

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Columbus Southern Power Company and)
Ohio Power Company to Update Each) Case No. 10-477-EL-RDR
Company's Transmission Cost Recovery)
Rider.)

FINDING AND ORDER

The Commission finds:

- (1) Columbus Southern Power Company (CSP) and Ohio Power Company (OP) (collectively, AEP-Ohio or Companies) are public utilities as defined in Section 4905.02, Revised Code, and, as such, are subject to the jurisdiction of this Commission.
- (2) On April 14, 2010, AEP-Ohio filed an application to update its transmission cost recovery riders (TCRR) pursuant to Section 4928.05(A)(2), Revised Code, and Chapter 4901:1-36, Ohio Administrative Code (O.A.C.).
- (3) On May 7, 2010, the Office of the Ohio Consumers' Counsel (OCC) filed a motion to intervene in this proceeding. In addition, the Industrial Energy Users - Ohio (IEU-Ohio) filed a motion to intervene on May 21, 2010.
- (4) Upon consideration of the motions to intervene, the Commission finds that the motions to intervene filed by OCC and IEU-Ohio are reasonable and should be granted.
- (5) Along with its motion to intervene, IEU-Ohio also filed comments on May 21, 2010. In its comments, IEU-Ohio argues that the Commission lost jurisdiction over AEP-Ohio's ESP case, and all subsequent proceedings stemming from the ESP case, including this proceeding,

when it failed to issue an order within the 150-day time period set forth in Section 4928.143, Revised Code. IEU-Ohio also contends that the Commission cannot permit AEP-Ohio to take the benefits of the rates contained in its ESP, including the TCRR, while it simultaneously contests the ESP order and retains the right to withdraw and terminate its ESP.

- (6) On June 10, 2010, AEP-Ohio filed supplemental information in support of its application, including an update to reflect information that was not available at the time of filing of AEP-Ohio's application.
- (7) On June 14, 2010, Commission Staff (Staff) filed a letter in this docket in which it recommended that the Commission approve the application, as updated on June 10, 2010. In its letter, Staff noted that CSP's proposed rates, as updated, reflect a \$25.6 million reduction of the revenues that would be collected under current rates for the July 2010 through June 2011 timeframe. Staff also noted that OP's proposed rates, as updated, reflect a \$29 million reduction of the revenues that would be collected under current rates for the July 2010 through June 2011 timeframe.
- (8) As IEU-Ohio notes in its comments, the Commission has previously rejected the arguments that it lost jurisdiction over AEP-Ohio's ESP case and all proceedings stemming from the ESP case, and that the Commission cannot permit AEP-Ohio to take the benefits of the rates contained in its ESP, including the TCRR, while it contests the ESP order. See, e.g., *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company to Adjust Their Economic Development Cost Recovery Rider Pursuant to Rule 4901:1-38-08(A)(5), Ohio Administrative Code*, Case No. 10-154-EL-RDR, Entry on Rehearing (May 19, 2010). As IEU-Ohio anticipates, we again reject these arguments, as made herein, on the same grounds.

- (9) The Commission finds that the proposed updates to AEP-Ohio's TCRR, as revised on June 10, 2010, are consistent with Section 4928.05(A)(2), Revised Code, and Chapter 4901:1-36, O.A.C., do not appear to be unjust or unreasonable, and should be approved. Therefore, the Commission finds that it is unnecessary to hold a hearing in this matter.

It is, therefore,

ORDERED, That the application filed by AEP-Ohio, as revised on June 10, 2010, be approved. It is, further,

ORDERED, That the motions to intervene filed by OCC and IEU-Ohio be granted. It is, further,

ORDERED, That AEP-Ohio file, in final form, four complete copies of tariffs for each company consistent with this Finding and Order. One copy shall be filed with this case docket, one shall be filed with the AEP-Ohio's TRF dockets, and the remaining two copies shall be designated for distribution to the Rates and Tariffs Division of the Commission's Utilities Department. The Companies shall also update their respective tariffs previously filed electronically with the Commission's Docketing Division. It is, further,

ORDERED, That the effective date of the new tariffs shall be a date not earlier than June 29, 2010, and the date upon which four complete printed copies of each company's final tariffs are filed with the Commission. The new tariffs shall be effective for bills rendered on or after such effective date. It is, further,

ORDERED, That AEP-Ohio shall notify all affected customers via a bill message or bill insert within 30 days of the effective date of the tariffs. A copy of the customer notice shall be submitted to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division, at least 10 days prior to its distribution to customers. It is, further,

ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule or regulation. It is, further,

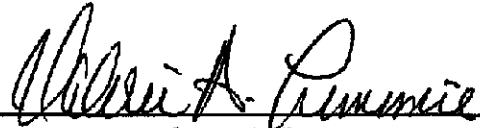
ORDERED, That a copy of this Finding and Order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

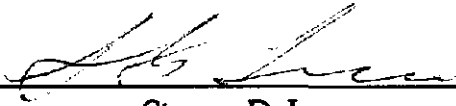


Alan R. Schriber, Chairman

Paul A. Centolella



Valerie A. Lemmie



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Cheryl L. Roberto

RLH/GNS:sc

Entered in the Journal

JUN 23 2010



Renee J. Jenkins
Secretary