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November 3, 2017

The Honorable Richard Bulgrin, Attorney Examiner Public Utilities Commission of Ohio 180 East Broad Street, 12<sup>th</sup> Floor Columbus, OH 43215-3793

> Re: In the Matter of the Application of Ohio Power Company for Approval of its Energy Efficiency/Peak Demand Reduction Program Portfolio Plan, Case No. 16-574-EL-POR

Dear Attorney Examiner Bulgrin:

On January 18, 2017, the Public Utilities Commission of Ohio (Commission) issued an Opinion and Order in this Case approving a Stipulation and Recommendation (Stipulation) filed on December 9, 2016 for Ohio Power Company's (Ohio Power or Company) 2017 through 2020 Energy Efficiency and Peak Reduction Program Portfolio Plan (Plan). The Plan is subject to an annual cost cap of \$110,310,902 for program costs and shared savings. The approved Stipulation included a term (¶IV.X.) for a limited hearing process in 2017 to determine whether the \$110,310,902 annual cost cap should be eliminated in the final two years of the Plan (2019-2020).

The Environmental Defense Fund, Environmental Law and Policy Center, Ohio Environmental Council, and Natural Resources Defense Council (Environmental Groups) recently reached an agreement with Ohio Power for the Company to provide information to the Environmental Groups on projected program budgets for compliance with the cost cap going forward. Specifically, Ohio Power has agreed to provide all parties to this case, and all members of its energy efficiency collaborative, (including the Environmental Groups) with projected program budgets for each year in or before December of the prior year (subject to the same caveats on Settlement Exhibit JFW-2 providing a

projected 2017 budget regarding the preliminary nature of the budget). Based on this agreement, the Environmental Groups no longer wish to contest the annual cost cap in Plan years 2019-2020. Accordingly, the Environmental Groups waive their rights to proceed under the terms in ¶IV.X. of the Stipulation. The remaining parties to the Stipulation do not object to the Environmental Groups waiver of the terms in the Stipulation that provide a limited hearing process on the annual cost cap for Plan years 2019-2020.

Respectfully submitted, **Michael DeWine** Ohio Attorney General

William L. Wright
Section Chief

/s/ John H. Jones

John H. Jones

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Counsel for the Staff of The Public Utilities Commission of Ohio

JHJ/klk

cc: Parties of Record

Specifically, Settlement Exhibit JFW-2 provides that the budget provided "is a preliminary, good faith estimate of AEP Ohio's initial 2017 annual operating budget, which has been revised based on the December 9, 2016 Stipulation. This budget is preliminary and may change. AEP Ohio reserves the right to adjust program budgets or to eliminate programs based on further budgetary development and operational realities."

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Case No(s). 16-0574-EL-POR

Summary: Correspondence Letter to Attorney Examiner submitted by Assistant Attorney General John Jones on behalf of the Staff of the Public Utilities Commission of Ohio, regarding Stipulation. electronically filed by Kimberly L Keeton on behalf of Public Utilities Commission of Ohio