 400 MW.

Attachment JS-9

(Excerpted AEP Ohio's Responses to OCC's Second Set of
Discovery Requests)

**OHIO POWER COMPANY'S RESPONSE TO
THE OFFICE OF OHIO CONSUMERS' COUNSEL'S
DISCOVERY REQUEST
PUCO CASE NO. 24-0508-EL-ATA
FIRST SET**

INTERROGATORY

OCC-INT-01-003 How many customers would be expected to be included in the new classes?

RESPONSE

AEP Ohio objects that the request is vague and undefined. The Company further objects that this request seeks information associated with an incomplete hypothetical. The Company further objects because the request calls for speculation about future events that are not yet known to AEP Ohio.

Attachment JS-10

(Excerpted AEP Ohio's Responses to OEG's First Set of
Discovery Requests)

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**

INTERROGATORY

- OEG-INT-2-1. In response to OEG-Int-1-1, AEP Ohio states:
The statement in AEP Ohio witness Ali's testimony is in reference to the existing infrastructure and relatively lower cost for required upgrades to serve only the approximately 5,000 MW by 2030 of data center projects with signed ESAs. All transmission investments to serve these customers with signed ESAs have been presented (with costs) in the PJM M-3 process and are available publicly, see: (20231205-item-13---aep-supplemental-projects.ashx (pjm.com)).
The linked presentation indicates it would require \$778.7 million of total estimated supplemental transmission investment to connect 18 data centers in Central Ohio with approximately 5,000 MW of load. Of the total, \$280.83 million is for system upgrade costs and \$497.87 million is for direct connection costs.
a.: What portion of the \$497.87 million for direct connection costs would be considered customer-specific and considered for contribution in aid of construction (CIAC) recovery?
b.: Explain what investments are included in the \$497.87 million for direct connection costs. Specifically identify the costs associated with radial transmission lines and protective equipment.

RESPONSE

- a. None is CIAC. AEP only presents non-reimbursable transmission costs to PJM stakeholders as that is the portion that they would potentially be impacted by.
- b. The \$497.87 million referenced is associated with facilities that play a more direct role in the interconnection of the new customers to the transmission grid located near their sites. This includes networked through-path facilities required to integrate the customer's facilities to the transmission system. The costs associated with radial transmission line and protective equipment are also included in the direct connection costs referenced from the PJM slides in the interrogatory. As stated in the Company's response to question 'a', the costs presented represent the non-reimbursable portion of the investment required.

Prepared by:

Kamran Ali

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**

INTERROGATORY

OEG-INT-2-2. Explain the differences between the interconnection requirements for data center load and traditional high load factor manufacturing load. Describe any non-standard investments and infrastructure upgrades that would be required due to the unique nature of data center electricity usage that would not be required for other types of load.

RESPONSE

The Company objects to this request as seeking information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the form of the question and further objects because this request is vague, ambiguous, overbroad and/or unduly burdensome. Although customer service connections can be unique and may present differences, retail customer service connections are governed by commission's rules, orders and the company's tariff. New service connections for transmission voltage retail customers are governed by the following publication, which most recently updated on December 31, 2023:

https://www.aep.com/assets/docs/requiredpostings/TransmissionStudies/Requirements/AEP_Inte rconnection_Requirements_Rev5.pdf.

Prepared by:

Counsel
Kamran Ali
Matthew S. McKenzie

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**

INTERROGATORY

- OEG-INT-2-4. See PJM manual 14B, PJM Regional Transmission Planning Process, page 64, stating that the cost allocation approach for regional facilities with estimated costs greater than \$5 million would be set as follows: 50% of the cost of the upgrade will be assigned annually on a load-ratio share using the PJM Network Transmission Service Peak Load and the applicable load values for Merchant Transmission having Firm Transmission Withdrawal Rights for the 12-month period ending October 31 preceding the calendar year for which the annual cost responsibility allocation is determined 50% of the cost of the upgrade will be assigned annually on a directionally-weighted solution based DFAX methodology.
- a.: In an informal conference, AEP Ohio noted that the AEP allocation of new transmission investment to serve the new load may be approximately 50%. Explain what allocation the Company currently expects and provide the basis for such assumption.
- b.: Explain the assumptions driving a load-ratio share of Network Transmission Service Peak Load.
- c.: Explain the assumptions used to derive the assumed system benefits that are associated with the DFAX methodology.

RESPONSE

- a. The Company objects to the characterization of testimony as being inaccurate. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. The example discussed at the technical conference was illustrative to discuss one possible outcome. Until the details of the new investment is identified through the processes laid out in PJM's Manual B cost allocation is not something that could be known at this time. After they are identified they will follow the cost allocation also laid out in PJM Manual 14B.
- b. The Company objects to the form of the question and further objects because this request is vague, ambiguous, overbroad and/or unduly burdensome. The Company objects to the extent the request seeks information which is outside the scope of the case and is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.
- c. The Company objects to this request as seeking information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence and is beyond the scope of this case. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows.

**OHIO POWER COMPANY'S RESPONSE TO
OHIO ENERGY GROUP'S
DISCOVERY REQUEST
PUCO CASE 24-0508-EL-ATA
SECOND SET**

AEP Ohio is not in a position to defend or justify a methodology for cost allocation that is established by PJM and approved by FERC.

Prepared by:

Counsel

Kamran Ali

Attachment JS-11

(Excerpted AEP Ohio's Responses to Staff's Second Set of Data Requests)

**OHIO POWER COMPANY’S RESPONSE TO
THE PUBLIC UTILITIES COMMISSION OF OHIO’S
DATA REQUEST
PUCO CASE NO. 24-0508-EL-RDR
SECOND SET**

INTERROGATORY

Staff-DR 2-2

Page 6 of the Ali Testimony states that AEP placed a moratorium on taking new service requests from data center customers “to allow AEP’s transmission planning group time to study the impacts that additional data center load requests will have on the electrical delivery system in central Ohio to ensure that the grid can reliably serve the new and existing load.” Please provide the results of any such study or studies, including all calculations with formulas intact.

RESPONSE

The analysis performed by AEP Transmission planning group utilizes proprietary software tools, incorporates voluminous data inputs and outputs and includes critical energy infrastructure information. For a summary of the analysis that was performed by AEP Transmission planning in early 2023, see Staff DR 2-2 CONFIDENTIAL Attachment 1. The Company is available to host Staff personnel in a meeting to further discuss the details of the study.

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

8/29/2024 4:27:29 PM

in

Case No(s). 24-0508-EL-ATA

Summary: Testimony Seryak Direct Testimony with Attachments - AEP Data Center
Tariff (24-508-EL-ATA) electronically filed by Mrs. Kimberly W. Bojko on behalf of
The Ohio Manufacturers' Association Energy Group.

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)
Power Company for New Tariffs Related) Case No. 24-508-EL-ATA
to Data Centers and Mobile Data Centers.)

**SUPPLEMENTAL TESTIMONY OF JOHN A. SERYAK
IN SUPPORT OF THE CUSTOMER COALITION STIPULATION
ON BEHALF OF
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP**

October 18, 2024

1 **I. INTRODUCTION**

2 **Q1. Please state your name and business address.**

3 A1. My name is John A. Seryak. My principal place of business is at 5701 N. High Street,
4 Suite 112, Worthington, Ohio 43085.

5 **Q2. By whom are you employed and in what capacity?**

6 A2. I am the lead analyst at RunnerStone, LLC (RunnerStone) on energy regulatory, policy,
7 and market matters. I am also the Managing Partner of Go Sustainable Energy, LLC (Go
8 Sustainable Energy), a consultancy that provides technical assistance on energy technology
9 and energy management matters to the industrial, commercial, residential, and utility
10 sectors. RunnerStone is a wholly-owned subsidiary of Go Sustainable Energy.

11 **Q3. On whose behalf are you submitting this supplemental testimony?**

12 A3. My supplemental testimony is being sponsored by the Ohio Manufacturers' Association
13 Energy Group (OMAEG).

14 **Q4. Are you the same John Seryak who filed direct testimony in this proceeding on August**
15 **29, 2024?**

16 A4. Yes, I filed direct testimony opposing the Application filed by the Ohio Power Company
17 (AEP Ohio) on May 13, 2024.¹ Independent of a base distribution rate case and without
18 performing a cost of service study, AEP Ohio requested to create two new customer
19 classifications via two new tariffs: (1) the Data Center Power tariff for data center
20 customers with a monthly demand of more than 25 MW and (2) the Mobile Data Center
21 tariff for cryptocurrency/mobile data centers with a monthly demand of 1 MW or greater.²
22 Both tariffs would have discriminated against a certain type of business, treating two new

¹ See Direct Testimony of John Seryak (August 29, 2024) (hereinafter, Seryak Direct).

² AEP Ohio Application For Approval of New Tariffs at 2 (May 13, 2024) (hereinafter, Application).

1 classes of customers differently from all other customers and are doing so without the
2 benefit of a cost of service study to determine the actual cost to serve these types of
3 customers compared to other customers and without considering load characteristics or
4 alternative solutions to the transmission capacity problem alleged by AEP Ohio.

5 **II. OVERVIEW AND CONCLUSIONS**

6 **Q5. What is the purpose of your supplemental testimony in this proceeding?**

7 A5. The purpose of my supplemental testimony is to summarize and support the Joint
8 Stipulation and Recommendation filed on October 10, 2024 in this proceeding by a diverse
9 group of parties (Customer Coalition Stipulation),³ which reasonably resolves the matters
10 raised by AEP Ohio in its Application proposing new Data Center Power and Mobile Data
11 Center tariffs (Application).⁴ In addition to addressing the Customer Coalition
12 Stipulation's proposed Schedule EIC, which would replace the two Data Center Power
13 tariffs that AEP Ohio proposed,⁵ I will explain how the Customer Coalition Stipulation
14 satisfies the PUCO's three-part test for approving settlement agreements.

15 **Q6. Who are the Signatory Parties to the Customer Coalition Stipulation?**

16 A6. The Signatory Parties, who represent a variety of diverse interests, customer groups, and
17 suppliers, include OMAEG, the Ohio Energy Leadership Council, One Energy Enterprises
18 Inc., Amazon Data Services, Inc., Google LLC, Microsoft Corporation, Data Center
19 Coalition, the Ohio Blockchain Council, Interstate Gas Supply, Retail Energy Supply

³ Joint Stipulation and Recommendation (October 10, 2024) (hereinafter, Customer Coalition Stipulation).

⁴ See Application.

⁵ Customer Coalition Stipulation at III.B.2. Under the Customer Coalition Stipulation, the proposed Mobile Data Center Tariff would be eliminated in its entirety.

Association, Constellation Energy Generation, LLC and Constellation NewEnergy, Inc.,
Sidecat LLC, and Enchanted Rock, LLC.⁶

Q7. Could you please summarize your conclusions and recommendations?

A7. I recommend that the PUCO adopt the proposed Customer Coalition Stipulation filed in this case as a just and reasonable resolution to the issues in this case. As detailed below, the Customer Coalition Stipulation (1) is the product of serious bargaining among capable, knowledgeable parties; (2) as a package, benefits ratepayers and the public interest; and (3) does not violate any important regulatory principle or practice. Therefore, it satisfies the PUCO's three-part test and should be approved without modification.

III. SUMMARY OF THE CUSTOMER COALITION STIPULATION AND RECOMMENDATION

Q8. Do the Signatory Parties propose to replace AEP Ohio's Application in this case with the Customer Coalition Stipulation?

A8. No. The Signatory Parties recommend that the PUCO adopt AEP Ohio's Application subject to the modifications proposed by the Customer Coalition Stipulation.⁷

Q9. What modifications are the Signatory Parties proposing?

A9. While the full and complete Customer Coalition Stipulation has been filed with the PUCO, I will focus on the following key modifications to the Application contained in the Customer Coalition Stipulation:

- **Tariff Applicability:** The Schedule EIC (Energy-Intensive Customer) that is established in the settlement will apply to any new load greater than 50 MW at a single location that signs an electric service agreement (ESA) after the effective date of this tariff *if* AEP Ohio provides Proof of a Transmission Capacity Constraint.
 - For purposes of Schedule EIC, the discriminatory treatment against data centers and mobile data centers that are proposed in the Application are being eliminated

⁶ Customer Coalition Stipulation at 15.

⁷ Customer Coalition Stipulation at III.A.1.

and Schedule EIC will not apply to specific customer types, industries or businesses.

- For purposes of Schedule EIC, Proof of a Transmission Capacity Constraint is required to be established through the completion of a study by AEP Ohio that identifies the transmission load capacity at the proposed customer location, and confirms that the proposed customer location has insufficient transmission load capacity, thereby requiring construction of significant transmission system infrastructure. Such a study is required to be shared with the customer or its authorized third-party consultant to verify the study's conclusions.⁸

- **Contract Term:** Customers taking service under Schedule EIC will have the option of selecting one of the following for the term of its ESA:

- **Term A:** Term of the ESA will equal the Load Ramp Period (no greater than four years as further defined below in Section G) plus 8 years, with an option to exit after year 5, with a 1-year exit fee.

- **Term B:** Term of the ESA will equal the Load Ramp Period plus 10 years, with an option to exit after year 7, with no exit fee.

- **Term C:** Term of the ESA will equal the Load Ramp Period plus 12 years, with an option to exit after year 9, with no exit fee.⁹

- **Collateral Requirements:** Customers served under Schedule EIC with a contract capacity of 75 MW or more for a single location will be subject to the security/collateral requirements proposed in AEP Ohio's Application if the customer does not have either (a) a credit rating of at least A- from S&P Global Inc. and A3 from Moody's Corporation or (b) cash and cash equivalents on an audited balance sheet prepared in accordance with Generally Accepted Accounting Principles greater than ten times the collateral requirement.¹⁰

- **Minimum Demand:** The monthly minimum billing demand under Schedule EIC will be no less than the greater of (a) percent of the customer's highest previously established monthly billing demand during the prior 11 months, or (b) a percentage of the customer's contract capacity.¹¹

- **Load Ramp Period:** The "Load Ramp Period" will commence upon energization and will not exceed four years, and the capacity used for determining minimum monthly billing demand will be no less than:

⁸ See Customer Coalition Stipulation at III.B.

⁹ Customer Coalition Stipulation at III.C.

¹⁰ Customer Coalition Stipulation at III.D.

¹¹ Customer Coalition Stipulation at III.E.

1 ○ In Year 1, 30% of contract capacity.

2 ○ In Year 2, 50% of contract capacity.

3 ○ In Year 3, 70% of contract capacity.

4 ○ In Year 4, 90% of contract capacity.¹²

5 Importantly, the settlement also ensures that adequate power is available to the
6 customer's site when the customer is ready to energize and will not assess minimum
7 demand charges on the customer until the power is available.

- 8 • **Resizing Capacity for Existing Customers:** To help alleviate constraints on the
9 transmission system, AEP Ohio is required to initiate a program that will allow existing
10 customers the opportunity to reduce their existing contract capacity upon
11 implementation of the new Schedule EIC, and conduct annual reviews to allow
12 customers to reduce their existing contract capacity to ensure that they have not
13 contracted for too much capacity, without triggering the application of the new tariffs.¹³

- 14 • **Assigning Retail Capacity to Another Customer:** To free up unused capacity and to
15 allow a customer being served under Schedule EIC to reduce its financial commitment,
16 a customer may request that AEP Ohio assign up to 50% of its contract capacity to
17 another Schedule EIC customer.¹⁴

- 18 • **Emergency Interruption:** To alleviate constraints and prevent outages on the grid,
19 customers taking service under Schedule EIC may be interrupted during grid
20 emergencies under the same circumstances as any other customer, including any
21 applicable new regulation or future rule changes.¹⁵

- 22 • **Exit Fee and Minimum Demand Charge Revenue:** To adhere with corporate
23 separation principles, all revenue received by the distribution company (AEP Ohio)
24 through exit fees and minimum demand charges under Schedule EIC are required to be
25 credited to the BTCR revenue requirement or deferred as a regulatory liability with a
26 carrying charge at AEP Ohio's weighted average cost of capital for future refunds to
27 customers.¹⁶

- 28 • **Behind-The-Meter Generation:** To help alleviate constraints on the transmission
29 system, Schedule EIC allows for installation of behind-the-meter generation.¹⁷

¹² Customer Coalition Stipulation at III.G.

¹³ Customer Coalition Stipulation at III.H.

¹⁴ Customer Coalition Stipulation at III.J.

¹⁵ Customer Coalition Stipulation at III.K.

¹⁶ Customer Coalition Stipulation at III.M.

¹⁷ Customer Coalition Stipulation at III.L.

1 **IV. STANDARD FOR CONSIDERING ADOPTION OF A STIPULATION**

2 **Q10. Are you familiar with the standard that the PUCO uses when considering approval**
3 **of a stipulation?**

4 A10. Yes, It is my understanding from participating in PUCO proceedings, and as explained by
5 counsel, the PUCO typically weighs the adoption of stipulations that it is presented for
6 consideration by applying a three-part test for review. The questions that the PUCO
7 considers, as I understand them, are:

8 1. Is the stipulation a product of serious bargaining among capable,
9 knowledgeable parties?

10 2. Does the stipulation, as a package, benefit ratepayers and the public interest?

11 3. Does the stipulation violate any important regulatory principle or practice?

12 **Q11. Does the Customer Coalition Stipulation satisfy the above criteria?**

13 A11. Yes, it does. Below, I will explain in more detail how the Customer Coalition Stipulation
14 fulfills each of the three criteria.

15 **Q12. Can you provide an overview of the events leading up to the Customer Coalition**
16 **Stipulation?**

17 A12. Yes. On June 25, 2024 and July 9, 2024, pursuant to the June 7, 2024 Entry, OMAEG and
18 seventeen other stakeholders submitted comments on AEP Ohio's Application, the
19 classification proposals, and new tariffs.¹⁸ Notably, all but one of the commenters opposed

¹⁸ See Initial Comments of the Ohio Manufacturers' Association Energy Group (June 25, 2024); Initial Comments by the Ohio Energy Leadership Council (June 25, 2024); Comments of One Energy Enterprises Inc. (June 25, 2024); Consumer Protection Comments by the Office of the Ohio Consumers' Counsel (June 25, 2024); Initial Comments of Walmart Inc. (June 25, 2024); Comments of the Ohio Energy Group (June 25, 2024); Initial Comments of Google LLC (June 25, 2024); Comments of Data Center Coalition (June 25, 2024); Initial Comments of Amazon Data Services, Inc. (June 25, 2024); Comments of The Ohio Blockchain Council (June 25, 2024); Comments of Microsoft Corporation (June 25, 2024); Comment of Austin Mitchell, CEO filed on behalf of Synota Inc. (June 25, 2024); Initial Comments of Constellation Energy Generation LLC and Constellation NewEnergy, Inc. (June 25, 2024); Initial Comments of Enchanted Rock, LLC (June 25, 2024); Initial Comments of Interstate Gas Supply (June 25, 2024); Initial Comments of The Retail Energy Supply Association (June 25, 2024); Joint Initial Comments of Buckeye Power, Inc. and American Municipal Power, Inc. (June 25, 2024).

1 AEP Ohio's as-filed Application and as-filed tariffs in some form. Of the stakeholders
2 urging the PUCO to reject or modify AEP Ohio's Application and tariffs, several joined
3 OMAEG in urging the PUCO to reject AEP Ohio's Application and proposed tariffs in
4 their entirety. The remaining stakeholders who were not supportive of the Application as-
5 filed sought clarifications or suggested either amending the proposed tariffs or
6 implementing alternatives.¹⁹

7 Despite a request to commence settlement discussions prior to the filing of
8 intervenor testimony, the first settlement meeting was not scheduled until after OMAEG
9 and fourteen other parties filed testimony in late August 2024. In advance of that meeting,
10 three parties submitted written settlement proposals, all of which I received and provided
11 feedback on prior to the first settlement meeting. Settlement discussions continued for the
12 next few months. It is my understanding that during those discussions, all intervenors,
13 AEP Ohio, and Staff were invited to meet and did in fact meet on numerous occasions to
14 discuss the issues raised in these proceedings. Over twenty different versions of the term
15 sheet were circulated among the parties and discussed during this time period. I received
16 and reviewed all term sheets in order to provide feedback before these meetings and I was
17 kept informed and consulted on the various discussions that took place.

18 Following months of comprehensive negotiations by all parties, 13 of the 22 parties
19 reached a settlement agreement to resolve the matters raised in AEP Ohio's Application.
20 That agreement is detailed in the Customer Coalition Stipulation, which was filed on

¹⁹ See OELC Comments; OCC Comments; OEG Comments; Google Comments; Amazon Comments; Microsoft Comments; Synota Comments; Enchanted Rock Comments; IGS Comments; Joint Buckeye-AMP Comments.

October 10, 2024 and identifies all agreements, conditions, and terms between and among the parties that have agreed to the Customer Coalition Stipulation (the Signatory Parties).²⁰

Q.13. Is the Customer Coalition Stipulation a product of serious bargaining among capable, knowledgeable parties?

A13. Yes. As explained above, the Customer Coalition Stipulation is the result of a lengthy negotiation process involving experienced counsel representing many stakeholders who participate in many PUCO cases. Over the past several months, numerous settlement meetings occurred and over twenty versions of the settlement term sheet were circulated by various intervenors (including OMAEG), AEP Ohio, and Staff that discussed and negotiated the various issues included in the Customer Coalition Stipulation. It is my understanding that all parties were invited to the settlement meetings and provided with copies of the proposed term sheets, and no party was left out of the opportunity to participate and negotiate. In addition to being aware of these meetings, I received and reviewed copies of every iteration of the term sheet and was kept informed by OMAEG's counsel regarding ongoing negotiations. These settlement discussions ultimately resulted in the Customer Coalition Stipulation.

From my experience with the parties involved in these negotiations, they are capable and knowledgeable parties, and would have had ample opportunity to participate in settlement discussions, participate in discovery, and to file and review testimony. The Signatory Parties also represent a broad cross-section of stakeholders with varied and diverse interests including commercial and industrial customer advocates, competitive

²⁰ Five days after the Customer Coalition Stipulation was filed, on October 15, 2024, AEP Ohio circulated another term sheet in opposition to the Customer Coalition Stipulation, which PUCO Staff responded to and redlined the following day.

1 retail electric service providers, data center advocates, data center owners, mobile data
2 center customers, and microgrid advisors.

3 On October 10, 2024, after the conclusion of many negotiations, the Signatory
4 Parties signed the Customer Coalition Stipulation, which differs in several respects from
5 the proposal submitted in the Application because it reflects an overall compromise
6 involving a balance of competing positions from multiple parties and incorporates many of
7 the recommendations offered by interveners while also removing some of the contested
8 proposals advanced in the Application. The terms of the Customer Coalition Stipulation
9 do not necessarily reflect the position that one or more of the Signatory Parties would have
10 taken individually if these issues had been fully litigated without the Customer Coalition
11 Stipulation. For these reasons, the Customer Coalition Stipulation is the product of serious
12 bargaining and negotiation among parties who are familiar with and knowledgeable about
13 its contents.

14 **Q14. Does the Customer Coalition Stipulation, as a package, benefit ratepayers and the**
15 **public interest?**

16 A14. Yes. The Customer Coalition Stipulation modifies certain provisions of AEP Ohio's filed
17 proposal that would have done the following: (1) singled out a certain type of business and
18 imposed new, additional requirements on those businesses without substantiating a need or
19 support for the specific requirements; (2) created two new classes of customers without the
20 benefit of a cost-of-service study to determine the actual cost to serve those types of
21 customers compared to other types of customers and without considering load
22 characteristics or alternatives; (3) singled out data centers to pay for firm service while
23 simultaneously requiring those same customers to forego that firm service by subjecting
24 the customers to interruption in certain cases; (4) were supported by speculative and

1 unsubstantiated load forecasts that have not been validated by PJM as part of a load
2 adjustment process; and (5) improperly assumed, without evidence, that mobile data
3 centers create unique system costs.

4 The Customer Coalition Stipulation benefits customers and the public interest by
5 providing for a non-discriminatory tariff, removing anti-competitive tariff provisions,
6 attempting to alleviate transmission capacity constraints alleged by AEP Ohio, better tying
7 the tariff to the cost causers, promoting transparency in the interconnection process, and
8 adding increased flexibility for customers subject to the new tariff provisions, all of which
9 benefit ratepayers and are in the public interest. Additionally, the Customer Coalition
10 Stipulation benefits customers and the public interest by resolving this case in a fair and
11 equitable manner while also providing benefits and efficiencies as compared to a fully
12 litigated case. In my expert opinion, unlike AEP Ohio's proposal, the Customer Coalition
13 Stipulation actually attempts to address the root problem raised by AEP Ohio regarding
14 current and future constraints on the transmission system and would improve transmission
15 system reliability, transmission system peak loads, and reduce system costs to other
16 customers.

17 **Q15. How does the Customer Coalition Stipulation provide for a non-discriminatory**
18 **tariff?**

19 A15. AEP Ohio's proposed data center tariffs were discriminatory on their face in that they
20 singled out a certain type of business and imposed new, additional requirements (both
21 operational and financial) on those businesses without substantiating a need or support for
22 the specific requirements. On the other hand, the Customer Coalition Stipulation package
23 removes those discriminatory provisions and provides that Schedule EIC will apply to *all*

1 loads greater than 50 MW at a single location,²¹ rather than only one kind of customer's
2 load, and explicitly states that "Schedule EIC shall not be limited in its application to
3 specific customer types, industries, businesses or operational profiles."²²

4 Similarly, AEP Ohio's proposed tariffs forced customers served under those tariffs
5 to participate in PJM's Emergency Demand Response program or a "Company-declared
6 emergency event" or may be subject to disconnection.²³ Such a requirement was
7 discriminatory because AEP Ohio does not have similar provisions in its existing tariffs
8 for other customers. None of AEP Ohio's other customers or classes of customers are
9 subject to mandatory, involuntary, and uncompensated interruption under the stated
10 conditions. The Customer Coalition Stipulation modifies this provision and provides that
11 customers taking service under Schedule EIC may be interrupted during grid emergencies
12 *under the same circumstances* as any other customer.²⁴

13 By lowering AEP Ohio's discriminatory proposed minimum billed demand charges
14 of 90% or 95% of a customer's contract capacity, the Customer Coalition Stipulation
15 package allows data center or mobile data center customers to benefit financially in the
16 same manner as a non-data center customer from the curtailment of their operations or
17 through investment in behind-the-meter technologies, which in turn provides benefits to
18 the grid and the public interest. The Application removed these certain customers from a
19 competitive market that would otherwise be able to serve them while helping to alleviate

²¹ For purposes of Schedule EIC, "Single Location" means an area that is owned, operated, or leased by the customer, which can include a contiguous lot to the area with the customer's metering point, regardless of easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way.

²² Customer Coalition Stipulation at III.B.2.d.

²³ Direct Testimony of Matthew McKenzie at MSM-1 at 5 and MSM-2 at 5 (May 13, 2024) (hereinafter, McKenzie Direct).

²⁴ Customer Coalition Stipulation at III.K.

1 constraints on the transmission grid. Additionally, this Customer Coalition Stipulation
2 reduces the risk for other customers located in AEP Ohio's service territory since it
3 increases the overall quantity of MWs that would be able to be curtailed voluntarily given
4 a grid or transmission emergency.

5 The Customer Coalition Stipulation package also eliminates AEP Ohio's proposed
6 Mobile Data Center tariff in its entirety. This proposed tariff was predicated on the
7 improper assumption that mobile data centers create unique system costs. Notably, this
8 assumption was not supported by any data provided by AEP Ohio. AEP Ohio's proposed
9 Mobile Data Center tariff would have driven away such customers despite the fact that
10 many mobile data centers seek to locate where local grid taps and infrastructure are already
11 present, meaning that the transmission and distribution infrastructure required to serve
12 them has already been built and has already been included in AEP Ohio's rate base. Mobile
13 data centers pay for this existing infrastructure through their service agreements and
14 applicable tariff already, which helps defray the cost of these and other assets for other
15 customers. By eliminating AEP Ohio's discriminatory Mobile Data Center tariff proposal,
16 the Customer Coalition Stipulation package benefits the public interest by encouraging
17 mobile data centers to locate in Ohio and make use of these existing but abandoned
18 infrastructure assets.

19 **Q16. What anti-competitive provisions does the Customer Coalition Stipulation remove?**

20 A16. As noted above, AEP Ohio's proposed tariffs would have forced customers served under
21 those tariffs to participate in PJM's Emergency Demand Response. However, many
22 competitive service providers already offer participation in this program directly to
23 customers without the interference of an electric distribution utility like AEP Ohio.
24 Demand response is a competitive energy service, and there is simply no need for AEP

1 Ohio's involvement. By its nature, this competitive energy service is voluntary for
2 customers, which thus made it discriminatory for AEP Ohio to require certain customer
3 classes to participate in a voluntary program while not imposing the same requirement on
4 all other customer classes. It was also anti-competitive to require a customer's
5 participation in the program because such a requirement would diminish the negotiating
6 power that a customer would have with an Emergency Demand Response provider.
7 Moreover, this requirement was unlikely to even improve reliability (the primary purpose
8 of such programs) since AEP Ohio failed to demonstrate how it would work with data
9 center customers to enact load curtailment or disconnection in a way that functionally
10 improves reliability. Therefore, the Customer Coalition Stipulation package's removal of
11 the PJM participation requirement removes an anti-competitive provision from AEP
12 Ohio's proposed tariff, which benefits ratepayers and the public interest by fostering
13 effective competition in the marketplace.

14 By making Schedule EIC applicable to all customers with specific energy needs
15 who choose to locate in a constrained area, the Customer Coalition Stipulation removes an
16 anti-competitive provision from AEP Ohio's proposed tariff, which benefits ratepayers and
17 the public interest by fostering effective competition in the marketplace. More specifically,
18 AEP Ohio's proposed tariffs were anti-competitive because they singled out a certain type
19 of business and imposed new, additional requirements on those businesses that no other
20 business—including those with similar energy needs/load profiles—in AEP Ohio's service
21 territory. This inherently puts the targeted business at a competitive disadvantage
22 compared to other kinds of businesses in Ohio since they are automatically subjected to

1 higher minimum demand charges, unreasonable contract terms and collateral requirements,
2 and so forth.

3 **Q17. How does the Customer Coalition Stipulation promote grid reliability and better tie**
4 **the tariff to the cost causers?**

5 A17. First, the Customer Coalition Stipulation raises the eligibility threshold from 25 MW to 50
6 MW, which brings Schedule EIC closer in line with thresholds deemed reasonable in other
7 parts of the country. Specifically, 75 MW has been deemed a reasonable threshold when
8 defining “large loads” by the Basin Electric Power Cooperative when developing its Crypto
9 Load and Large Load Tariffs,²⁵ and the Electric Reliability Council of Texas’ Large
10 Flexible Load Task Force similarly determined that 75 MW was a reasonable metric for
11 defining large loads.²⁶

12 Second, the Customer Coalition Stipulation package provides further benefits to the
13 grid and serves the public interest by prohibiting a distribution utility from retaining
14 revenue received from a distribution tariff intended to alleviate or resolve transmission
15 constraints on the transmission system by providing that all exit fee revenue collected by
16 AEP Ohio under Schedule EIC “shall be credited to the BTCR revenue requirement or
17 deferred as a regulatory liability with a carrying charge at AEP Ohio’s weighted average
18 cost of capital.”²⁷ This means that any exit fee revenue will go towards offsetting AEP
19 Ohio’s transmission costs or will be refunded to customers with interest. This will also

²⁵ FERC Docket Nos. ER24-1610-000 and ER24-1610-001, Order at ¶ 59 (August 20, 2024).

²⁶ Direct Testimony of Samantha Robertson at 27 (August 29, 2024). *See also* “TBC Recommended Definition of a Large Flexible Load,” LARGE FLEXIBLE LOAD TASK FORCE, available at <https://www.ercot.com/files/docs/2022/09/23/LFLTF%20Deck%20Sept%2026.pdf>.

²⁷ Customer Coalition Stipulation at III.M.

1 prevent cross-subsidization between business units and uphold corporate separation
2 policies.

3 Third, the Customer Coalition Stipulation lowers the minimum demand charge
4 from AEP Ohio's unprecedented 90–95% of a customer's contract capacity to a more
5 reasonable 75–85% of a customer's contract capacity. This modification strikes a better
6 balance between AEP Ohio's stated desire for customers that use more energy to pay higher
7 demand charges and imposing such high costs on energy-intensive customers that choose
8 to locate in unconstrained areas, or are disincented from managing their peak electrical use
9 loads under AEP Ohio's proposal. Similar to exit fee revenues, the Customer Coalition
10 Stipulation requires AEP Ohio to credit all revenue from demand charges collected under
11 Schedule EIC to the BTCR revenue requirement or defer it as a regulatory liability with
12 interest, which will benefit both the grid and the public interest.

13 Fourth, the Customer Coalition Stipulation package promotes grid reliability,
14 efficiencies, and the public interest by requiring AEP Ohio to initiate a program that will
15 allow existing customers²⁸ the opportunity to reduce or “right size” their existing contract
16 capacity upon implementation of the new Schedule EIC, and conduct annual reviews to
17 allow customers to reduce their existing contract capacity to ensure that they have not
18 contracted for too much capacity, without triggering the application of the new tariffs. This
19 will not only alleviate potential transmission constraints, but incents customers to reduce
20 their load. Similarly, the Customer Coalition Stipulation allows customers to reduce their
21 contract capacity by assigning up to 50% of their contract capacity to another Schedule
22 EIC customer, which helps ensure customers are not paying for capacity they do not

²⁸ Meaning customers with an ESA executed prior to the effective date of Schedule EIC.

1 need/are not using, while also allowing other customers to increase their capacity without
2 needing additional transmission infrastructure build-out.

3 Fifth, the Customer Coalition Stipulation package includes a provision allowing
4 Schedule EIC customers to interconnect behind-the-meter generation and/or co-located
5 load on the same terms and under the applicable interconnection rules as any other
6 customer. This will benefit both the grid and the public interest because behind-the-meter
7 generation and energy storage would reduce load on the transmission system, thus helping
8 alleviate any real transmission system constraints that may exist. For example, rooftop
9 solar systems in Central Ohio reduce transmission system peaks by about 2.6 MW for every
10 10 MW installed, even accounting for winter peaks when solar output is low. Combined
11 heat and power systems exist in Ohio on the order of 5 to 10 MW capacity and would take
12 approximately that entire output off the transmission system at peak hours and most other
13 hours. Behind-the-meter wind can reduce customer load by about 1.8 MW for every 10
14 MW installed. Customers' back-up gas generators also have the ability to take many
15 megawatts of load off of the grid at peak times or during grid emergencies. Lastly,
16 customers may soon be able to economically invest in battery systems, which would charge
17 during low power hours, and discharge during peak hours, thus leveling out load on the
18 transmission system.

19 **Q18. How does the requirement for Proof of a Transmission Capacity Constraint promote**
20 **grid reliability and the public interest?**

21 A18. The Customer Coalition Stipulation promotes grid reliability and the public interest by
22 requiring AEP Ohio to provide Proof of a Transmission Capacity Constraint²⁹ before

²⁹ Transmission Capacity Constraint means existing AEP transmission infrastructure (above 100 kV) is unable to serve the customer while still complying with FERC/NERC reliability requirements.

1 serving a customer under Schedule EIC. This provision is important because AEP Ohio
2 has notably failed to provide the evidence necessary in its Application, testimony, or
3 discovery received to date to substantiate its claim that there is a transmission constraint in
4 Central Ohio. For example, the regional transmission operator (RTO) for AEP Ohio's
5 service territory, PJM, closed its recent transmission planning window for 2029-2032,
6 stating that it did not identify new needs for transmission expansion in AEP Ohio's service
7 territory as part of its Regional Transmission Expansion Planning (RTEP) process.³⁰ This
8 aligns with AEP Ohio's statement in this case that there is enough transmission capacity
9 existing or up to 10,000 MW of load in Central Ohio before significant enhancements need
10 to be made.³¹ PJM's RTEP process does identify where backbone transmission projects
11 are needed, though. Additionally, AEP Ohio's parent company recently announced plans
12 for a jointly owned "backbone" transmission project, which was recently presented to
13 PJM's Transmission Expansion Advisory Committee this month.³² Contrary to the
14 Application and tariff provisions, the PJM documents show that the proposed transmission
15 corridor appears to ship power from Ohio to the East Coast.³³

16 Given the available information and data by AEP Ohio and Ohio's RTO and the
17 recent announcement, the Stipulating Parties believed that they needed to address this issue

³⁰ PJM Reliability Analysis Update at 4 (September 13, 2024), available at <https://www.pjm.com/-/media/committees-groups/committees/teac/2024/20240913/20240913-item-11---reliability-analysis-update.ashx> (Attachment Supp JS-1).

³¹ Direct Testimony of Kamran Ali at 6 (May 13, 2024).

³² PJM Reliability Analysis Update at 55–135 (October 8, 2024), available at <https://pjm.com/-/media/committees-groups/committees/teac/2024/20241008/20241008-item-09---reliability-analysis-update.ashx> (Attachment Supp JS-2).

³³ PJM Reliability Analysis Update at 10–11 (July 9, 2024), available at <https://www.pjm.com/-/media/committees-groups/committees/teac/2024/20240709/20240709-item-10---reliability-analysis-update.ashx> (Attachment Supp JS-3).

1 in the Customer Coalition Stipulation by requiring proof that a transmission capacity exists
2 before charging EIC customers higher demand charges and assessing more stringent
3 operating requirements for that constraint and transmission infrastructure build out. Under
4 the Customer Coalition Stipulation, Proof of a Transmission Capacity Constraint would be
5 established through the completion of a study by AEP Ohio that identifies the transmission
6 load capacity at the proposed customer location, and confirms that the proposed customer
7 location has insufficient transmission load capacity, thereby requiring significant
8 transmission system upgrades. This study will also be shared with the customer or its
9 authorized third-party consultant to verify the study's conclusions. This process will help
10 ensure that Schedule EIC is only applied to customers that will actually place strain on or
11 increase costs to the grid.

12 **Q19. How does the Customer Coalition Stipulation promote transparency in the**
13 **interconnection process?**

14 A19. In addition to requiring AEP Ohio to provide Proof of a Transmission Capacity Constraint
15 before applying Schedule EIC, the Customer Coalition Stipulation package provides that
16 AEP Ohio will post the standard contract and form applications and contracts it uses for all
17 primary and transmission customers (whether served under Schedule EIC or otherwise) on
18 a publicly available website, including load study applications, CIAC agreements, LOAs,
19 new service applications, ramp-up agreements, ESAs, and any other form documents. The
20 Customer Coalition Stipulation package also sets forth a standard process for signing up
21 new Schedule EIC customers, thus providing further transparency to the currently murky
22 process. This benefits both potential new Schedule EIC customers by making AEP Ohio's
23 requirements and expectations clear and publicly available *and* AEP Ohio, which currently

1 has “no way to separate committed data center customers from speculative ones.”³⁴ By
2 AEP Ohio’s admission, “this proceeding is, in part, to clarify the level of interest and
3 commitment to being served.”³⁵ The process proposed by Schedule EIC will better allow
4 AEP Ohio to “separate committed data center customers from speculative ones” and
5 “clarify the level of interest and commitment to being served.”

6 **Q20. How does the Customer Coalition Stipulation add increased flexibility for customers**
7 **subject to the new tariff provisions?**

8 A20. In addition to allowing customers to assign up to 50% of their contract capacity, the
9 Customer Coalition Stipulation allows Schedule EIC customers to choose between three
10 different contract terms and a load ramp period, which all provide the optionality and
11 flexibility to operate and construct their facilities under their own business models and to
12 exit after a certain period after paying a fee if infrastructure is not constructed or other
13 market constraints exist. The settlement also ensures that adequate power is available to
14 the customer’s site when the customer is ready to energize and that minimum demand
15 charges will not be assessed to the customer until the power is available.

16 These provisions will alleviate AEP Ohio’s expressed fears about Schedule EIC
17 customers leaving before AEP Ohio can recover costs expended to serve them, while also
18 not locking in Schedule EIC customers in a way that would make Ohio an unattractive
19 place to locate, balancing the interests of AEP Ohio and its customers. The Customer
20 Coalition Stipulation also modifies the collateral requirements to make it less burdensome

³⁴ McKenzie Direct at 10. *See also* Seryak Direct at Attachment JS-9; Seryak Direct at Attachment JS-3.

³⁵ Seryak Direct at Attachment JS-3.

on Schedule EIC customers while still allowing AEP Ohio to ensure those customers have “skin in the game.”

Q21. Does the Customer Coalition Stipulation violate any important regulatory principle or practice?

A21. No. The Customer Coalition Stipulation is consistent with and supportive of important regulatory principles or practices in the state of Ohio. Specifically, the Customer Coalition Stipulation advances the policy of the state of Ohio expressed in R.C. 4928.02, including:

(A) Ensuring the availability to consumers of adequate, reliable, safe, efficient, nondiscriminatory, and reasonably priced retail electric service;

(D) Encouraging innovation and market access for cost-effective supply- and demand-side retail electric service including, but not limited to, demand-side management, time-differentiated pricing, waste energy recovery systems, smart grid programs, and implementation of advanced metering infrastructure; and

(N) Facilitating the state’s effectiveness in the global economy.

Q22. How does the Customer Coalition Stipulation advance the state policy of ensuring the availability to consumers of adequate, reliable, safe, efficient, nondiscriminatory, and reasonably priced retail electric service?

A22. As discussed above, the Customer Coalition Stipulation eliminates the proposed tariffs that were discriminatory on their face and included various discriminatory provisions. Therefore, the Customer Coalition Stipulation package promotes the availability of nondiscriminatory electric service by removing those provisions and making Schedule EIC applicable to all customers who meet the eligibility requirements rather than targeting one type of customer.

Additionally, the Customer Coalition Stipulation package promotes the availability of reliable electric service. As proposed, AEP Ohio’s minimum billed demand provisions of 90% and 95% of contract capacity essentially turned these charges into fixed charges

1 and effectively disincentivized customers from managing their loads at peak grid times.
2 As such, data centers would have no financial incentive to reduce their load on the
3 transmission grid during transmission peak hours. Thus, hundreds of MWs of potential
4 relief (load curtailment) during peak hours would be locked behind a regressive demand
5 ratchet. With no incentive to manage their peak load, customers will not manage their peak
6 loads. AEP Ohio would thereby create significant reliability threats to its own grid, as
7 customers have no insight into transmission system peak loads and no incentive to do
8 anything about it. In contrast, the Customer Coalition Stipulation package not only lowers
9 the minimum demand charges imposed on Schedule EIC customers, it also affords them
10 the flexibility to assign their contract capacity in the event that they are not using it, which
11 promotes efficiency as well as reliability.

12 **Q23. How does the Customer Coalition Stipulation advance the state policy of encouraging**
13 **innovation and market access for cost-effective supply- and demand-side retail**
14 **electric service including, but not limited to, demand-side management, time-**
15 **differentiated pricing, waste energy recovery systems, smart grid programs, and**
16 **implementation of advanced metering infrastructure?**

17 A23. As discussed above, by removing AEP Ohio's mandatory PJM demand-response program
18 provision, the Customer Coalition Stipulation promotes proper competition for demand-
19 side management programs.

20 **Q24. How does the Customer Coalition Stipulation advance the state policy of facilitating**
21 **the state's effectiveness in the global economy?**

22 A24. As proposed, AEP Ohio's unreasonable and discriminatory tariffs would have essentially
23 allowed AEP Ohio to decide what loads should be able to locate in Ohio, and which kinds
24 of economic development should be supported. The proposed tariffs would have sent a
25 clear signal on behalf of Ohio that data centers are not welcome, which would have a
26 detrimental effect on the State's economic development and technological progress.

1 Moreover, allowing AEP Ohio to impose unreasonable and unlawful tariff terms on one
2 type of industry would set a dangerous precedent allowing AEP Ohio—and potentially
3 other electric distribution utilities—to propose tariffs targeted at certain kinds of customers
4 based on their industry type rather than their electric usage characteristics. On the other
5 hand, the Customer Coalition Stipulation package provides an alternative that facilitates
6 AEP Ohio’s stated goal of improving grid reliability while not singling out a single type of
7 customer to bear the burdens imposed by discriminatory, unlawful, unjust, and
8 unreasonable tariffs.

9 **Q25. How does the Customer Coalition Stipulation advance the important regulatory**
10 **principle of avoiding cross-subsidization?**

11 A25. As I discussed above, Section at III.M. of the Customer Coalition Stipulation requires that
12 all exit fee and minimum demand charge revenue collected by a distribution utility, AEP
13 Ohio, under Schedule EIC “be credited to the BTCR revenue requirement or deferred as a
14 regulatory liability with a carrying charge at AEP Ohio’s weighted average cost of
15 capital.”³⁶ This means that exit fee and minimum demand charge revenue will go towards
16 offsetting AEP Ohio’s transmission costs or will be refunded to customers with interest.
17 Through this provision, the Customer Coalition Stipulation prevents AEP Ohio from
18 retaining revenue received from a distribution tariff intended to alleviate or resolve
19 transmission constraints, which in turn prevents cross-subsidization between business units
20 and upholds corporate separation rules and policies.

³⁶ Customer Coalition Stipulation at III.M.

1 **V. CONCLUSION**

2 **Q26. Do you have a summary recommendation?**

3 A26. I recommend that the PUCO adopt the Customer Coalition Stipulation filed in this case
4 because it satisfies the PUCO's three-part test and represents an equitable resolution to the
5 issues raised in AEP Ohio's Application.

6 **Q27. Does this conclude your supplemental testimony?**

7 A27. Yes, but I reserve the right to supplement or revise my testimony with any new information
8 that becomes available through discovery or otherwise.

CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a copy of the foregoing document also is being served via electronic mail on October 18, 2024 upon the parties listed below.

/s/ Kimberly W. Bojko
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Attachment Supp JS-1

(PJM Reliability Analysis September Update)