BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Mercantile Customer	**)**	
Pilot Program for Integration of Customer	**)**	
Energy Efficiency or Peak-Demand	**)**	**Case No. 10-834-EL-POR**
Reduction Programs.	**)**	

COMMENTS OF OHIO POWER COMPANY ON THE REVIEW AND RECOMMENDATIONS OF THE PUBLIC UTILITIES COMMISSION OF OHIO STAFF FILED JANUARY 15, 2013

INTRODUCTION

On January 15, 2013, the Staff of the Public Utilities Commission of Ohio ("Commission" or "PUCO") issued its Review and Recommendations regarding its evaluation of the performance of the pilot program, and its recommended exemption form to be used for Energy Efficiency and Peak Demand Reduction ("EE/PDR") exemption extension requests.

Ohio Power Company ("AEP Ohio" or "Company") appreciates the Commission's request for comments on this topic. AEP Ohio offers these comments and states that its views or concerns could change depending on the facts and circumstances in the future. Further, AEP Ohio offers these comments as a resource for the Commission in an attempt to provide the Commission some specific and relevant input on PUCO Staff's Review and Recommendations for the Energy Efficiency Credits ("EEC") Pilot Program.

AEP OHIO COMMENTS

In Section III, Program Continuation Recommendations at page 4, the Pilot Program requires a mercantile customer to commit its project to the EDU by the end of

the calendar year for projects from the past three calendar years. The original extension to March 31 of the third year is to allow time for the EDU to review applications submitted by the customer prior to December 31 as some mercantile custom projects can take two or more months for data collection and analysis. The recommended change back to December 31 will disadvantage customers in that projects submitted in the three year approved period and near the December 31 deadline may not be able to be completed and filed. Given that many mercantile customers use this program to fund prospective projects, customers should be given the full three years to submit. Further, the number of customers submitting projects for the expiring three year period has decreased over larger numbers in previous years, so the end of year rush has been reduced and the start of year filing is manageable. In addition, moving the deadline from March 31 back to December 31 will simply force utilities to file three year old mercantile projects by the end of the year without the ability to fully vet and review the projects as the March 31 deadline currently allows. Without that extra time, three year old projects submitted will not be complete and will require extra EDU and Commission Staff time to review and add any needed detail. As an alternative, the March 31 deadline could be extended only to those projects that are three years old which are at risk not to be counted. This alternative may limit the rush projects and encourage the EDUs and customers to file current and one or two year old projects by the end of each year.

In Section III, Commitment Payment and Behavioral Savings Recommendations at page 5, the requirement states that "If the applicant fails to submit the annual application to continue the committed savings, the Commission will assume the savings no longer exist and the Company will be required to add savings back into the baseline."

For the mercantile Self Direct program, an annual adjustment is made to remove the impact of savings from the baseline by upwardly increasing the baseline by the amount of the mercantile savings. If the savings no longer exist, then the adjustment will not occur. The Company recommends that if the applicant fails to submit the annual application to continue the committed savings, then the Commission should assume that the savings no longer exist and the Company would be allowed to remove the savings from its baseline.

CONCLUSION

Ohio Power Company respectfully offers the preceding comments to assist the Commission in its review of Staff's Review and Recommendations of the EEC Pilot Program.

/s Yazen Alami

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On Behalf of Ohio Power Company

CERTIFICATE OF SERVICE

I certify that Ohio Power Company's foregoing **Comments of Ohio Power Company on the Review and Recommendations of the Public Utilities Commission of Ohio Staff filed January 15, 2013** was served via email upon counsel of record identified below this 27th day of March, 2013.

/s Yazen Alami
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Summary: Comments of OPC on the Review and Recommendations of the PUCO Staff filed January 15, 2013 electronically filed by Mr. Yazen Alami on behalf of Ohio Power Company