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December 3, 2008

## VIA FACSIMILE AND FEDERAL EXPRESS

Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, OH 43215-3793


Re: Case Nos. 08-917-EL-SSO and 08-918-EL-SSO

Dear Sir or Madam:
Enclosed for filing please find an original and 20 copies of The Commercial Group's Brief on a 1/1/09 Plan in the above-referenced cases.

Also enclosed are two extra copies of the document to be date-stamped and returned to me in the enclosed, self-addressed, Federal Express envelope. Please do not hesitate to contact me at the number above if you have any questions.

Thank you for your assistance in this matter.


Enclosures

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## BEFORE

## THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the Columbus Southern Power Company for Approval of its Electric Security Plan; an Case No. 08-917-EL-SSO Amendment to its Corporate Separation Plan; And the Sale or Transfer of Certain Generating Assets

In the Matter of the Application of Ohio Power Company for Approval of its Electric Security
) Plan; and an Amendment to its Corporate Separation Plan
) ) ) ) ) )

## THE COMMERCIAL GROUP'S BRIEF ON A 1/1/09 PLAN

COMES NOW, Wal-Mart Stores East, LP, Sam's East, Inc., and Macy's, Inc. (collectively, the "Commercial Group"), by and through counsel, files this Brief on a 1/1/09 Plan in the above-captioned proceeding.

## I. INTRODUCTION

On July 31, 2008, Columbus Southern Power Company's ("CSP") and ("Ohio Power Company") (collectively, "American Electric Power" or "AEP") filed an electric security plan ("ESP") application with the Public Utilities Commission of Ohio ("Commission") for review and approval pursuant to Amended Substitute Senate Bill 221 ("SB 221"). Under SB 221, the Commission is to issue an order within 150 days of AEP's filing of its ESP application (by December 28, 2008). In AEP's ESP application, AEP proposed in Section V.E. of its application, a plan ("AEP's 1/1/09 Plan") in the event the Commission was unable to meet the SB 221 statutory 150 day period. In response to AEP's 1/1/09 Plan, the Commission Staff filed testimony regarding AEP's 1/1/09 Plan and proposed an Alternative 1/1/09 Plan ("Staff's Alternative 1/1/09 Plan").

As directed by the Hearing Examiners in this proceeding, rebuttal testimony was filed and cross-examination was permitted with respect to the issue of a $1 / 1 / 09 \mathrm{Plan}$ in the event the Commission is unable to issue an order on AEP's proposed ESP by December 28, 2008. Based on the record presented in the above-captioned proceeding with respect to a $1 / 1 / 09$ Plan, the Commercial Group respectfully requests that the Commission reject AEP's 1/1/09 Plan and Staff's Alternative 1/1/09 Plan, as SB 221 contains provisions which provide the Commission authority to continue AEP's existing rate plan (i.e., its current rates) absent an order approving AEP's ESP application.

## II. SB 221 PROVIDES A MECHANISM TO ADDRESS THE STATUTORY TIMELINE

Under the provisions of SB 221, in order for AEP's ESP application to be approved, AEP bears the burden of proof that its ESP application satisfies the requirements of SB 221. In reviewing AEP's application and determining whether the application should be approved as filed, the Commission will review whether, in the aggregate, AEP's ESP application is superior to a market rate offer (as described under Section 4828.142 of SB 221). Currently, the record in this proceeding is still being developed, and cross-examination of witnesses continues. Given the current procedural schedule (and despite the best efforts of the parties and the Hearing Examiners to expedite the proceedings), because of the extensive issues in AEP's ESP application, the Commission may not have a complete record of the evidence in this proceeding in time to review and issue a decision on AEP's ESP application by December 28, 2008.

In such an event, SB 221 permits the Commission to issue an order as is necessary to continue the provisions, terms, and conditions of the utility's most recent standard service offer, until a subsequent service offer is authorized. ${ }^{1}$ Accordingly, at this time, in the event the

[^0]Commission is unable to issue an order on the entirety of AEP's ESP application by December 28,2008 , the Commercial Group respectfully requests that the Commission issue an order continuing AEP's current rate plans, and terms and conditions of service until such time as an order on the entirety of AEP's ESP application can be issued and a final resolution of any issues associated with AEP's ESP application has been obtained. Also, with respect to the issues raised by Constellation New Energy, Inc. and Constellation Energy Commodities Group, Inc. (collectively, "Constellation") regarding the participation of demand response resources in the PJM Interconnection, LLC's ("PJM") demand response programs, the Commercial Group supports Constellation's position and accordingly supports Constellation's request that the Commission clarify that demand response resources that qualify for PJM's demand response programs may continue to participate in such programs.

## III. CONCLUSION

WHEREFORE, for the foregoing reasons, the Commercial Group respectfully requests that the Commission deny AEP's 1/1/09 Plan and Staff's Alternative 1/1/09 Plan, and issue an order continuing AEP's current rates, and terms and conditions of service until such time as an order and final resolution of AEP's ESP application is obtained.

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Respectfully submitted,
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Dated: December 3, 2008

## CERTIFICATE OF SERVICE

I hereby certify that a copy of "The Commercial Group's Brief on a 1/1/09 Plan" was served via first class mail upon the following parties of record this $3^{\text {rd }}$ day of December, 2008.
Douglas M. Marcie (Gar)

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[^0]:    ${ }^{1}$ See SB 221, Section $4928.143(C)(2)(a)$ and $4928.143(C)(2)(b)$.

