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March 13, 2012

BY FACSIMILE & FEDERAL EXPRESS

Case Nos. 11-4920-EL-RDR
11-4921-EL-RDR

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

PUCO

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RECEIVED-DOCKETING DIV

Re: *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 Nos. 11-4920-EL-RDR and 11-4921-EL-RDR*

Dear Sir or Madam:

Enclosed please find for filing an original and twenty (20) copies of the *Motion to Intervene by Ormet Primary Aluminum Corporation, Motion for Permission to Appear Pro Hac Vice for Dan Barnowski and Motion for Permission to Appear Pro Hac Vice for Emma F. Hand*. These submissions were originally filed by fax on March 13, 2012.

Two additional copies are enclosed to be date-stamped and returned to me in the enclosed, self-addressed Federal Express envelope.

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 

Date Processed 03-14-12

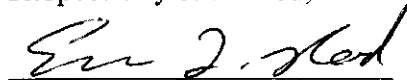
**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Columbus Southern Power Company)	
for Approval of a Mechanism to)	
Recover Deferred Fuel Costs Ordered)	Case No. 11-4920-EL-RDR
Under Section 4928.144, Ohio Revised)	
Code.)	
)	
In the Matter of the Application of)	
Ohio Power Company for Approval of)	
a Mechanism to Recover Deferred)	Case No. 11-4921-EL-RDR
Fuel Costs Ordered Under Section)	
4928.144, Ohio Revised Code.)	
)	

**MOTION TO INTERVENE
BY
ORMET PRIMARY ALUMINUM CORPORATION**

For the reasons stated herein and further set forth in the attached Memorandum in Support, Ormet Primary Aluminum Corporation ("Ormet") respectfully moves to intervene in the above-captioned cases in accordance with Ohio Revised Code 4903.221 and Ohio Administrative Code 4901-1-11.

Respectfully submitted,



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Dan Barnowski (PHV-1356-2012)

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Attorneys for Ormet Primary Aluminum Corporation

March 13, 2012

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Columbus Southern Power Company)	
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Fuel Costs Ordered Under Section)	
4928.144, Ohio Revised Code.)	
)	

**MEMORANDUM IN SUPPORT
OF ORMET PRIMARY ALUMINUM CORPORATION'S
MOTION TO INTERVENE**

The above-captioned cases in which Ormet Primary Aluminum Corporation ("Ormet") seeks intervention involve AEP Ohio's proposal to collect from customers, including Ormet, residual Fuel Adjustment Charges ("FACs"), plus carrying charges, for which PUCO granted AEP Ohio authority to defer. These charges are each associated with the phase-in of rate increases under the AEP Ohio's 2008 ESP Cases.¹ To do so, AEP Ohio has presented the Commission with various iterations of a Phase-In Recovery Rider ("PIRR"), first introduced as Exhibit A to its September application.² In order to begin to collect these deferred fuel charges, AEP Ohio proposes to significantly increase the rates that Ormet and AEP Ohio's other customers pay for electric service. Accordingly, Ormet seeks to intervene to ensure that the resulting rates are just and reasonable.

¹ Case numbers 08-917-EL-SSO and 08-918-EL-SSO.

² AEP Ohio Application (September 1, 2011).

ARGUMENT

The Commission should grant Ormet's Motion to Intervene because Ormet meets the requirements for intervention as set forth in Ohio Revised Code 4903.221 and Ohio Administrative Code 4901-1-11.

Revised Code section 4903.221 provides, in part, that any person "who may be adversely affected" by a Commission proceeding is entitled to seek intervention in that proceeding. Ormet's interests may be adversely affected by the PIRR cases, especially if its interests are unrepresented in these proceedings. The various iterations of the PIRR filed to date would result in an increase of the GS-4 tariff rate applicable to Ormet in the range of \$8-10 million per year. This significant increase constitutes an adverse effect on Ormet which satisfies the first part of the intervention standard in Revised Code 4903.221.

Revised Code section 4903.221(A) requires that Ormet make its motion to intervene within the appropriate timeframe -- that is, where no specific deadline is set, at least 5 days before a scheduled hearing. Shortly after the initial application in this proceeding and prior to the establishment of an intervention deadline, this proceeding was consolidated with cases to which Ormet was already a party. Therefore Ormet did not burden the record with a separate intervention in this docket. However, in the Commission's March 7, 2012 Order in this proceeding, the Commission ordered that because it had disapproved of the Stipulation in the consolidated proceeding, all future filings should be made in the appropriate case dockets as the consolidated case matters would no longer be docketed in all of the cases. (March 7 Order at p. 5). Therefore, it is appropriate for Ormet to intervene in this proceeding at this time. The Commission's February 23, 2012 Entry on Rehearing in the captioned proceedings instructed the attorney examiners "to establish a new procedural schedule consistent with AEP-Ohio's notice along with a new intervention deadline to enable interested

persons who had not previously participated in this proceeding to intervene." Entry on Rehearing at Finding (21). Ormet's Motion to Intervene is timely because the attorney examiners have not yet set the intervention deadline, any scheduled hearing is at least 5 days away, and Ormet was involved in the prior, consolidated case. Ormet now submits the instant motion in the above-captioned cases to ensure its participation in this critically important proceeding.

Section B of 4903.221 requires the Commission to consider the following additional criteria in evaluating motions to intervene:

- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceeding; and
- (4) Whether the prospective intervenor will significantly contribute to the full development and equitable resolution of the factual issues.

Ormet addresses each of these factors in turn.

First, the nature and extent of Ormet's interest flows from the drastic increase in electric rates that it faces as a result of the PIRR, which will be decided in the instant proceeding. The economic viability of Ormet's Hannibal facility depends largely on Ormet's ability to secure reasonably priced electricity. An increase in Ormet's electric service rates adversely impacts Ormet's ability to preserve the nearly 1000 high-paying Ohio jobs at the Hannibal facility. The nature and extent of Ormet's interest therefore supports Ormet's intervention in these cases and dovetails with the Commission's public policy and economic development concerns.

Second, Ormet's legal position is directly implicated by the merits of the above-captioned case. Ormet's position is, broadly stated, that the deferred fuel charges to which it may be subjected as a result of this proceeding should be just and reasonable, based upon current economic conditions. In the formats presented by AEP Ohio thus far, the PIRR is not a just and reasonable recovery mechanism. Specifically, in designing a recovery mechanism, the Commission should take into account, at minimum, the state of the economy in Ohio (and as pertains to Ormet specifically) and the sudden rate increase already being experienced by many ratepayers due to the expiration of the caps on the FAC. The Commission should also reconsider the reasonableness of continuing to allow AEP Ohio to collect carrying charges of between 11 and 12 percent on the deferred costs based on AEP Ohio's weighted average cost of capital. Additionally, Ormet would urge the Commission to consider whether the balance of the deferral should be adjusted to reflect accumulated deferred income taxes. Each position is directly related to the merits of this proceeding as each directly impacts the price Ormet pays for electric service.

Third, Ormet's intervention will not unduly prolong or delay the proceedings. The Commission stayed these proceedings shortly after AEP Ohio's initial filing in September 2011 when it appeared that they could be resolved by a partial stipulation³ filed in the context of the Company's second ESP proceeding.⁴ The Commission recently rejected that Stipulation,⁵ and it now appears that the PIRR issue will be resolved in this proceeding. Ormet's intervention at the outset of this initial reset point will not unduly delay or prolong this proceeding. Further, Ormet's significant experience in similar proceedings, including the prior ESP cases, will facilitate the reasonable and efficient resolution of this action.

³ Entry (September 16, 2011) at 4.

⁴ ESP 2 Case, Stipulation and Recommendation (September 7, 2011) ("Stipulation").

⁵ Entry on Rehearing (February 23, 2012).

Fourth, Ormet's intervention and aforementioned experience will significantly contribute to the full development and equitable resolution of the factual issues. Ormet will obtain and develop information that the PUCO should consider in order to equitably and lawfully decide these cases in the public interest. Because Ormet's interests are not directly aligned with any other party, the facts it presents will be unique and otherwise likely unrepresented to the Commission. Without opportunity to test the economic impact that the proposed PIRR will have on Ormet, one of Ohio's largest employers, the Commission cannot adequately balance the public interest. Accordingly, for all the foregoing reasons, the Commission should grant Ormet's Motion to Intervene because Ormet satisfies the requirements of Ohio Revised Code 4903.221.

In addition to satisfying the statutory criteria for intervention, Ormet also satisfies the intervention criteria set forth in the Ohio Administrative Code. To intervene, a party should have a "real and substantial interest" according to Ohio Administrative Code 4901-1-11(A)(2). For the reasons stated above, the \$8-10 million increase in GS-4 tariff rates to which the various PIRR iterations would subject Ormet constitutes a "real and substantial interest." Indeed, any potential rate increase for Ormet is real and substantial in the current economic climate.

Ormet also meets the requirements of Ohio Administrative Code 4901-1-11(B)(1)-(4), which mirror the statutory criteria in Revised Code section 4903.221(B). For the same reasons Ormet satisfies the criteria in the Revised Code, it satisfies the criteria in Section 4901-1-11(B)(1)-(4) of the Administrative Code.

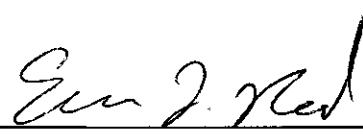
The Ohio Administrative Code further states in Section 4901-1-11(B)(5) that the Commission shall consider the "extent to which the person's interest is represented by

existing parties.” No other party to this case represents Ormet’s specific interests. Ormet’s interests will not and cannot be represented by other parties.

CONCLUSION

Accordingly, for the foregoing reasons, because Ormet meets the criteria set forth in Revised Code 4903.221 and Ohio Administrative Code 4901-1-11, the Commission should grant Ormet’s Motion to Intervene.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Emma F. Hand", written over a horizontal line.

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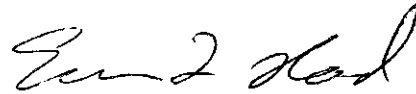
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***Attorneys for Ormet Primary Aluminum
Corporation***

March 13, 2012

CERTIFICATE OF SERVICE

I hereby certify that a copy of Ormet's *Motion to Intervene* was served by U.S. Mail and email upon counsel identified below for all parties of record this 13th day of March, 2012.



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