



Legal Department

American Electric Power
1 Riverside Plaza
Columbus, OH 43215-2373
AEP.com

March 1, 2013

Barcy F. McNeal
Docketing Division Chief
Public Utilities Commission of Ohio
180 East Broad Street
Columbus Ohio 43215-3793

Steven T. Nourse
Senior Counsel –
Regulatory Services
(614) 716-1608 (P)
(614) 716-2014 (F)
stnourse@aep.com

Re: *In the Matter of the Fuel Adjustment Clause for Ohio
Power Company*, Case No. 13-572-EL-FAC

Dear Ms. McNeal:

On August 8, 2012, the Commission issued an Opinion and Order in Case Nos. 11-346-EL-SSO, et al. (August 8 Opinion and Order) modified and adopted an Electric Security Plan for Ohio Power Company (AEP Ohio). The August 8 Opinion and Order continued AEP Ohio's Fuel Adjustment Clause (FAC) mechanism and established the Alternative Energy Rider (AER) as the mechanism by which AEP Ohio is to separately recover its prudently-incurred alternative energy compliance costs. The August 8 Opinion and Order indicated that the Company is to make quarterly filings of the AER in conjunction with quarterly filings for the FAC.

The Company submits its FAC quarterly filing for the 2nd Quarter of 2013 as well as its AER quarterly filing covering the same time period, to become effective with the first billing cycle of April 2013. Under the Commission's December 14, 2011 Finding and Order in Case No. 11-5906-EL-FAC, the adjusted FAC rates automatically become effective unless the Staff raises issues prior to the billing cycle during which the quarterly adjustments are to become effective.

The rates being proposed by AEP Ohio separate FAC and AER rates for the Columbus Southern Power and Ohio Power rate zones pursuant to the Commission's August 8 Order. The allocation of AER costs to the rate zones is consistent with the methodology the Company has used to establish FAC rates by zone in its filings for each quarter of 2012 as well as the instant filing.

The schedules attached to this letter provide information for the Commission's review. Below is a more detailed description of the schedules that are attached to

this application. The Company is including in this submission, actual fuel data for October through December 2012 and forecast information for the 2nd quarter (April, May and June) of 2013 for the FAC. The Company is also including the forecasted information for the renewable energy credits for the 2nd quarter 2013 used to develop the AER requested rates.

Schedule 1: This schedule shows the current FAC rate by delivery voltage in Column A. Column B shows the forecast component (FC) rate that would be necessary to recover the estimated fuel expense for the 2nd quarter of 2013. Column C shows the reconciliation adjustment (RA) that would be necessary to refund the actual fuel over-recovery experienced from the previous quarter. Column D is the sum of the FC component and the RA component.

Schedule 2: This schedule shows the Company's estimates of the fuel cost by month it is expecting to incur in the 2nd quarter of 2013. Schedule 2 calculates the rates by voltage that would be necessary to recover the forecast costs.

Schedule 3, page 1: This page of Schedule 3 shows the under-recovery of fuel expense for the months of October, November and December 2013. Schedule 3 calculates the adjustment to the FAC rates that would be necessary to recover the under-recovery during the 2nd quarter of 2013.

Schedule 3, page 2: This page of Schedule 3 provides monthly data on the actual fuel costs recorded by the Companies from October 2012 through December 2012. The Retail FAC Cost shown in the last column on this page is carried over to page 1 of Schedule 3. Shown on page 2 and included in the total FAC cost is an amount representing renewable energy costs. The forecasted renewable energy credits (REC) costs for renewable resources are now removed from the FAC for recovery through the AER.

Schedule 4: This schedule shows the current AER rate by delivery voltage in Column A. Column B shows the forecast component (FC) rate that would be necessary to recover the estimated REC expense for the 2nd quarter of 2013. Column C shows the reconciliation adjustment (RA) that would be necessary to recover the actual REC over/under-recovery experienced from the previous quarter. Column D is the sum of the FC component and the RA component.

Schedule 5: This schedule shows the Company's estimates of the REC cost by month it is expecting to incur in the 2nd quarter of 2013. Schedule 5 calculates the rates by voltage that would be necessary to recover the forecast costs.

Schedule 6: This schedule shows the over/under-recovery of REC expense for the months of October, November and December 2013. Schedule 6 calculates the adjustment to the AER rates that would be necessary to recover the over/under-recovery during the 2nd quarter of 2013. Also, shown on

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page 6 and included in the total AER cost is an amount representing the revenue requirement associated with solar panels installed by the Company to help meet the renewable energy requirements of SB221, as well as other renewable energy costs.

Regards,

/s/ Steven T. Nourse

Steven T. Nourse

Senior Attorney

American Electric Power Service
Corporation

1 Riverside Plaza, 29th Floor

Columbus, Ohio 43215

Telephone: (614) 716-1608

Facsimile: (614) 717-2950

E-mail: stnourse@aep.com

P.U.C.O. NO. 20

FUEL ADJUSTMENT CLAUSE RIDER

Ohio Power Rate Zone

Effective Cycle 1 April 2013, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Fuel Adjustment Clause charge per KWH as follows:

Delivery Voltage	Charge (¢/KWH)
Secondary	3.82555
Primary	3.69285
Subtransmission/Transmission	3.61927

Columbus Southern Power Rate Zone

Effective Cycle 1 April 2013, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Fuel Adjustment Clause charge per KWH as follows:

Delivery Voltage	Charge (¢/KWH)
Secondary	4.49242
Primary	4.33658
Subtransmission/Transmission	4.25019

Filed pursuant to Order dated December 14, 2011 in Case No.11-5906-EL-FAC

Issued: March 1, 2013

Issued by
Pablo A. Vegas, President
AEP Ohio

Effective: Cycle 1 April 2013

P.U.C.O. NO. 20

ALTERNATIVE ENERGY RIDER

Ohio Power Rate Zone

Effective Cycle 1 April 2013, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge (\$/kWh)</u>
Secondary	0.04868
Primary	0.04700
Subtransmission/Transmission	0.04606

Columbus Southern Power Rate Zone

Effective Cycle 1 April 2013, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge (\$/kWh)</u>
Secondary	0.09709
Primary	0.09373
Subtransmission/Transmission	0.09187

This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to Order dated August 8, 2012 in Case No. 11-346-EL-SSO

Issued: March 1, 2013

Issued by
Pablo Vegas, President
AEP Ohio

Effective: Cycle 1 April 2013

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
April 2013 through June 2013
Summary - Proposed FAC Rate

COLUMBUS SOUTHERN POWER RATE ZONE

Line	Delivery Voltage	Schedule 2			Schedule 3	
		A	B	C	D	
		Current FAC Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components	
1	Secondary	3.90920	4.36890	0.12352	4.492420	
2	Primary	3.77358	4.21734	0.11924	4.336580	
3	Sub/Transmission	3.69841	4.13333	0.11686	4.250190	

OHIO POWER RATE ZONE

Line	Delivery Voltage	Schedule 2			Schedule 3	
		A	B	C	D	
		Current FAC Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components	
1	Secondary	3.26380	3.70203	0.12352	3.825550	
2	Primary	3.15057	3.57361	0.11924	3.692850	
3	Sub/Transmission	3.08781	3.50241	0.11686	3.619270	

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
April 2013 through June 2013
FC Component

Line	Description	Forecast Period - 2nd Quarter 2013			Total
		April	May	June	
TOTAL COMPANY					
1	Fuel & Purchased Power	132,348,765	142,825,679	137,377,855	\$ 412,552,298
2	Environmental (Consumables and Allowances)	15,350,280	16,473,620	16,182,610	\$ 48,006,510
3	(Gains) and Losses On Sales of Allowances	60,000	94,000	94,000	\$ 248,000
4	Other	-	-	-	\$ -
5	Total Includible FAC Costs	147,759,045	159,393,298	153,654,465	\$ 460,806,808
6	Less: Assigned to Off-System (Including AEP Affiliates)	85,203,622	90,921,191	81,296,268	\$ 257,421,081
7	FAC for Internal Load	62,555,422	68,472,107	72,358,197	\$ 203,385,727
8	Retail Jurisdictional Allocation Ratio	0.84331	0.85101	0.85046	0.84842
9	FAC for Retail Load Before Renewables	52,753,613	58,270,448	61,537,753	\$ 172,557,409
10	Energy & Capacity Value of Renewables (RECs moved to Rider AER)	2,499,889	2,144,706	1,536,720	\$ 6,181,315
11	FAC for Retail Load (Total Company)	55,253,502	60,415,154	63,074,473	\$ 178,738,724
13	Retail Non-Shopping Sales - Generation Level Kwh	1,477,493,015	1,623,947,956	1,679,689,410	4,781,130,382
COLUMBUS SOUTHERN POWER RATE ZONE					
14	CSP % for Retail Load				\$ 77,858,588
15	CSP % Non-Shopping Sales				1,890,458,953
16	FC Component of FAC Rate At Generation Level - Cents/kWh				4.11850
17	FC Component of FAC Rate At Generation Level	Secondary	Primary	Sub/Trans	
18	Loss Factor	4.11850	4.11850	4.11850	
19	FC at the Meter Level - Cents/kWh	1.0608	1.0240	1.0036	
		4.3689	4.21734	4.13333	
Line 17 x Line 18					
OHIO POWER RATE ZONE					
19	OPCo % for Retail Load				\$ 100,880,136
21	OPCo % Non-Shopping Sales				2,890,671,429
22	FC Component of FAC Rate At Generation Level - Cents/kWh				3.48985
23	FC Component of FAC Rate At Generation Level	Secondary	Primary	Sub/Trans	
24	Loss Factor	3.48985	3.48985	3.48985	
25	FC at the Meter Level - Cents/kWh	1.0608	1.0240	1.0036	
		3.70203	3.57361	3.50241	
Line 23 x Line 24					

Line 23 x Line 24

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
April 2013 through June 2013
RA

Actual Period - October 2012 through December 2012							
Line	Month	Kwh Retail Non-Shopping Sales	Renewable & FAC Revenue	Schedule 3, p2 FAC Cost	FAC (Over)/Under Recovery	Carrying Charges On (Over)/Under Recovery	Total (Over)/Under Recovery
1	Beginning Balance						\$ (7,130,095)
2	Oct-12	1,989,223,280	\$ 72,512,674	\$ 75,491,454	\$ 2,978,780	\$ -	\$ 3,026,211
3	Nov-12	1,896,976,201	\$ 69,381,088	\$ 73,786,390	\$ 4,405,302	\$ -	\$ 4,405,302
4	Dec-12	2,045,287,888	\$ 73,602,655	\$ 78,868,485	\$ 5,265,830	\$ -	\$ 5,265,830
5	Ending Balance	5,931,487,369	\$ 215,496,417	\$ 228,146,329	\$ 12,649,912	\$ -	\$ 5,567,248
6	Total (Over)/Under Recovery Balance						\$ 5,567,248
7	Loss Adjusted Retail Sales Billing Period - kWh						4,781,130,382
8	RA Component at Generation - Cents/kWh						0.11644
9							
10	RA Component of FAC Rate At Generation Level				0.11644	0.11644	
11	Loss Factor				1.0608	1.024	
	RA at the Meter Level - Cents/kWh		Line 10 x Line 11		0.12352	0.11924	0.11686

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
April 2013 through June 2013
RA Component

Monthly Retail FAC Cost

Line	Month	Less		=		Times		=		+		=	
		Total Company FAC Cost	Assigned OSS And Pool	Internal Load FAC Cost		Retail Allocation Ratio		Retail FAC before Renewables		Renewables		Retail FAC & Renewable Cost	
1	Oct-12	\$ 180,522,142	\$ 98,122,872	\$ 82,399,270		0.90287	\$	74,395,829	\$	1,095,625	\$	75,491,454	
2	Nov-12	\$ 171,539,777	\$ 90,611,833	\$ 80,927,944		0.90269	\$	73,052,845	\$	733,545	\$	73,786,390	
3	Dec-12	\$ 187,799,296	\$ 101,914,951	\$ 85,884,345		0.90779	\$	77,964,949	\$	903,536	\$	78,868,485	
4	Total	\$ 539,861,215	\$ 290,649,656	\$ 249,211,559			\$	225,413,623	\$	2,732,706	\$	228,146,329	

Monthly Jurisdictional Allocation Ratios

Line	Month	Jurisdictional Sales at Gen Level Kwh			Jurisdictional Ratios	
		Whlse (WPC)	Retail	Total	Whlse (WPC)	Retail
<u>Actual</u>						
5	Oct-12	222,566,850	2,068,793,575	2,291,360,425	0.09713	0.90287
6	Nov-12	213,457,400	1,980,218,689	2,193,676,089	0.09731	0.90269
7	Dec-12	217,242,442	2,138,714,527	2,355,956,969	0.09221	0.90779
<u>Forecast</u>						
8	Apr-13	274,527,610	1,477,493,015	1,752,020,626	0.15669	0.84331
9	May-13	284,311,228	1,623,947,956	1,908,259,184	0.14899	0.85101
10	Jun-13	295,336,063	1,679,689,410	1,975,025,472	0.14954	0.85046

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly AER For Billing During
April 2013 through June 2013
Summary - Proposed AER Rate

COLUMBUS SOUTHERN POWER RATE ZONE

A		B		C		D
		Schedule 5		Schedule 6		
Line	Delivery Voltage	Current AER Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components	
1	Secondary	0.16354	0.14908	-0.05199	0.097090	
2	Primary	0.15787	0.14391	-0.05018	0.093730	
3	Sub/Transmission	0.15473	0.14105	-0.04918	0.091870	

OHIO POWER RATE ZONE

A		B		C		D
		Schedule 5		Schedule 6		
Line	Delivery Voltage	Current AER Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components	
1	Secondary	0.11043	0.10067	-0.05199	0.048680	
2	Primary	0.10660	0.09718	-0.05018	0.047000	
3	Sub/Transmission	0.10447	0.09524	-0.04918	0.046060	

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly AER For Billing During
April 2013 through June 2013
FC Component

Line	Description	Forecast Period - 2nd Quarter 2013			Total
		April	May	June	
TOTAL COMPANY					
1	Renewable Energy Credits	2,183,904	1,873,616	1,342,480	\$ 5,400,000
2	Retail Non-Shopping Sales - Generation Level Kwh	1,477,493,015	1,623,947,956	1,679,689,410	4,781,130,382
3	COLUMBUS SOUTHERN POWER RATE ZONE				
4	CSP % for Retail Load				\$ 2,656,800
5	CSP % Non-Shopping Sales				1,890,458,953
6	FC Component of AER Rate At Generation Level - Cents/kWh				0.14054
7	FC Component of AER Rate At Generation Level	Secondary	Primary	Sub/Trans	
8	Loss Factor	0.14054	0.14054	0.14054	
9	FC at the Meter Level - Cents/kWh	1.0608	1.0240	1.0036	
	Line 17 x Line 18	0.14908	0.14391	0.14105	
10	OHIO POWER RATE ZONE				
11	OPCo % for Retail Load				\$ 2,743,200
12	OPCo % Non-Shopping Sales				2,890,671,429
13	FC Component of AER Rate At Generation Level - Cents/kWh				0.09490
14	FC Component of AER Rate At Generation Level	Secondary	Primary	Sub/Trans	
15	Loss Factor	0.09490	0.09490	0.09490	
16	FC at the Meter Level - Cents/kWh	1.0608	1.0240	1.0036	
	Line 23 x Line 24	0.10067	0.09718	0.09524	

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly AER For Billing During
April 2013 through June 2013
RA

Actual Period - October 2012 through December 2012						
Line	Month	Retail Non-Shopping Sales	Kwh	Renewable Revenue	Renewable Cost	AER (Over)/Under Recovery
1	Beginning Balance					
2	Oct-12	1,989,223,280	\$	1,680,089	\$ (109,604)	\$ (1,789,694)
3	Nov-12	1,896,976,201	\$	1,437,232	\$ 1,160,728	\$ (276,503)
4	Dec-12	2,045,287,888	\$	1,488,260	\$ 1,211,301	\$ (276,959)
5	Ending Balance	5,931,487,369	\$	4,605,581	\$ 2,262,425	\$ (2,343,156)
6	Total (Over)/Under Recovery Balance					\$ (2,343,156)
7	Loss Adjusted Retail Sales Billing Period - kWh					4,781,130,382
8	RA Component at Generation - Cents/kWh					-0.04901
9					Secondary	Primary
10	RA Component of FAC Rate At Generation Level				(0.04901)	(0.04901)
11	Loss Factor				1.0608	1.024
12	RA at the Meter Level - Cents/kWh			Line 10 x Line 11	-0.05199	-0.05018
						-0.04918

WORKPAPER OTHER CREDITS -

Month	Ormet Market Differential Fuel Credit	Ormet Base Revenue Adjustment	Out of Period Adjustments	Carrying Costs on Credits/Charges	Other Credits/Charges	Total
Oct-12	\$ -	\$ -	47,431.00	\$ -	\$ -	47,431.00
Nov-12	\$ -	\$ -	-	\$ -	\$ -	-
Dec-12	\$ -	\$ -	-	\$ -	\$ -	-
	\$ -	\$ -	47,431	-	-	47,431

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Case No(s). 13-0572-EL-FAC

Summary: Application of American Electric Power Company electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company