

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the )  
Fuel Adjustment Clauses for Columbus ) Case No. 11-5906-EL-FAC  
Southern Power Company and Ohio )  
Power Company and Related Matters. )

In the Matter of the Fuel Adjustment )  
Clauses for Columbus Southern Power ) Case No. 12-3133-EL-FAC  
Company and Ohio Power Company. )

In the Matter of the Fuel Adjustment ) Case No. 13-572-EL-FAC  
Clauses for Ohio Power Company. )

In the Matter of the Fuel Adjustment ) Case No. 13-1286-EL-FAC  
Clauses for Ohio Power Company. )

In the Matter of the Fuel Adjustment ) Case No. 13-1892-EL-FAC  
Clauses for Ohio Power Company. )

ENTRY ON REHEARING

The Commission finds:

- (1) Ohio Power Company d/b/a AEP Ohio (AEP Ohio or the Company)<sup>1</sup> is an electric utility as defined by R.C. 4928.01(A)(11) and an electric distribution utility as defined by R.C. 4928.01(A)(6) and, as such, is subject to the jurisdiction of this Commission.
- (2) In Case No. 11-346-EL-SSO, et al., the Commission modified and approved, pursuant to R.C. 4928.143, AEP Ohio's application for an electric security plan, including a fuel adjustment clause (FAC) mechanism under which the Company is intended to recover prudently incurred fuel and fuel-related costs. *In re Columbus Southern Power*

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<sup>1</sup> On March 7, 2012, the Commission approved and confirmed the merger of Columbus Southern Power Company into Ohio Power Company. *In re Ohio Power Company and Columbus Southern Power Company*, Case No. 10-2376-EL-UNC, Entry (Mar. 7, 2012).

*Company and Ohio Power Company*, Case No. 11-346-EL-SSO, et al., Opinion and Order (Aug. 8, 2012) at 18. In addition, a new alternative energy rider was established to enable AEP Ohio to recover alternative energy costs, which were previously recovered through the FAC. Annual audits are to be performed of AEP Ohio's fuel costs, fuel management practices, and alternative energy costs.

- (3) By Entry issued on December 4, 2013, the Commission selected Energy Ventures Analysis, Inc. (EVA) to perform the annual audit of AEP Ohio's fuel and alternative energy costs for the audit periods of 2012, 2013, and 2014. Additionally, the Commission noted that intervenors in a proceeding related to AEP Ohio's proposed competitive bid procurement process raised concerns regarding the Company's possible double recovery of certain capacity-related costs. *In re Ohio Power Company*, Case No. 12-3254-EL-UNC, Opinion and Order (Nov. 13, 2013) at 15, 16. The Commission, therefore, directed EVA to review and investigate the double-recovery allegations as part of its audit in the above-captioned proceedings and to recommend appropriate action based on EVA's review.
- (4) R.C. 4903.10 states that any party who has entered an appearance in a Commission proceeding may apply for a rehearing with respect to any matters determined therein by filing an application within 30 days after the entry of the order upon the Commission's journal.
- (5) On January 3, 2014, AEP Ohio filed an application for rehearing of the Commission's December 4, 2013 Entry. Industrial Energy Users-Ohio and the Ohio Consumers' Counsel filed a joint memorandum contra AEP Ohio's application for rehearing on January 13, 2014.
- (6) The Commission believes that sufficient reason has been set forth by AEP Ohio to warrant further consideration of the matters specified in the application for rehearing. Accordingly, the application for rehearing filed by AEP Ohio should be granted.

It is, therefore,

ORDERED, That the application for rehearing filed by AEP Ohio be granted for further consideration of the matters specified in the application for rehearing. It is, further,

ORDERED, That a copy of this Entry on Rehearing be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

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Todd A. Snitchler, Chairman

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Steven D. Lesser

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M. Beth Trombold

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Lynn Slaby

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Asim Z. Haque

SJP/sc

Entered in the Journal

**JAN 29 2014**

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Barcy F. McNeal

Barcy F. McNeal  
Secretary