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Legal Department

American Electric Power
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May 16, 2017

The Honorable Greta See
The Honorable Sarah Parrot
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
Columbus Ohio 43215-3793

Steven T. Nourse
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Re: *In the Matter of the Commission Review of Capacity Charges of Ohio Power Company and Columbus Southern Power Company*, Case No. 10-2929-EL-UNC; *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan*, Case Nos. 11-348-EL-SSO and 11-346-EL-SSO; *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Approval of Certain Accounting Authority*, Case Nos. 11-349-EL-AAM and 11-350-EL-AAM; *In the Matter of the Application of Ohio Power Company to Adopt a Final Implementation Plan for the Retail Stability Rider*, Case No. 14-1186-EL-RDR; *In the Matter of the Application of Columbus Southern Power Company for Approval of a Mechanism to Recover Deferred Fuel Costs Ordered Under Ohio Revised Code 4928.144*, Case No. 11-4920-EL-RDR; *In the Matter of the Application of Ohio Power for Approval of a Mechanism to Recover Deferred Fuel Costs Ordered Under Ohio Revised Code 4928.144*, Case No. 11-4921-EL-RDR; *In the Matter of the Fuel Adjustment Clauses for Columbus Southern Power Company and Ohio Power Company*, Case Nos. 09-872-EL-FAC and Case No. 09-873-EL-FAC; *In the Matter of the Application of the Fuel Adjustment Clauses for Columbus Southern Power Company and Ohio Power Company and Related Matters*, Case No. 11-5906-EL-FAC; *In the Matter of the Fuel Adjustment Clauses for Columbus Southern Power Company and Ohio Power Company*, Case No. 12-3133-EL-FAC; *In the Matter of the Fuel Adjustment Clause for Ohio Power Company*, Case No. 13-572-EL-FAC; *In the Matter of the Fuel Adjustment Clause for Ohio Power Company*, Case No. 13-1286-EL-FAC; *In the Matter of the Fuel Adjustment Clause for Ohio Power Company*, Case No. 13-1892-EL-FAC; *In the Matter of the Application of Ohio Power Company for Administration of the Significantly Excessive Earnings Test for 2014*, Case No. 15-1022-EL-UNC; *In the Matter of the Application of Ohio Power Company for Administration of the Significantly Excessive Earnings Test for 2015*, Case No. 16-1105-EL-UNC

Dear Examiners:

On December 21, 2016, the Signatory Parties filed a Joint Stipulation and Recommendation involving all of the above-captioned cases (Global Settlement).

As the Company worked to implement the FAC Credit to customers based on Paragraph IV.D of the Global Settlement, it was determined that the load data used to calculate the credit rate on page 9 of William A. Allen's prefiled testimony supporting the Global Settlement, AEP Ohio Ex. 101, included losses of 8%. In order for each customer to get the full value of the refund, the Company needs to gross up the rate included in testimony of \$0.00188/kWh by losses of 8% for a final rate of \$0.00203/kWh. Of course, the total Company obligation of \$100 million is unchanged and correcting this calculation error in the credit rate does work to benefit customers. In Mr. Allen's testimony he gave the example that a residential customer using 1,000 kWh per month for the 34 months would receive a one-time credit of \$63.92. Adjusting the rate for losses would equate to this same customer seeing a credit of \$69.02. No additional action by the Commission is needed and this letter is only being filed in order to update the record (the Signatory Parties were previously notified of this development).

Thank you for your attention to this matter.

Respectfully Submitted,

//s/ Steven T. Nourse

cc: Parties of Record

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 10-2929-EL-UNC, 11-0348-EL-SSO, 11-0346-EL-SSO, 11-0349-EL-AAM, 14-1186-EL-RDR,

Summary: Correspondence - Letter to Attorney Examiner re FAC Refund Credit electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company