



Legal Department

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373

June 1, 2017

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

Re: *In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter into an Affiliate Power Purchase Agreement for Inclusion in the Power Purchase Agreement Rider*, Case No. 14-1693-EL-RDR; *In the Matter of the Application of Ohio Power Company for Approval of Certain Accounting Authority*, Case No. 14-1694-EL-AAM

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Dear Attorney Examiners:

On May 15, 2014, Ohio Power Company (AEP Ohio) filed its Amended Application in this proceeding. On December 14, 2015, AEP Ohio, the Staff and other intervenors filed a Joint Stipulation and Recommendation to resolve the issues presented in the Amended Application and other matters (Stipulation). Pursuant to the Commission's March 31, 2016 Opinion and Order in this proceeding (Opinion and Order), the Company's Amended Application was approved and modified, consistent with the terms of the Stipulation and the modifications made in the Opinion and Order.

In accordance with the directives in the Opinion and Order, AEP Ohio previously submitted its compliance tariff relating to the Power Purchase Agreement (PPA) Rider effective on April 5, 2016. On May 2, 2016, the Company filed an application for rehearing that, among other things, contemplated a modified PPA Rider based on certain conditions and discussed that the rider could potentially be converted to being bypassable.

On November 3, 2016 the Commission issued its Second Entry on Rehearing granting the Company's rehearing request to further modify the PPA Rider and Stipulation to exclude the Affiliate PPA and confirming the ongoing inclusion of net costs in the PPA Rider. In the Second Entry on Rehearing, the Commission directed AEP Ohio to defer, "without carrying charges, any OVEC costs incurred for the period of June 2016 through December 2016, with recovery of such costs to occur beginning with the first billing cycle of January 2017 and continue over the 12 months of calendar years 2017. The Commission also directed that the rider remain nonbypassable.

Accordingly, the Company submits its updated PPA Rider to be effective with the first Billing Cycle 1 of July 2017. The updated PPA reflects the actual OVEC-only nonbypassable charges for the period of June through December 2016 and forecast costs for July through September 2017. In accordance with the Second Entry on Rehearing the Company continues to include the revised 2016 costs that the company began to collect commencing with the first billing cycle of January 2017 and for the 12 months of calendar year 2017. The Company requests that the July through September 2017 forecast costs be collected over this same period. Beginning with this quarterly update the filings include a FAC-style rate reflecting both the prior quarter reconciliation to actual results and projections for the next/future quarter.

Pursuant to the process established in the Opinion and Order (at pages 89-90), the updated PPA Rider rates will become effective unless the Staff raises issue prior to the billing cycle during which the quarterly adjustments are to become effective.

Thank you for your attention to this matter.

Respectfully Submitted,

//s/ Steven T. Nourse

cc: Parties of Record

**OHIO POWER COMPANY**  
**Calculation of Quarterly PPA For Billing During**  
**July through September 2017**

Schedule 1

PPA June - December 2016							
	<u>Residential</u>	<u>GS Non-Demand</u>	<u>Secondary</u>	<u>Primary</u>	<u>Sub/Tran</u>	<u>Lighting</u>	<u>Total</u>
2015 5CP	3,221	118	2,030	889	1,249	-	7,507
Allocation	43%	2%	27%	12%	17%	0%	
Revenue Requirement	\$ 9,336,758	\$ 343,317	\$ 5,884,061	\$ 2,577,088	\$ 3,621,835	\$ -	\$ 21,763,059
Forecasted kWh	14,083,305,867	798,472,714	12,018,699,214	6,232,982,428	10,634,946,118	216,387,945	
Rate (\$/kWh)	0.0006630	0.0004300	0.0004896	0.0004135	0.0003406	0.0000000	
Gross Up Factor	1.00938	1.00938	1.00938	1.00938	1.00938	1.00938	
Final Rate (\$/kWh)	0.0006692	0.000434	0.0004942	0.0004174	0.0003438	0	

PPA July - September 2017							
	<u>Residential</u>	<u>GS Non-Demand</u>	<u>Secondary</u>	<u>Primary</u>	<u>Sub/Tran</u>	<u>Lighting</u>	<u>Total</u>
2016 5CP	2,965	139	2,121	904	1,208	-	7,336
Allocation	40%	2%	29%	12%	16%	0%	
Revenue Requirement	\$ 3,257,348.70	\$ 152,819	\$ 2,330,622	\$ 992,689	\$ 1,326,595	\$ -	\$ 8,060,074
Forecasted kWh	3,773,968,200	217,169,131	3,246,146,206	1,630,174,363	2,710,503,011	53,934,541	
Rate (\$/kWh)	0.0008631	0.0007037	0.0007180	0.0006089	0.0004894	0.0000000	
Gross Up Factor	1.00938	1.00938	1.00938	1.00938	1.00938	1.00938	
Final Rate (\$/kWh)	0.0008712	0.0007103	0.0007247	0.0006146	0.000494	0	

Total PPA July - September 2017							
	<u>Residential</u>	<u>GS Non-Demand</u>	<u>Secondary</u>	<u>Primary</u>	<u>Sub/Tran</u>	<u>Lighting</u>	
Final Rate (\$/kWh)	0.0015404	0.0011443	0.0012189	0.0010320	0.0008378	0.0000000	

**OHIO POWER COMPANY**  
**Calculation of Quarterly PPA For Billing During**  
**July through September 2017**  
**FC Component**

Line	Description	July	August	September	Total
<b><u>TOTAL COMPANY</u></b>					
1	PPA Charge/(Credit) Forecast	\$ 2,524,665	\$ 3,167,501	\$ 3,924,196	\$ 9,616,362

<b>Forecast Load</b>		<b>2017</b>	<b>2017</b>
<b>All kWh (non-bypassable)</b>		<b>July-September</b>	<b>Annual Total</b>
2	Residential	3,773,968,200	14,083,305,867
3	GS Non-Demand	217,169,131	798,472,714
4	Secondary	3,246,146,206	12,018,699,214
5	Primary	1,630,174,363	6,232,982,428
6	Sub/Tran	2,710,503,011	10,634,946,118
7	Lighting	53,934,541	216,387,945
8	Total	11,631,895,453	43,984,794,286

Line	Month	PPA Revenue		PPA Cost	PPA (Over)/Under Recovery
1	<b>Beginning Balance</b>				\$ -
2	Jun-16	\$	-	\$ 2,700,465	\$ 2,700,465
3	Jul-16	\$	-	\$ 1,893,857	\$ 1,893,857
4	Aug-16	\$	-	\$ 2,294,807	\$ 2,294,807
5	Sep-16	\$	-	\$ 2,403,712	\$ 2,403,712
6	Oct-16	\$	-	\$ 4,120,794	\$ 4,120,794
7	Nov-16	\$	-	\$ 4,524,796	\$ 4,524,796
8	Dec-16	\$	-	\$ 3,824,626	\$ 3,824,626
9	<b>Ending Balance</b>	\$	-	\$ 21,763,059	\$ 21,763,059

Line	Month	PPA Revenue		PPA Cost	PPA (Over)/Under Recovery
10	<b>Beginning Balance</b>				\$ -
11	Jan-17	\$	4,444,615	\$ 2,460,253	\$ (1,984,362)
12	Feb-17	\$	2,581,624	\$ 3,799,760	\$ 1,218,135
13	Mar-17	\$	3,050,355	\$ 2,260,294	\$ (790,061)
14	<b>Ending Balance</b>	\$	10,076,595	\$ 8,520,306	\$ (1,556,288)

P.U.C.O. NO. 20

## POWER PURCHASE AGREEMENT RIDER

Effective Cycle 1 ~~April~~July 2017 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Purchase Agreement charge as follows:

Schedule	¢/kWh
<b>Residential</b> RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	<del>0.249800</del> <u>0.15404</u>
<b>Non Demand Metered</b> GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	<del>0.145920</del> <u>0.11443</u>
<b>Demand Metered Secondary</b> GS-2 GS-3 EHG	<del>0.165570</del> <u>0.12189</u>
<b>Demand Metered Primary</b> GS-2 GS-3 GS-4	<del>0.138450</del> <u>0.10320</u>
<b>Demand Metered Subtransmission/Transmission</b> GS-2 GS-3 GS-4	<del>0.113170</del> <u>0.08378</u>
<b>Lighting</b> AL SL	0.00000

Filed pursuant to Orders dated March 31, 2016 and November 3, 2016 in Case No. 14-1693-EL-RDR

Issued: ~~March~~June 1, 2017

Effective: Cycle 1 ~~April~~July 2017

Issued by  
 Julia Sloat, President  
 AEP Ohio

P.U.C.O. NO. 20

OAD - POWER PURCHASE AGREEMENT RIDER  
(Open Access Distribution – Power Purchase Agreement Rider)

Effective Cycle 1 ~~April~~<sup>July</sup> 2017 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly Power Purchase Agreement charge as follows:

Schedule	¢/kWh
<b>Residential</b> RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	<del>0.249800</del> <sup>0.15404</sup>
<b>Non Demand Metered</b> GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	<del>0.145920</del> <sup>0.11443</sup>
<b>Demand Metered Secondary</b> GS-2 GS-3 EHG	<del>0.165570</del> <sup>0.12189</sup>
<b>Demand Metered Primary</b> GS-2 GS-3 GS-4	<del>0.138450</del> <sup>0.10320</sup>
<b>Demand Metered Subtransmission/Transmission</b> GS-2 GS-3 GS-4	<del>0.113170</del> <sup>0.08378</sup>
<b>Lighting</b> AL SL	0.00000

Filed pursuant to Orders dated March 31, 2016 and November 3, 2016 in Case No. 14-1693-EL-RDR

Issued: ~~March~~<sup>June</sup> 1, 2017

Effective: Cycle 1 ~~April~~<sup>July</sup> 2017

Issued by  
Julia Sloat, President  
AEP Ohio

**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 14-1693-EL-RDR, 14-1694-EL-AAM**

Summary: Tariff electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company