



Public Utilities Commission

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FILE

January 4, 2017

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

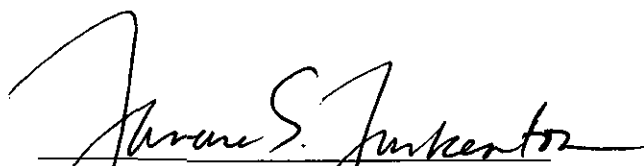
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RE: *In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143, in the Form of an Electric Security Plan, Case No. 13-2385-EL-SSO;*

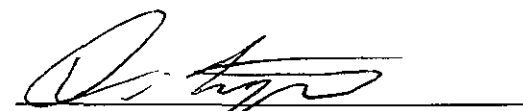
In the Matter of the Application of Ohio Power Company for approval of Certain Accounting Authority, Case No. 13-2386-EL-AAM.

Dear Docketing Division:

Enclosed please find Staff's Review and Recommendations in regard to the Ohio Power Company's proposed IRP compliance tariff filing, filed in accordance with the Commission's Fourth Entry on Rehearing dated November 3, 2016, in the above captioned cases.



Tamara S. Turkenton
Chief, Regulatory Services Division
Public Utilities Commission of Ohio



David Liphtratt
Chief, Research and Policy Division
Public Utilities Commission of Ohio

Enclosure
Cc: Parties of Record

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Ohio Power Company

Case No. 13-2385-EL-SSO

Background

On November 10, 2016, Ohio Power Company (Ohio Power) filed compliance tariffs in accordance with the November 3, 2016, Commission's Fourth Entry on Rehearing. Specifically, Ohio Power's filing includes proposed Interruptible Power (IRP) tariffs, to become effective upon Commission approval.

Staff Review and Recommendation

Staff has reviewed the Company's most recently filed IRP Compliance tariff filed on November 10, 2016. The Staff takes issue with only one aspect of the IRP tariff in considering the Commission's original Order and the Second and Fourth Entries on Rehearing in this case. The Staff does not believe that the sentence under the section, Enrollment, Registration, and Participation in PJM Demand Response Programs is appropriate in consideration of the Commission's clarification regarding the compliance tariff filed on November 10, 2016. It is stated as follows:

"To the extent that the customer's capability had already been offered prior to January 1, 2017 into a PJM reliability pricing model (RPM) auction by any other entity other than the Company, the customer must agree to remit to the Company any such related compensation from PJM for periods after May 31, 2015."

The Commission has already addressed this issue in its Second Entry on Rehearing, pp. 14-15, paragraph 30 with the sentence,

"However, in order to ensure no disruption to customers that may have already bid their interruptible resources into PJM's auctions for the delivery years of the ESP 3 term, [i.e. June 1, 2015 – May 31, 2018] whether directly or through a curtailment service provider, existing IRP-D customers **may retain the resulting benefits** without any reduction in their IRP-D credit for imputed revenue."
[Emphasis added].

With respect to those customers who receive the equivalent amount of IRP-D credit through a special or unique arrangement and the contract does not specify that any customer who may have received any PJM payments for any offered emergency or capacity only products to be returned or credited back to the Company, the Staff believes the same Commission language above would apply.

With this clarification in the Second Entry on Rehearing, the Staff does not believe the Company's IRP tariff filed on November 10, 2016 complies with the Commission's Order and Entries on Rehearing in this case. Therefore, the Staff recommends that the Company should refile its IRP tariff in compliance with the Commission's Order.