

**BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of the Ohio	)	
Valley Electric Corporation for Approval of	)	
The Termination of a Letter Agreement for the	)	Case No. 15-0892-EL-AEC
Temporary Supply of Arranged Power with	)	
The United States of America	)	

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**THE UNITED STATES DEPARTMENT OF ENERGY'S  
STATEMENT IN SUPPORT OF JOINT STIPULATION AND RECOMMENDATION**

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COMES NOW, the United States Department of Energy, by and through its undersigned attorneys, and pursuant to Ohio Administrative Code Rule 4901-1-30, makes the following statements in support of the Joint Stipulation & Recommendation ("Joint Stipulation" or "Agreement") filed jointly by the United States Department of Energy ("the Department"), the Ohio Power Company ("AEP-Ohio") and the Ohio Valley Electric Corporation ("OVEC") on April 10, 2018:

1. On April 10, 2018, the Department, AEP-Ohio and OVEC filed with the Public Utilities Commission of Ohio ("PUCO") a Joint Stipulation to resolve long-standing and complex issues related to electric power service to the Department's Portsmouth facility located in Pike County, Ohio.
  
2. The Department supports PUCO approval of the Joint Stipulation because it resolves, in a just and reasonable manner, the following issues: (1) the construction and reconfiguration of transmission infrastructure to enable AEP-Ohio to serve the Portsmouth facility after an interim period of years; (2) the timeline for construction and reconfiguration work among the three

parties to the Agreement; the relative costs, responsibilities and obligations taken on by the three parties to the Agreement; and the ultimate termination of OVEC's service obligation to provide electric service to the Portsmouth facility.

3. In reaching the Joint Stipulation, the interested parties collaboratively and exhaustively analyzed numerous configuration options, execution timelines, and cost responsibilities and arrived at the solution contained in the Joint Stipulation, and consider the Agreement as the most optimal solution of the options available.

4. PUCO adoption of the Joint Stipulation, while representing a departure from the 70-year relationship between the federal government and OVEC first established by PUCO in 1953 by approval the original DOE Power Agreement between OVEC and the federal government, serves the long-term interests of the parties to the Agreement.

5. Receipt of reliable and affordable electric power service as a retail customer in the state of Ohio has always been and remains the ultimate interest of the Department in this proceeding. PUCO approval of the Joint Stipulation serves this interest over the long-term.

6. The Portsmouth facility is a site of national importance. Since 1954, the site hosted a gaseous diffusion plant to enrich uranium for both defense and commercial purposes. Those activities ceased in May 2001. In 2011, DOE began preparing a portion of the site for decontamination and decommissioning, which requires the continued support of nuclear facility operations and nuclear safety systems. Currently, the site hosts a depleted uranium conversion

facility whose mission is to convert depleted uranium hexafluoride into a stable, solid crystal form. Today, the site provides approximately 2600 local jobs in support of both the clean-up effort and the ongoing site missions.

7. Until the Department becomes an Ohio retail customer of AEP-Ohio, the Department remains an Ohio retail customer of OVEC.

8. The Department's status as a retail customer of an electric public utility in the State of Ohio will remain intact throughout its transition from a retail electric customer of OVEC to a retail electric customer of AEP-Ohio, as will the jurisdiction of PUCO over the Department's retail rates.

9. The Department retains all rights under Ohio law, including all rights of an Ohio retail customer under the Ohio Revised Code Section 4909.15.

FOR THE FOREGOING REASONS, the Department respectfully requests the Commission approve the April 10, 2018 Joint Stipulation and Recommendation.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Daniel Yaeger". The signature is written in dark ink and is positioned above a horizontal line.

Daniel Yaeger

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Date: May 16, 2018

## CERTIFICATE OF SERVICE

I hereby certify that on this 16<sup>th</sup> day of May, 2018, a copy of the foregoing *Statement in Support of Joint Stipulation and Recommendation* was served by email to counsel for Ohio Valley Electric Corporation, Ohio Power Company, Public Utilities Commission Staff and Industrial Energy Users – Ohio, listed below:

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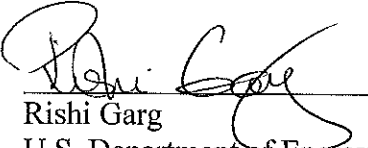
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Rishi Garg  
U.S. Department of Energy

Date: May 16, 2018

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Summary: Correspondence Statement of Support of the United States Department of Energy electronically filed by Mr. Rishi Garg on behalf of United States Department of Energy