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BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Columbus)
Southern Power Company and Ohio Power)
Company, Individually, and if Their Proposed) Case Nos. 11-351-EL-AIR
Merger is Approved, as a Merged Company) 11-352-EL-AIR
(collectively, AEP Ohio) for an Increase in)
Electric Distribution Rates.)

In the Matter of the Application of Columbus)
Southern Power Company and Ohio Power)
Company, Individually, and if Their Proposed) Case Nos. 11-353-EL-ATA
Merger is Approved, as a Merged Company) 11-354-EL-ATA
(collectively, AEP Ohio) for Tariff Approval.)

In the Matter of the Application of Columbus)
Southern Power Company and Ohio Power)
Company, Individually, and if Their Proposed) Case Nos. 11-356-EL-AAM
Merger is Approved, as a Merged Company) 11-358-EL-AAM
(collectively, AEP Ohio) for Approval to)
Change Accounting Methods.)

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REPLY IN SUPPORT OF THE MOTION TO INTERVENE
OF FIRSTENERGY SOLUTIONS CORP.

FirstEnergy Solutions Corp. ("FES") seeks to intervene in these proceedings because of the potential impact of the request of Columbus Southern Power Company and Ohio Power Company (collectively, the "Companies") for approval of certain distribution charges on a competitive marketplace for retail electric generation service. In response, the Companies do not challenge FES's standing as a potential competitor for generation service, but flippantly dismiss FES's interests as not substantial. However, the Companies' Application in these proceedings have an impact on the competitive marketplace and, therefore, FES.

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First, it cannot be denied that there is a substantial overlap between the Companies' application for approval of an electric security plan ("ESP") and this proceeding. Both proceedings appear to seek approval for some of the same riders and the same or similar rate design. As the Companies acknowledge in their response, there is no basis on which to challenge FES's interests in the approval of an ESP. *See Companies' Response*, pp. 1-2. Therefore, as the Companies are expected to provide support in this proceeding for those riders proposed in both proceedings, FES has a real and substantial interest in this proceeding.

Further, the Companies' Application, which FES has now had the opportunity to review, does not limit their proposed changes to distribution-related riders. The Application includes the Provider of Last Resort ("POLR") Rider, the Transmission Cost Recovery Rider, the Fuel Adjustment Clause ("FAC"), the Environmental Investment Carrying Cost Rider ("EICCR"), and the newly proposed Standard Offer Generation Service Rider. While the POLR and Standard Offer Generation Service Riders appear to mirror the Companies' proposals for those riders in their ESP proceeding, the FAC proposed in this proceeding maintains the Companies' previous rate structure and the EICCR is marked as bypassable. FES has an interest in insuring that the treatment of the generation-related riders is consistent between the two proceedings.


In addition, the Companies' Application reflects that the Companies are seeking to maintain two separate distribution rate books, which appear to implement different distribution-related charges for shopping and non-shopping customers. For example, Rate RS has provisions for demand metered service, storage water heating, load management water heating, and time-of-day metered service, whereas OAD-RS does not. These customers would lose their distribution discount when the Companies revert them back to the standard residential rate if the customer shops. Any difference in charges applied to shopping and non-shopping customers – whether

distribution or generation-related – will impact the competitive marketplace, in which FES unquestionably has real and substantial interests.

Therefore, FES “may be adversely affected by” this proceeding and is entitled to intervene to protect its interests, which include the potential effects on competitive retail electric service (“CRES”), and to develop the relevant issues for the Commission’s review. *See* R.C. § 4903.221; O.A.C. 4901-1-11(A). Indeed, the Commission has previously recognized that CRES providers may have interests in distribution proceedings and granted CRES providers the right to intervene. *See, e.g., In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Authority to Increase Rates for Distribution Service, Modify Certain Accounting Practices, and for Tariff Approvals*, Case No. 07-551-EL-AIR, Opinion and Order dated Jan. 21, 2009, at pp. 3-4.

FES respectfully requests that the Commission grant this Motion to Intervene and allow FES to be made a party of record to this proceeding.

Respectfully submitted,



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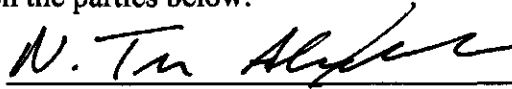
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Reply in Support of the Motion to Intervene of FirstEnergy Solutions Corp.* was served this 11th day of March, 2011, via e-mail and first-class U.S. mail, postage-prepaid, upon the parties below.



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