



American Electric Power
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May 18, 2015

Honorable Greta See
Honorable Sarah Parrot
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Steven T. Nourse
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Re: *In the Matter of the Application of Ohio Power Company*, Case Nos.
13-2385-EL-SSO, 13-2386-EL-AAM, and 89-6007-EL-TRF

Dear Attorney Examiners See and Parrot:

On February 25, 2015, the Commission issued an Opinion and Order in Case Nos. 13-2385-EL-SSO et al. (Opinion and Order) that modified and approved the Electric Security Plan proposed by Ohio Power Company (dba AEP Ohio). On April 24, 2015, AEP Ohio submitted its compliance rates and tariffs to become effective with the first billing cycle of June, 2015 (one set of open access distribution tariffs and one set of standard service tariffs).

This letter is to update the Commission regarding three specific matters relating to the ESP III compliance tariffs. First, the Generation Energy (GENE) Rider has been calculated using the Commission-approved results of the April 28 and May 12 auctions, as approved by the Commission. Second, the Company's April 24 compliance filing inadvertently calculated the Generation Capacity Rider rates based only on the base residual auction for the 2015/2016 PJM delivery year. In the attached tariffs, the Company has updated the calculation to incorporate the final zonal capacity price for the 2015/2016 delivery year. Third, based upon conversations with Staff, the Company has updated the Basic Transmission Cost Rider (BTCR) rate design for Electric Heating General (EHG) customers to mitigate bill impacts. In subsequent BTCR filings, the Company will phase-in the originally proposed rate design for this class of customers. The workpapers relating to these updates are being served upon the parties of record in this proceeding.

As with the original compliance tariffs, the Company seeks Commission approval of these updated compliance tariffs. Please advise if you have any questions or concerns regarding the compliance tariffs.

Best Regards,

/s/Steven T. Nourse

cc: Parties of Record

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Letter, Compliance Tariffs and
Workpapers was served by electronic mail upon individuals listed below this 18th
day of August, 2012.

/s/Steven T. Nourse

Steven T. Nourse

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P.U.C.O. NO. 20

GENERATION ENERGY RIDER

Effective June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Energy charge as follows:

| Schedule | Summer (Jun-Sep) | Winter (Oct-May) |
|--|------------------|------------------|
| | ¢/KWH | ¢/KWH |
| Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS | 4.63200 | 4.63200 |
| Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS | 4.63200 | 4.63200 |
| Demand Metered Secondary GS-2 GS-3 EHG | 4.63200 | 4.63200 |
| Demand Metered Primary GS-2 GS-3 GS-4 | 4.47100 | 4.47100 |
| Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4 | 4.38100 | 4.38100 |
| Lighting AL SL | 4.63200 | 4.63200 |

Filed pursuant to Order dated February 25, 2015 in Case No. 13-2385-EL-SSO

Issued: May 18, 2015

Issued by
Pablo Vegas, President
AEP Ohio

Effective: June 1, 2015

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Columbus Southern Power Rate Zone

| Rate | | c/kWh or \$/Month |
|---|---|---|
| RR, RR-1 | | 1.42100 |
| RLM | <u>Winter Rate</u> First 750 KWH Next 150 KWH All Other KWH <u>Summer Rate</u> First 750 KWH Next 150 KWH All Other KWH | 1.97111 1.06670 1.24751 1.97111 1.87244 1.75201 |
| RS-ES, RS-TOD | On Peak KWH Off-Peak KWH | 2.45908 0.84364 |
| RS-TOD2 | Low Cost Hours High Cost Hours | 0.31282 14.23984 |
| Schedule CPP | <u>Winter Rate</u> First 800 KWH Over 800 KWH Critical Peak Hours <u>Summer Rate</u> Low Cost Hours Medium Cost Hours High Cost Hours Critical Peak Hours | 1.29688 0.00000 31.36050 0.31361 0.98328 2.00997 31.36050 |
| RS-RTP | Per Month | 17.28 |
| GS-1, GS-1 TOD | | 1.10900 |
| GS-2-TOD, GS-2 LMTOD | On-Peak Hours Off-Peak Hours | 3.31923 0.01134 |
| Demand Metered Secondary GS-2 GS-3 | | 1.16000 |
| Demand Metered Primary GS-2 GS-3 | | 0.98100 |
| Demand Metered Subtransmission/Transmission GS-4 | | 0.39000 |

Seasonal Periods

The winter period shall be the billing months of October through May and the summer period shall be the billing months of June through September.

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GENERATION CAPACITY RIDER

Effective June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Ohio Power Rate Zone

| Rate | | c/kWh or \$/Month |
|---|-----------------------------------|-------------------|
| RS | | 1.42100 |
| RDMS | KWH > 400 times billing demand | 1.63213 |
| | First 500 on-peak KWH | 2.03927 |
| | All Over 500 on-peak KWH | 1.51868 |
| | All additional KWH | 0.46231 |
| RS-ES, RS-TOD | On Peak KWH | 2.94264 |
| | Off-Peak KWH | 0.81065 |
| GS-1, EHS, SS, GS-2 Recreational Lighting | | 1.10900 |
| GS-1 ES | On-Peak Hours | 2.26846 |
| | Off-Peak Hours | 0.49520 |
| GS-TOD, GS-2-ES | On-Peak Hours | 1.81702 |
| | Off-Peak Hours | 0.62590 |
| Demand Metered Secondary GS-2 GS-3 EHG | | 1.16000 |
| Demand Metered Primary GS-2 GS-3 GS-4 | | 0.98100 |
| Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4 | | 0.39000 |

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BASIC TRANSMISSION COST RIDER

Effective June 1, 2015, for services rendered on and after June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Basic Transmission Cost charge per KW and/or KWH as follows:

| Schedule | ¢/KWH | \$/KW |
|--|---------|-------|
| Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS | 1.35826 | |
| Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS | 1.02133 | |
| Demand Metered Secondary GS-2 GS-3 | 0.03841 | 3.50 |
| Demand Metered Primary GS-2 GS-3 GS-4 | 0.03708 | 3.64 |
| Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4 | 0.03633 | 3.57 |
| Lighting AL SL | 0.36225 | |
| EHG | 2.19853 | |

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OAD – BASIC TRANSMISSION COST RIDER
(Open Access Distribution – Basic Transmission Cost Rider)

Effective June 1, 2015, for services rendered on and after June 1, 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Basic Transmission Cost charge per KW and/or KWH as follows:

| Schedule | ¢/KWH | \$/KW |
|--|---------|-------|
| Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS | 1.35826 | |
| Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS | 1.02133 | |
| Demand Metered Secondary GS-2 GS-3 | 0.03841 | 3.50 |
| Demand Metered Primary GS-2 GS-3 GS-4 | 0.03708 | 3.64 |
| Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4 | 0.03633 | 3.57 |
| Lighting AL SL | 0.36225 | |
| EHG | 2.19853 | |

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Summary: Correspondence -updated compliance tariffs electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company