

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio )  
Power Company for Approval of its ) Case No. 09-1871-EL-ACP  
Renewable Energy Technology Programs. )

In the Matter of the Application of Columbus )  
Southern Power Company for Approval of its ) Case No. 09-1872-EL-ACP  
Renewable Energy Technology Programs. )

ENTRY

The Attorney Examiner finds:

- (1) On November 30, 2009, as amended December 7, 2009, Ohio Power Company (OP) and Columbus Southern Power Company (CSP) (jointly, AEP-Ohio or Companies) filed applications for approval of a renewable energy technology (RET) program. The purpose of the RET programs is to assist the Companies in meeting their alternative energy resource benchmarks pursuant to the requirements of Section 4928.64, Revised Code. AEP-Ohio asserts that as part of the negotiations in *In the Matter of the Application of Columbus Southern Power Company for Approval of its Program Portfolio Plan and Request for Expedited Consideration*, Case No. 09-1089-EL-POR and *In the Matter of the Application of Ohio Power Company for Approval of its Program Portfolio Plan and Request for Expedited Consideration*, Case No. 09-1090-EL-POR (portfolio plan cases), AEP-Ohio discussed with the parties to the portfolio plan cases the Companies' RET program and agreed to file the instant applications. AEP-Ohio notes that as part of the Stipulation filed in the portfolio plan cases, the signatory parties agreed that the Companies' prudently-incurred costs associated with the proposed RET programs should be recovered through each Companies' fuel adjustment clause (FAC).<sup>1</sup> The Companies file these applications contingent upon cost recovery through each company's FAC.

AEP-Ohio states, among other things, that the key features of the RET programs are as follows: AEP-Ohio will retain title to the renewable energy credits (RECs) for 20 years; AEP-Ohio's

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<sup>1</sup> Portfolio plan cases, Stipulation at 6, paragraph V.4 (November 12, 2009).

total budget for the RET programs, through December 2011, is \$5 million divided equally between CSP and OP with an annual cap of \$1.25 million for the year 2010 and 2011. Incentive monies not awarded in 2010 will carry over to 2011 but all monies must be awarded by December 31, 2011, and will not carry over to 2012. Eligible projects must be installed after January 1, 2010, to participate in a RET program with applications processed on a first-come, first-serve basis.

AEP-Ohio proposes that the incentive for solar photovoltaic (PV) incentive payment for residential and non-residential customers be \$1.50 per kilowatt (kW) for CSP and OP. Further, the Companies propose the maximum incentive per residential customer would be \$12,000 and for non-residential \$75,000. The Companies reason that, because the cost to install and generate using PV varies moderately in the AEP-Ohio service area, the incentive should be the same for both CSP and OP despite the rate difference between the Companies. The Companies propose that the wind incentive be \$0.275/kWh for residential and non-residential customers with a maximum incentive per residential customers of \$7,500 and a maximum incentive for non-residential customers of \$12,000. The Companies request any necessary and appropriate accounting authority to implement the proposed RET programs.

- (2) On January 5, 2010, Industrial Energy Users-Ohio (IEU-Ohio) filed a motion to intervene in these cases. IEU-Ohio asserts that this application will affect the price, adequacy, and reliability of the electric supply and related services to IEU-Ohio members. As such, IEU-Ohio asserts that it has a direct, real, and substantial interest in these proceedings which is not adequately represented by any other party to the proceedings.
- (3) On January 14, 2010, the Office of the Ohio Consumers' Counsel (OCC) filed a motion to intervene. In its motion to intervene, OCC offers that the RET incentives offered by AEP-Ohio should encourage the development and installation of distributed and small generation facilities for residential consumers. As the advocate for the state's residential consumers, OCC asserts that the interest of Ohio's residential consumers may be adversely affected by these applications. In addition, OCC avers that its participation will significantly contribute to the development of the record and not unduly

prolong or delay these proceedings. With its motion to intervene, OCC also filed comments in opposition to certain elements of AEP-Ohio's proposed RET programs.

- (4) On January 27, 2010, AEP-Ohio filed reply comments.
- (5) On May 20, 2010, The Vote Solar Initiative (VSI) filed a motion to intervene. VSI states that it is a non-profit organization composed of residential solar energy system owners, businesses in the solar industry, and citizens concerned about compliance with the solar energy requirements in the Ohio Alternative Energy Portfolio Standards. VSI advocates that the RET incentive programs be designed to effectively encourage the continued development of distributed and residential generation capacity. VSI asserts that it has previously been granted intervention in other proceedings before the Commission and its participation will significantly contribute to the development of the record and not unduly prolong or delay these proceedings.
- (6) AEP-Ohio did not file a memorandum contra to any of the motions to intervene.
- (7) IEU-Ohio, OCC, and VSI have set forth reasonable grounds for intervention and, therefore, their motions to intervene should be granted.
- (8) In order to accomplish a review of AEP-Ohio's RET applications, the Attorney Examiner finds that the following procedural schedule should be established:
  - (a) October 8, 2010 - Deadline for the filing of motions to intervene.
  - (b) October 8, 2010 - Deadline for the filing of comments on AEP-Ohio's applications.
  - (c) October 15, 2010 - Deadline for all parties to file reply comments.

It is, therefore,

ORDERED, That the motion for intervention filed by IEU-Ohio, OCC, and VSI be granted. It is, further,

ORDERED, That the procedural schedule set forth in finding (8) be adopted. It is, further,

ORDERED, That a copy of this entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO



By: Greta See  
Attorney Examiner

  
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Entered in the Journal  
**SEP 24 2010**



Renee J. Jenkins  
Secretary