



An AEP Company  
BOUNDLESS ENERGY™

Legal Department

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

November 25, 2019

Barcy F. McNeal  
Docketing Division Chief  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus Ohio 43215-3793

**Steven T. Nourse**  
**VP - Legal**  
(614) 716-1608 (P)  
(614) 716-2014 (F)  
stnourse@aep.com

*Re: In the Matter of the gridSMART Phase 2 Rider for Ohio Power Company, Case No. 19-1029-EL-RDR; Ohio Power Company, Case No. 89-6007-EL-TRF; In the Matter of the Review of the Operational Benefits Assessment of the gridSMART Deployment of Ohio Power Company, Case No. 18-1618-EL-RDR*

Dear Ms. McNeal:

Consistent with the April 28, 2017 Application filed to initiate this case and in accordance with the February 1, 2017 Opinion and Order in Case No. 13-1939-EL-RDR (gridSMART Phase 2 Order), Ohio Power Company (AEP Ohio) submitted its gridSMART Phase 2 rider update for the third quarter 2019 on October 25, 2019. The gridSMART Phase 2 Order requires quarterly filings with automatic approval 30 days after the filing unless otherwise determined by the Commission. On November 21, 2019 in Case No. 18-1618-EL-RDR, the Commission adopted the Stipulation in that case including the amount of operational savings to be included in the GS Phase 2 rider going forward as well as a new allocation for such credits.

The Company is providing this additional revision to the its Attachment 1 as well as the redlined tariffs to the current filing to reflect the compliance tariff to the Commission's order in Case No. 18-1618-EL-RDR to be effective with the first billing cycle of December 2019. The Company will update its tariffs previously filed electronically with the Commission's Docketing Division.

Thank you for your attention to this matter.

Regards,

/s/ Steven T. Nourse

cc: Parties

Line No.	gridSMART Incremental Investment	Actual gridSMART Spending	Carrying Charge	gridSMART Revenue Requirement
1	Jul 2019 - Sep 2019:			
2	Phase 2: O&M (AMI, VVO, DACR)	\$ 2,150,365		\$ 2,150,365
3	Total	\$ 2,150,365		\$ 2,150,365
	Phase 2: Incremental Investment Jul 2019 - Sep 2019	gridSMART Spending	Carrying Charge	gridSMART Revenue Requirement
4	Total Capital		7,509,317	\$ 7,509,317
5			Total	\$ 9,659,682
6			Tax Gross Up Rate	100.881%
7			Revenue Requirement	\$ 9,744,780
9			(Over)/Under Recovery for 1st Q	\$ 2,880
10			Total Revenue Requirement	\$ 9,747,660
11	Cost Residential Allocation	45%	Residential Revenue Requirement	\$ 4,386,447
12	Cost Non-Res Base Allocation	55%	Non-Res Revenue Requirement	\$ 5,361,213
13	Operational Savings Credit		Operation Savings Credit	(929,000)
14	Operational Savings Residential Allocation	60%	Residential Revenue Requirement	(557,400)
15	Operational Savings Non-Res Base Allocation	40%	Non-Res Revenue Requirement	(371,600)
16	Total Residential Allocation		Total Residential Revenue Requirement	3,829,047
17	Total Non-Residential Allocation		Total Non-Res Revenue Requirement	4,989,613
		<b>3rd Quarter 2019 Filing - Quarterly Collection</b>		<b>2018</b>
18			Residential Customers	1,292,342 \$ 0.99
19			Non-Residential Customers	191,982 \$ 8.66

P.U.C.O. NO. 20

## gridSMART PHASE 2 RIDER

Effective with the first billing cycle of ~~September~~December 2019, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 1, 2017 Opinion and Order in Case No. 13-1939-EL-RDR.

Residential Customers	<del>\$0.93</del> <u>\$0.99</u>
-----------------------	---------------------------------

Non-Residential	<del>\$7.65</del> <u>\$8.66</u>
-----------------	---------------------------------

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: ~~July 26,~~November 25, 2019Effective: Cycle 1 ~~September~~December 2019

Issued by  
Rajagopalan Sundararajan, President  
AEP Ohio

P.U.C.O. NO. 20

OAD – gridSMART PHASE 2 RIDER  
(Open Access Distribution – gridSMART Phase 2 Rider)

Effective with the first billing cycle of ~~September-December~~ 2019, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the monthly gridSMART Phase 2 charge. This rider shall be adjusted periodically to recover amounts authorized by the Commission. This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 1, 2017 Opinion and Order in Case No. 13-1939-EL-RDR.

Residential Customers	<del>\$0.93</del> <u>\$0.99</u>
Non-Residential	<del>\$7.65</del> <u>\$8.66</u>

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: ~~July 26~~October~~November 25~~, 2019Effective: Cycle 1 ~~September-December~~ 2019Issued by  
Rajagopalan Sundararajan, President  
AEP Ohio

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

**Commission of Ohio Docketing Information System on**

**11/25/2019 3:22:29 PM**

**in**

**Case No(s). 19-1029-EL-RDR, 89-6007-EL-TRF, 18-1618-EL-RDR**

Summary: Correspondence - Correspondence gridSMART Phase 2 rider update for the 3rd Quarter 2019 electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company