

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Columbus)
Southern Power Company for Approval of)
an Electric Security Plan; an Amendment to) Case No. 08-917-EL-SSO
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) Case No. 08-918-EL-SSO
Security Plan; and an Amendment to its)
Corporate Separation Plan.)

ENTRY

The attorney examiner finds:

- (1) On March 18, 2009, the Commission issued its opinion and order in Columbus Southern Power Company's and Ohio Power Company's (jointly, AEP-Ohio or the Companies) electric security plan (ESP) cases (ESP Order).¹ By entries on rehearing issued July 23, 2009 (First ESP EOR) and November 4, 2009, the Commission affirmed and clarified certain issues raised in AEP-Ohio's ESP Order. As ultimately modified and adopted by the Commission, AEP-Ohio's ESP directed, among other things, that AEP-Ohio be permitted to recover the incremental capital carrying costs that would be incurred after January 1, 2009, on past environmental investments (2001-2008)² and approved a provider of last resort (POLR) charge for the ESP period.
- (2) The Commission's decision in the AEP-Ohio ESP cases was appealed to the Ohio Supreme Court. The Ohio Supreme Court determined that Section 4928.143(B)(2),

1 *In re AEP-Ohio ESP cases*, Case Nos. 08-917-EL-SSO and 08-918-EL-SSO, Opinion and Order (March 18, 2009).

2 AEP-Ohio ESP Order at 24-28, 38-40; First ESP EOR at 10-13, 24-27.

Revised Code, does not authorize the Commission to allow recovery of items not enumerated in the section. The Court remanded the case to the Commission for further proceedings in which "the Commission may determine whether any of the listed categories set forth in Section 4928.143(B)(2), Revised Code, authorize recovery of environmental carrying charges."³ In regards to the POLR charges, the Court concluded that the Commission's decision that the POLR charge is cost-based was against the manifest weight of the evidence, an abuse of the Commission's discretion and reversible error. While the Court specifically stated that "we express no opinion on whether a formula-based POLR charge is per se unreasonable or unlawful," the Court noted two other methods by which the Commission may establish the POLR charge: a non-cost-based POLR charge or evidence of AEP-Ohio's actual POLR costs.

- (3) By entry issued May 25, 2011, the Commission directed AEP-Ohio to file tariff pages that reflect that the POLR riders and environmental carrying charges included in rates are being collected subject to refund, until the Commission specifically orders otherwise on remand. Additionally, the Commission adopted a procedural schedule for the remand proceedings in order to afford AEP-Ohio and intervenors the opportunity to present testimony and additional evidence in regard to the POLR and environmental carrying charges remanded to the Commission. The entry required, *inter alia*, that testimony on behalf of intervenors be filed by June 23, 2011, and that a prehearing conference occur on July 7, 2011.
- (4) On June 23, 2011, the procedural schedule was modified by entry, which, *inter alia*, extended the filing deadline for testimony on behalf of intervenors and Staff to June 30, 2011.

³ *In re Application of Columbus Southern Power Company*, Slip Opinion No. 2011-Ohio-1788.

- (5) On June 30, 2011, Staff filed a motion, pursuant to Rule 4901-1-13(A), Ohio Administrative Code (O.A.C.), for extension of time for the filing of Staff testimony and for continuance of the prehearing conference, as well as a request for expedited treatment. Specifically, Staff requests that the deadline for filing its testimony be extended to July 7, 2011, and that the prehearing conference be continued until July 8, 2011. In support of the motion, Staff submits that unforeseen circumstances have required that its only witness take a leave of absence and, therefore, additional time is needed so that the witness may finalize his testimony upon his return. Staff requests that the prehearing conference be delayed by one day so that the parties may have the opportunity to review Staff's testimony prior to the conference.

Staff further notes that all parties have been contacted regarding the motion and request for expedited treatment. Staff represents that all parties have responded that they do not oppose the requested extension and continuance, as well as the request for expedited treatment. For that reason, Staff concludes that the motion may be granted pursuant to Rule 4901-1-12(C), O.A.C.

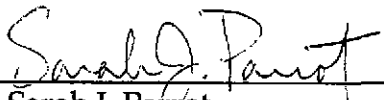
- (6) The attorney examiner finds that Staff's motion is reasonable and should be granted. Accordingly, Staff testimony should be filed by July 7, 2011. Further, the prehearing conference shall take place on July 8, 2011, at 10:00 a.m., at the offices of the Commission, Hearing Room 11-A, 180 E. Broad Street, Columbus, Ohio.


It is, therefore,

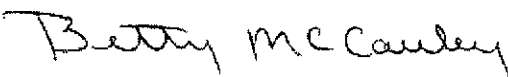
ORDERED, That Staff's motion for extension of time for the filing of Staff testimony and for continuance of the prehearing conference be granted. It is, further,

ORDERED, That a copy of this entry be served upon all persons of record in these cases.

THE PUBLIC UTILITIES COMMISSION OF OHIO


By: Sarah J. Parrot
Attorney Examiner


Entered in the Journal
JUN 30 2011


Betty McCauley
Secretary