

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)	
Columbus Southern Power Company)	
and Ohio Power Company for Authority)	Case No. 11-346-EL-SSO
to Establish a Standard Service Offer)	Case No. 11-348-EL-SSO
Pursuant to §4928.143, Ohio Rev. Code,)	
in the Form of an Electric Security Plan.)	
In the Matter of the Application of)	
Columbus Southern Power Company)	Case No. 11-349-EL-AAM
and Ohio Power Company for Approval)	Case No. 11-350-EL-AAM
of Certain Accounting Authority.)	

MOTION TO INTERVENE

BY

DUKE ENERGY OHIO, INC.

Now comes Duke Energy Ohio, Inc., (Duke Energy Ohio or the Company) and moves to intervene as a full party of record in the above-captioned proceedings pursuant to R.C. 4903.221 and O.A.C. 4901-1-11. The issues in this proceeding relate to the Commission's review of a proposed standard service offer by Ohio Power Company and Columbus Southern Power Company (jointly, AEP), including the use of and continued ownership of generating assets co-owned by Duke Energy Ohio. Duke Energy Ohio has a real and substantial interest in this proceeding that is not adequately represented by existing parties. Wherefore, for the reasons more fully set forth in the attached memorandum in support, Duke Energy Ohio respectfully requests that the Commission grant this motion to intervene.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

A handwritten signature in black ink, appearing to read 'Robert A. McMahon', is written over a horizontal line.

Robert A. McMahon (Counsel of Record)
Eberly McMahon LLC
2321 Kemper Lane, Suite 100
Cincinnati, OH 45206
(513) 533-3441
(513) 533-3554 fax

and

Rocco D'Ascenzo
Assistant General Counsel
Elizabeth Watts
Assistant General Counsel
139 East Fourth Street
1303-Main
Cincinnati, Ohio 45202
(513) 287-4359 (telephone)
Elizabeth.watts@duke-energy.com
Rocco.d'ascenzo@duke-energy.com

Memorandum in Support

R.C. 4928.141 requires each electric utility, such as AEP, to provide a standard service offer (SSO) “of all competitive retail electric services necessary to maintain essential electric service to consumers, including a firm supply of electric generation service.” AEP currently provides that SSO in the form of an electric security plan (ESP), approved under R.C. 4928.143. The ESP currently in place for each of its electric distribution utilities will terminate on December 31, 2011.¹ On March 30, 2012, AEP filed its application for a new ESP, to become effective on June 1, 2012.

R.C. 4903.221(B) sets forth several criteria that the Commission is required to consider in ruling on applications to intervene. Those criteria are listed as follows:

- (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 proceedings;
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.

The Commission has, itself, added additional detail to the intervention requirements through the promulgation of O.A.C. 4901-1-11. That rule, in section (A), requires that the Commission allow intervention by a person who has a “real and substantial interest in the proceeding” and who “is so situated that the disposition of the proceeding may . . . impair or impede [its] ability to protect that interest, unless the person’s interest is adequately represented by existing parties.” The rule goes on to list several factors that the Commission is required to consider in determining whether a potential intervenor meets that standard:

¹ *In the Matter of the Application of Columbus Southern Power Company for Approval of an Electric Security Plan; an Amendment to its Corporate Separation Plan; and the Sale or Transfer of Certain Generating Assets*, Case No. 08-917-EL-SSO, *et al.*, (Opinion and Order, March 18, 2009).

- (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 proceedings.
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.
- (5) The extent to which the person's interest is represented by existing parties.

Regarding the criteria for intervention, Duke Energy Ohio's interest is unique as compared to other intervenors and parties to this proceeding. Particularly, Duke Energy Ohio jointly owns generation facilities with AEP at the Killen Station², William H. Zimmer Generating Station Unit 1³, Conesville Station Unit 4⁴, Walter C. Beckjord Station Unit 6⁵ and the J.P. Stuart Plant⁶. Duke Energy Ohio should be permitted to intervene in order to protect its considerable investment in these plants, and in the partnership going forward and is so situated that the disposition of this proceeding may, as a practical matter, impair or impede its ability to protect that interest.

As part of its Application in these proceedings, AEP is seeking approval , in the short term, to continue to use its existing generating assets as resources to satisfy its own portion of load. Over time, AEP is proposing to transfer its ownership of the generating facilities to various affiliates and conduct a competitive bidding process.

² Killen Station is a 600 MW facility operated by DP&L, jointly owned by Duke Energy Ohio ,Columbus Southern Power (CSP) and DP&L

³ Zimmer Unit 1 is a 1300 MW generating unit in Moscow, Ohio, operated by Duke Energy Ohio, and co-owned by Duke Energy Ohio, DP&L and Ohio Power.

⁴ Conesville Unit 4 is a 780 MW generating unit located in Conesville, Ohio, jointly owned by Ohio Power, Duke, and DP&L.

⁵ Beckjord Unit 6 is a 434 MW generating unit located at the Walter C. Beckjord Station near New Richmond, Ohio , operated by Duke Energy Ohio and co-owned by Duke Energy Ohio, DP&L and Ohio Power.

⁶ J.P. Stuart Plant is a 2,400 MW coal-fired plant located in Aberdeen, Ohio, operated by DP&L, and co-owned by DP&L, Duke Energy Ohio and Ohio Power.

As recent experience demonstrates in both Duke Energy Ohio's Market Rate Offer (MRO) and ESP proceedings, not to mention the current American Electric Power ESP proceeding, the issue of continued ownership of generating assets by Ohio's utilities is a hotly contested issue.⁷ While Duke Energy Ohio has recently committed to transfer its ownership of generating assets to an affiliate, at present the utility still retains ownership of such facilities and will for some time until the asset transfer is completed. Because of this co-ownership issue, decisions made by AEP regarding the operation of the co-owned stations and the associated costs incurred will directly impact Duke Energy Ohio, at least until such time as the Company can complete its asset transfer. As such, Duke Energy Ohio should be permitted to intervene in order to protect its considerable investment in these plants, its own decisions regarding the continued ownership and operation of such assets, as well as, the partnership regarding the co-ownership going forward. Thus, intervention is important to its ability to protect its business interests.

Duke Energy Ohio has a real and substantial interest in the proceeding that is directly related to the merits of the case. No existing party represents Duke Energy Ohio's interests. Further, Duke Energy Ohio's participation will contribute to the development of the issues and an equitable resolution. The Commission established April 20, 2012 as the deadline for intervention in these proceedings. As Duke Energy Ohio has timely sought intervention, its participation will not unduly prolong or delay this proceeding. And, its interests are not represented by existing parties.

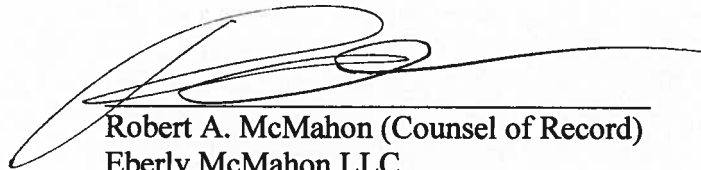
⁷ *In the Matter of the Application of Duke Energy Ohio for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications, and Tariffs for Generation Service*, Case No. 10-2586-EL-SSO, *In the matter of the Application of Duke Energy Ohio for Authority to Establish a Standard Service Offer pursuant to Section 4928.143, Revised Code, in the form of an Electric Security Plan, Accounting Modifications and Tariffs for Generation Service*, Case No. 11-3549-EL-SSO, and *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 4928.143, Ohio Rev. Code, in the Form of an Electric Security Plan*, Case No. 11-0346-EL-SSO.

Given the Company's own recent experience with an ESP, Duke Energy Ohio would also respectfully suggest that its intervention will significantly contribute to the full development and equitable resolution of the factual issues, based on its experience in the marketplace and understanding of competitive needs in general.

Duke Energy Ohio therefore respectfully requests that the Commission grant its motion to intervene and that it be made a full party of record.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

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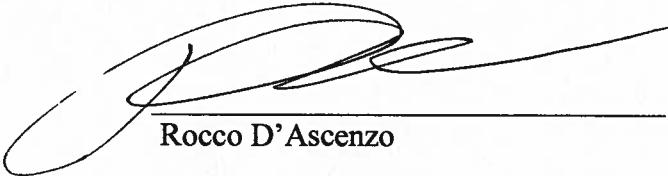
Robert A. McMahon (Counsel of Record)
Eberly McMahon LLC
2321 Kemper Lane, Suite 100
Cincinnati, OH 45206
(513) 533-3441
(513) 533-3554 fax

and

Rocco D'Ascenzo
Assistant General Counsel
Elizabeth Watts
Assistant General Counsel
139 East Fourth Street
1303-Main
Cincinnati, Ohio 45202
(513) 287-4359 (telephone)
Elizabeth.watts@duke-energy.com
Rocco.d'ascenzo@duke-energy.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing document was served this 10th day of April, 2012, by U.S. mail, postage prepaid, upon the persons listed below.


Rocco D'Ascenzo

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

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

Samuel C. Randazzo
Joseph E. Olikier
Frank P. Darr
McNees Wallace & Nurick LLC
21 East State Street, 17th Floor
Columbus, OH 43215
sam@mwncmh.com
joliker@mwncmh.com
fdarr@mwncmh.com

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Case No(s). 11-0346-EL-SSO

Summary: Motion to Intervene by Duke Energy Ohio, Inc. electronically filed by Dianne Kuhnell on behalf of Rocco D'Ascenzo and Robert McMahon and Duke Energy Ohio, Inc.