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December 11, 2009

VIA FEDERAL EXPRESS

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

Re: Enclosed Documents for Filing in Case Nos. 09-872-EL-FAC, 09-873-EL-FAC and 09-1906-EL-ATA

Dear Sir or Madam:

Enclosed please find an original and twenty (20) copies each of Ormet Primary Aluminum Corporation's ("Ormet") Motion to Intervene and Set Matters for Hearing in Case Nos. 09-872-EL-FAC, 09-873-EL-FAC and 09-1906-EL-ATA and the Motion for Admission *Pro Hac Vice* of Clinton A. Vince, Douglas G. Bonner, Daniel D. Barnowski and Emma F. Hand in the same proceedings. These documents were originally filed by facsimile on December 11, 2009. Two additional copies of each Motion are enclosed to be date-stamped and returned to me in the enclosed, self-addressed Federal Express envelope.

Thank you for your assistance in this matter. If you have any questions please contact me at the telephone number above.

Sincerely,

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Emma F. Hand

Enclosures

This is to certify that the inages appearing are an accurate and complete approximation of a case file document delivered in the popular course of husiness. Technician Processes (0119109)

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## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Fuel Adjustment Clauses for Columbus Southern Power Company and Ohio Power Company

In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company to Modify Their Standard Service Offer Rates Case Nos. 09-872-EL-FAC and 09-873-EL-FAC

Case No. 09-1906-EL-ATA

# ORMET PRIMARY ALUMINUM CORPORATION'S MOTION TO INTERVENE AND SET MATTERS FOR HEARING

Ormet Primary Aluminum Corporation ("Ormet") hereby respectfully moves to intervene in the above-captioned matter pursuant to Ohio Revised Code Section 4903.221 and Section 4901-1-11 of the Commission's Code of Rules and Regulations, with full powers and rights granted by the Commission specifically, by statute, or by the provisions of the Commission's Code of Rules and Regulations to intervening parties. The reasons for granting this motion are contained in the memorandum attached hereto and incorporated herein.

Moreover, for the reasons set forth below, it appears that the proposals in the applications in these proceedings may be unjust or unreasonable. Accordingly the commission should set



these matters for hearing.

Respectfully submitted,

Clinton A. Vince, Counsel of Record Douglas G. Bonner Daniel D. Barnowski Emma F. Hand Keith C. Nusbaum (#0082745) Sonnenschein Nath & Rosenthal LLP 1301 K Street NW Suite 600, East Tower Washington, DC 20005 202.408.8004 Telephone 202.408.6399 Facsimile cvince@sonnenschein.com dbonner@sonnenschein.com dbarnowski@sonnenschein.com ehand@sonnenschein.com knusbaum@sonnenschein.com

Attorneys for Ormet Primary Aluminum Corporation

Dated: December 11, 2009

## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Fuel Adjustment Clauses for Columbus Southern Power Company and Ohio Power Company	) ) Case Nos. 09-872-EL-FAC ) and 09-873-EL-FAC )
In the Matter of the Application of	)
Columbus Southern Power Company and	)
Ohio Power Company to Modify Their	) Case No. 09-1906-EL-ATA

# MEMORANDUM IN SUPPORT OF **ORMET PRIMARY ALUMINUM CORPORATION'S** MOTION TO INTERVENE AND SET MATTERS FOR HEARING

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### I. Motion to Intervene

**Standard Service Offer Rates** 

Ormet Primary Aluminum Corporation ("Ormet") should be permitted to intervene in these matters pursuant to Section 4903.221, Ohio Revised Code and the Commission's Rules and Regulations contained in Section 4901-1-11 of the Ohio Administrative Code. The outcome of these proceedings could impact a power agreement with the Applicants, Columbus Southern Power co. ("CSP") and Ohio Power Co. ("OP") (collectively "AEP Ohio") that determines the rates Ormet pays for electricity.

Under Section 4903.221, any person who may be adversely affected by a Commission proceeding may intervene in such proceeding. The Commission's Rules state that any person shall be permitted to intervene in a proceeding upon a showing that:

The person has a real and substantial interest in the proceeding, and the person is so situated that the disposition of the proceeding may, as a practical matter, impair or

impede his or her ability to protect that interest, unless the person's interest is adequately represented by existing parties.<sup>1</sup>

Ormet has a real and substantial interest in this proceeding. Under the Unique

Arrangement Ormet has with AEP Ohio, approved in Commission Case No. 09-119-EL-AEC,

the rates Ormet pays are discounted against the standard tariff rate applicable to Ormet. Thus,

any increase in that standard tariff rate will increase the rate that Ormet pays for power.

In deciding whether to permit intervention under Section 4901-1-11(B) of the Ohio

Administrative Code, the Commission considers:

- (1) The nature and extent of the prospective intervenor's interest.
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case.
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings.
- (4) Whether the prospective intervenor will significantly contribute to the full development and equitable resolution of the factual issues.
- (5) The extent to which the person's interest is represented by existing parties.

Ormet's unique relationship with AEP Ohio under its Commission-approved power

agreement will assist in the full development and equitable resolution of the factual issues and

indicates that no other party can adequately represent Ormet's interest in these proceedings.

Ormet's intervention is timely and will not unduly prolong or delay the proceedings.

#### II. Motion to Set Matters for Hearing

AEP Ohio has not adequately supported its treatment of the rate for Ormet in these proceedings, and has not developed a consistent treatment for Ormet. There is cause for concern that the rates proposed by AEP Ohio for Ormet could cause AEP Ohio to overcollect. For example, in the December 1, 2009 proposal filed in Case Nos. 09-872-EL-FAC and 09-873-EL-FAC, on Page 2 of 2 of the Workpaper to Schedule 4 for CSP and Page 2 of 3 of the Workpaper

<sup>1</sup> Ohio Admin. Code § 4901-1-11(A)(2) (2007).

to Schedule 4 for OP, AEP Ohio sets forth the figures pertaining to Ormet in the first column labeled "Joint S.T.". Ormet is concerned that while lines 1 through 18 of that column represent figures specific to Ormet, line 19, the figure used for the FAC Rate @ Meter, Secondary, is the same as for GS-4. Using Ormet-specific numbers at the top of the column and the general GS-4 number in line 19 produces a higher rate and greater revenues for AEP Ohio than either (1) simply eliminating the separate column for Ormet and including Ormet's numbers in the GS-4/IRP-D column on Page 1 of the same Workpapers or (2) using an Ormet-specific number in line 19 would produce. It also produces a 6.6% CSP rate increase and a 8.6% OP rate increase for Ormet, well above the 6% CSP increase and 7% OP increase allowed under the Commission's orders in AEP's Electric Security Plan Case.<sup>2</sup> AEP Ohio has offered no justification for this treatment of Ormet. If the standard tariff rate set for Ormet is too high, then AEP Ohio will overcollect either from Ormet or from other customers during periods where Ormet is receiving a discounted rate under its Unique Arrangement with AEP Ohio. Unexplained inconsistencies such as this exemplify the need to set these proceedings for hearing so that the Commission and the parties may examine AEP Ohio's filing in detail and assure themselves that it is just and reasonable.

<sup>&</sup>lt;sup>2</sup> See In the Matter of the Application of Columbus Southern Power Company for Approval of an Electric Security Plan; an Amendment to its Corporate Separation Plan; and the Sale or Transfer of Certain Generating Assets, et al., Case Nos. 08-917-EL-SSO and 08-918-EL-SSO, Opinion and Order, at p.22, filed Mar. 18, 2009.

WHEREFORE, Ormet respectfully requests that the Commission grant its motion to intervene in these proceedings and set these matters for hearing.

Respectfully submitted,

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Clinton A. Vince, Counsel of Record Douglas G. Bonner Daniel D. Barnowski Emma F. Hand Keith C. Nusbaum (#0082745) Sonnenschein Nath & Rosenthal LLP 1301 K Street NW Suite 600, East Tower Washington, DC 20005 202.408.8004 Telephone 202.408.6399 Facsimile cvince@sonnenschein.com dbonner@sonnenschein.com dbarnowski@sonnenschein.com ehand@sonnenschein.com knusbaum@sonnenschein.com

Attorneys for Ormet Primary Aluminum Corporation

Dated: December 11, 2009

## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of Ormet Primary Aluminum Corporation's Motion to Intervene and Memorandum in Support were served by U.S. Mail upon counsel identified below for all parties of record this 11<sup>th</sup> day of December, 2009.

Emma F. Hand

#### SERVICE LIST

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