

FILE

SNR DENTON 

SNR Denton US LLP
1301 K Street, NW
Suite 600, East Tower
Washington, DC 20005-3364 USA

Emma F. Hand
Partner
emma.hand@snrdenton.com
D +1 202 408 7094
T +1 202 408 6400
F +1 202 408 6399
snrdenton.com

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February 21, 2012

BY FACSIMILE & FEDERAL EXPRESS

Case Nos. 10-2929-EL-UNC
11-4920-EL-RDR
11-4921-EL-RDR
11-346-EL-SSO
11-348-EL-SSO
11-349-EL-AAM
11-350-EL-AAM
10-343-EL-ATA
10-344-EL-ATA

Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, Ohio 43215-3793
Fax: (614).466.0313

PUCO

RECEIVED-DOCKETING DIV
2012 FEB 22 AM 10:56

Re: In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan, Case Nos. 11-346-EL-SSO, 11-348-EL-SSO; and consolidated cases.

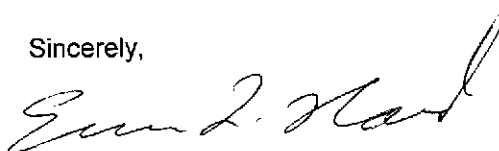
Dear Sir or Madam:

Enclosed please find an original and twenty (20) copies of the *Ormet Primary Aluminum Corporation's Memorandum Contra Ohio Power Company's Application for Rehearing*. This document was originally filed by fax on February 21, 2012.

Two additional copies 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,



Emma F. Hand
Partner

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
Technician SMA Date Processed FEB 22 2012

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

RECEIVED-DOCKETING DIV
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PUCO

In the Matter of the Application of
Columbus Southern Power Company and
Ohio Power Company for Authority to
Establish a Standard Service Offer
Pursuant to Section 4928.143, Revised Code,
in the Form of an Electric Security Plan.

Case No. 11-346-EL-SSO
Case No. 11-348-EL-SSO

In the Matter of the Application of
Columbus Southern Power Company and
Ohio Power Company for Approval of
Certain Accounting Authority.

Case No. 11-349-EL-AAM
Case No. 11-350-EL-AAM

In the Matter of the Application of
Columbus Southern Power Company to
Amend its Emergency Curtailment Service
Riders.

Case No. 10-343-EL-ATA

In the Matter of the Application of Ohio
Power Company to Amend its Emergency
Curtailment Service Riders.

Case No. 10-344-EL-ATA

In the Matter of the Commission Review of
the Capacity Charges of Ohio Power
Company and Columbus Southern Power
Company.

Case No. 10-2929-EL-UNC

In the Matter of the Application of
Columbus Southern Power Company for
Approval of a Mechanism to Recover
Deferred Fuel Costs Ordered Under Section
4928.144, Ohio Revised Code.

Case No. 11-4920-EL-RDR

In the Matter of the Application of Ohio
Power Company for Approval of a
Mechanism to Recover Deferred Fuel Costs
Ordered Under Section 4928.144, Ohio
Revised Code.

Case No. 11-4921-EL-RDR

(Consolidated)

**ORMET PRIMARY ALUMINUM CORPORATION'S
MEMORANDUM CONTRA OHIO POWER COMPANY'S APPLICATION FOR
REHEARING**

Ormet Primary Aluminum Corporation submits this Memorandum Contra Ohio Power Company's ("Ohio Power") Application for Rehearing to address one narrow issue. Ohio Power notes in its Application for Rehearing that individual small industrial and commercial customers have docketed letters in this proceeding raising concerns with the notable rate increases, and that these customers are shouldering the cost of the Load Factor Provision ("LFP") to the benefit of high load factor customers.¹ Ormet is the only high load factor customer excluded from the LFP of the Stipulation approved by the Commission in this proceeding, and as a result is also facing an unsustainable rate increase. Although Ormet is a large industrial customer of Ohio Power, it is similarly situated to the smaller commercial customers facing a significant rate increase.

Ohio Power suggests several approaches to mitigating the rate increase for GS-2 customers and states that it is not opposed to such solutions provided they are revenue-neutral to the Company.² Unfortunately, any such solution will simply result in shifting costs around among customers classes. In the current economic environment, no class of customers can afford the rate increases contained in the Stipulation. Ormet opposes the Stipulation and finds the rate increase imposed upon industrials is devastating when not mitigated by the LFP. Ormet notes that the Office of the Ohio Consumers' Counsel, the Appalachian Peace and Justice Network and the Ohio Partners for Affordable Energy, representing residential customers, also

¹ Ohio Power Company's Application for Rehearing at p. 14.

² *Id.* at pp. 14-15.

oppose the Stipulation.³ Shifting costs around among customer classes as Ohio Power suggests simply will not work; it will not alleviate the harm to the Ohio economy because no customer class can afford the rate increases contained in the Stipulation.

The outcome of the rate increase is simply unaffordable for all classes of customers and will adversely affect the Ohio economy. Ormet recognizes that Ohio Power is entitled to a fair rate of return, but requests that the Commission find a solution that moderates the rate increase and provides a more managed approach to ensure affordable electricity rates over the long term.



Emma F. Hand (PHV - 1353-2011)

Douglas G. Bonner (PHV - 1363-2011)

SNR Denton US LLP

1301 K Street, NW

Suite 600, East Tower

Washington, DC 20005

Tel: 202-408-6400

Fax: 202-408-6399

emma.hand@snrdenton.com

doug.bonner@snrdenton.com

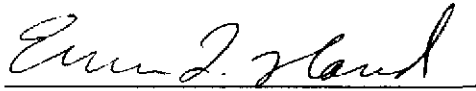
Attorneys for Ormet Primary Aluminum Corporation

February 21, 2012

³ Initial Post-Hearing Brief By the Office of the Ohio Consumers' Counsel, the Appalachian Peace and Justice Network and Ohio Partners for Affordable Energy, filed Nov. 10, 2011.

CERTIFICATE OF SERVICE

I hereby certify that a copy of *Ormet Primary Aluminum Corporation's Memorandum Contra Ohio Power Company's Application for Rehearing* was served by US mail and email upon counsel identified below for all parties of record this 21st day of February, 2012.



Emma F. Hand

SERVICE LIST

Steven T. Nourse
Matthew J. Satterwhite
American Electric Power Corp.
1 Riverside Plaza, 29th Floor
Columbus, Ohio 43215
stnourse@aep.com
mjsatterwhite@aep.com

Daniel R. Conway
Porter Wright Morris & Arthur
41 South High Street
Columbus, Ohio 43215
dconway@porterwright.com

Dorothy K. Corbett
Duke Energy Retail Sales
139 East Fourth Street
1303-Main
Cincinnati, Ohio 45202
Dorothy.Corbett@duke-energy.com

David F. Boehm
Kurt Boehm
Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202
dboehm@bkllawfirm.com
mkurtz@bkllawfirm.com

Samuel C. Randazzo
Joseph E. Olikier
Frank P. Darr
Vicki L. Leach-Payne
Joseph M. Clark
McNees Wallace & Nurick
21 East State Street, 17th Floor
Columbus, Ohio 43215
sam@mwncmh.com
joliker@mwncmh.com
fdarr@mwncmh.com

Richard L. Sites
Ohio Hospital Association
155 East Broad Street, 15th Floor
Columbus, Ohio 43215-3620
ricks@ohanet.org

Colleen L. Mooney
Ohio Partners for Affordable Energy
231 West Lima Street
Findlay, Ohio 45840
cmooney2@columbus.rr.com

John W. Bentine
Mark S. Yurick
Zachary D. Kravitz
Matthew S. White
Chester Willcox & Saxbe, LLP
65 East State Street, Suite 1000
Columbus, Ohio 43215
jbentine@cwsllaw.com
myurick@cwsllaw.com
zkravitz@cwsllaw.com

Terry L. Etter
Maureen R. Grady
Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
etter@occ.state.oh.us
grady@occ.state.oh.us

Thomas J. O'Brien
Teresa Orahoad
Bricker & Eckler
100 South Third Street
Columbus, Ohio 43215-4291
tobrien@bricker.com
torahoad@bricker.com

Jay E. Jadwin
American Electric Power Service Corporation
1 Riverside Plaza, 29th Floor
Columbus, Ohio 43215
jejadwin@aep.com

Michael R. Smalz
Ohio Poverty Law Center
555 Buttles Avenue
Columbus, Ohio 43215
msmalz@ohiopoveritylaw.org
jmaskovyak@ohiopoveritylaw.org

Terrence O'Donnell
Christopher Montgomery
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215-4291
todonnell@bricker.com
cmontgomery@bricker.com
Jesse A. Rodriguez
Exelon Generation Company, LLC
300 Exelon Way
Kennett Square, Pennsylvania 19348
jesse.rodriguez@exeloncorp.com

Glen Thomas
1060 First Avenue, Ste. 400
King of Prussia, Pennsylvania 19406
gthomas@gtpowergroup.com

Henry W. Eckhart
2100 Chambers Road, Suite 106
Columbus, Ohio 43212
henryeckhart@aol.com

Christopher L. Miller
Gregory H. Dunn
Asim Z. Haque
Stephen J. Smith
C. Todd Jones
Schottenstein Zox & Dunn Co., LPA
250 West Street
Columbus, Ohio 43215
cmiller@szd.com
gdunn@szd.com
ahaque@szd.com
sjsmith@szd.com

Sandy I-ru Grace
Marianne M. Alvarez
Exelon Business Services Company
101 Constitution Avenue N.W., Suite 400 East
Washington, DC 20001
sandy.grace@exeloncorp.com

Lisa G. McAlister
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215-4291
lmcaster@bricker.com
mwarnock@bricker.com

William L. Massey
Covington & Burling, LLP
1201 Pennsylvania Ave., NW
Washington, DC 20004
wmassey@cov.com

Laura Chappelle
4218 Jacob Meadows
Okemos, Michigan 48864
laurac@chappelleconsulting.net

Pamela A. Fox
Law Director
The City of Hilliard, Ohio
pfox@hilliardohio.gov

United Way of Jefferson County
501 Washington Street
P.O. Box 1463
Steubenville, OH 43952

Gary A. Jeffries
Dominion Resources Services, Inc.
501 Martindale Street, Suite 400
Pittsburgh, PA 15212-5817
gary.a.jeffries@dom.com

Kenneth P. Kreider
David A. Meyer
Keating Muething & Klekamp PLL
One East Fourth Street, Suite 1400
Cincinnati, Ohio 45202
kpkreider@kmmklaw.com

Steve W. Chriss
Wal-Mart Stores, Inc.
2001 SE 10th Street
Bentonville, Arkansas 72716
stephen.chriss@wal-mart.com

Holly Rachel Smith
Holly Rachel Smith, PLLC
Hitt Business Center
3803 Rectortown Road
Marshall, Virginia 20115
holly@raysmithlaw.com

Barth E. Royer
Bell & Royer Co., LPA
33 South Grant Avenue
Columbus, Ohio 43215-3927
barthroyer@aol.com

John H. Jones
Vern Margard
Public Utilities Section
Ohio Attorney General Mike DeWine
180 East Broad Street, 6th Floor
Columbus, Ohio 43215
john.jones@puc.state.oh.us
werner.margard@puc.state.oh.us

Greg Poulos
EnerNOC, Inc.
101 Federal St.
Boston, Massachusetts 02110
gpoulos@enernoc.com

Carolyn S. Flahive
Terrance A. Mebane
Thompson Hine LLP
41 S. High Street, Suite 1700
Columbus, Ohio 43215
Carolyn.Flahive@ThompsonHine.com
Terrance.Mebane@ThompsonHine.com

Leo Antons
1237 Cisler Dr.
Marietta, OH 45750
leoantons@suddenlink.net

E. Camille Yancey
Nolan Moser
Trent A. Dougherty
Ohio Environmental Council
1207 Grandview Avenue, Suite 201
Columbus, Ohio 43212-3449
camille@theoec.org
nolan@theoec.org
trent@theoec.org

Tara C. Santarelli
Environmental Law & Policy Center
1207 Grandview Ave., Suite 201
Columbus, Ohio 43212
tsantarelli@elpc.org

Mark A. Hayden
FirstEnergy Service Company
76 South Main Street
Akron, OH 44308
haydenm@firstenergycorp.com

James F. Lang
Laura C. McBride
N. Trevor Alexander
Calfee, Halter & Griswold LLP
1400 KeyBank Center
800 Superior Ave.
Cleveland, OH 44114
jlang@calfee.com
lmcbride@calfee.com
talexander@calfee.com

David A. Kutik
Jones Day
901 Lakeside Avenue
Cleveland, OH 44114
dakutik@jonesday.com

Allison E. Haedt
Grant W. Garber
Jones Day
P.O. Box 165017
325 John H. McConnell Boulevard
Suite 600
Columbus, Ohio 43216-5017

Christopher J. Allwein
1373 Grandview Ave.
Suite 212
Columbus, OH 43212
wein@williamsandmoser.com

J. Kennedy And Associates
570 Colonial Park Drive
Suite 305
Roswell, GA 30075

Jennifer Duffer
Armstrong & Okey, Inc.
222 East Town Street
2nd Floor
Columbus, OH 43215
jduffer@ameritech.net

Shannon Fisk
2 North Riverside Plaza Suite 2250
Chicago, IL 60606
sfisk@nrhc.org

Lija K. Kaieps-Clark
M. Howard Petricoff
Vorys, Sater, Seymour and Pease
52 E. Gay St.
PO Box 1008
Columbus, OH 43216
lkalepsclark@vorys.com
mhpetricoff@vssp.com

Canton Chamber Of Commerce
229 Wells Ave N.W.
Canton, OH 44703-1044

Bill Dingus
Lawrence Economic Development Corporation
P.O. Box 488
South Point, OH 45680-0488

Constellation NewEnergy Inc
Cynthia Fonner Brady
550 W Washington Street
Suite 300
Chicago, IL 60661
Cynthia.Brady@constellation.com

Denis George
Kroger Company
1014 Vine Street-G07
Cincinnati, OH 45202-1100

Steve Howard
52 East Gay St.
P.O. Box 1008
Columbus, OH 43215
smhoward@vorys.com

AEP Retail Energy Partners LLC
Anne M. Vogel
1 Riverside Plaza, 29th Floor
Columbus, OH 43215
amvogel@aep.com

Shawnee State University
940 Second Street
Portsmouth, OH 45662

Mark A. Whitt
Carpenter, Lipps & Leleand LLP
280 Plaza, Suite 1300
280 North High Street
Columbus OH 43215

Amy Spiller
Duke Energy Ohio
139 E. Fourth Street, 1303-Main
P.O. Box 961
Cincinnati, OH 45201-0960
Amy.Spiller@Duke-Energy.com

FirstEnergy Solutions Corp
Louis M. D'Alessandris
341 White Pond Drive
Akron, OH 44320
ldalessandris@firstenergy.com

Ohio Partners For Affordable Energy
David C. Rinebolt
231 West Lima St.
P.O. Box 1793
Findlay, OH 45839-1793
drinelbolt@aol.com

The Sierra Club
50 West Broad Street #2117
Columbus, OH 43215

Meigs County Commissioners
Michael Davenport, President
100 East Second Street
Pomeroy, OH 45769

Tuscarawas County
330 University Drive NE
New Philadelphia, OH 44663

Paul F. Wight
Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, N.W.
Washington, DC 20005

Jeffrey Small
Jody M. Kyler
Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
small@occ.state.oh.us
kyler@occ.state.oh.us

Jacqueline Lake Roberts
EnerNOC, Inc.
13212 Haves Corner Road SW
Pataskala OH 43062

Deb J. Bingham
Patti Mallarnee
Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485

Philip B. Sineneng
Thompson Hine LLP
41 S. High Street, Suite 1700
Columbus, Ohio 43215
Philip.Sineneng@ThompsonHine.com