BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143, in the Form of an Electric Security Plan.))))	Case No. 13-2385-EL-SSO
In the Matter of the Application of Ohio Power Company for Approval of Certain Accounting Authority.)	Case No. 13-2386-EL-AAM

THE RETAIL ENERGY SUPPLY ASSOCIATION'S MEMORANDUM IN RESPONSE TO THE APPLICATION FOR REHEARING OF OHIO POWER COMPANY

I. Introduction

Now comes the Retail Energy Supply Association ("RESA"), who responds pursuant to Rule 4901-1-35, Ohio Administrative Code, to the third assignment of error in the application for rehearing filed by the Ohio Power Company ("AEP Ohio") on June 29, 2015, in the above-styled proceedings. AEP Ohio contends in its third assignment of error that the Public Utilities Commission of Ohio ("Commission") unreasonably failed to delegate to the Market Development Working Group ("MDWG") authority commensurate with the assigned task. If the MDWG is supposed to delve into the details of what is needed for a practical and effective

¹ The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of more than twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

purchase of receivables ("POR") program, the MDWG must be given leeway to design a program based on the goals set out in the Opinion and Order.

RESA believes that AEP Ohio's request is reasonable and the clarification it seeks could actually save time and effort. The MDWG participants should attend the meetings knowing that that the Commission is calling for no particular mechanism to be used to achieve the POR, but rather particular results. The program on which the Staff should report back to the Commission must result in: (a) the POR of each participating competitive retail electric service ("CRES") provider for whom AEP Ohio bills on a consolidated basis; and (b) such purchases be made at a single discount rate that applies to all participating CRES providers.

II. AEP Ohio's pending rehearing request for greater leeway for developing the POR program is a reasonable request, so long as the Commission makes clear that the greater leeway cannot alter its approval of AEP Ohio's ESP III, which requires establishment of a POR program pursuant to which it will (a) purchase the receivables of each participating CRES provider for whom AEP Ohio bills on a consolidated basis and (b) purchase the receivables at a single discount rate that applies to all participating CRES providers.

AEP Ohio argues in its third assignment of error in its June 29, 2015 Application for Rehearing that the MDWG subgroup should have greater leeway in crafting the POR proposal.² Lacking the ability to craft a program without undue restraints, AEP Ohio's fear may result in a model plan that AEP Ohio would not be willing to implement.³ While RESA would list its concern that that lack of sufficient leeway to craft a program could result in a plan that does not best serve the public, RESA shares the concern that the POR program crafted not have to match every comment in the Commission's Opinion and Order. The Opinion and Order reflects all the arguments that were raised by all the parties. If the MDWG has to literally comply with every comment in the Opinion and Order, it could be precluded from proposing an efficient POR

² AEP Ohio's June 29, 2015 Application for Rehearing at 17.

³ *Id.* at 18.

program design. For example, the Commission's ruling reflected that it would not accept the AEP Ohio requested rule waiver to Rule 4901:1-18-10(D), Ohio Administrative Code, concerning shut offs as proposed in the Application, but that ruling should not mean that a POR plan with a modified waiver for a modified POR program would not be acceptable. Having that type of leeway will be necessary for the MDWG to have a POR plan that is both coherent and administratively efficient. Hence, RESA joins with AEP Ohio asking that there be greater flexibility to develop a POR proposal at the MDWG.

III. Conclusion

POR will help benefit customers and help spur further development of the competitive market in AEP Ohio's service territory. RESA supports AEP Ohio's request for greater leeway for the MDWG to develop the POR program details. However, at the same time and for the reasons explained above, the Commission should reaffirm its fundamental POR rulings – making clear that greater leeway does not alter the basic goal of the MDWG crafting a POR plan that provides for the: (a) purchase the receivables of each participating CRES provider for whom AEP Ohio bills on a consolidated basis and (b) purchase the receivables at a single discount rate that applies to all participating CRES providers.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned certifies that a courtesy copy of the foregoing document is also being served (via electronic mail) on 9th day of July 2015 upon all persons/entities listed below.

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