



# Public Utilities Commission

Mike DeWine, Governor  
M. Beth Trombold, Acting Chair

## Commissioners

Lawrence K. Friedeman  
Dennis P. Deters  
Daniel R. Conway

December 29, 2020

Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215

RE: *In the Matter of the Application of Ohio Power Company for Authority to Issue Phase-In-Recovery Bonds and Impose, Charge and Collect Phase-In-Recovery Charges and for Tariff and Bill Format Changes, Case No. 12-1969-EL-ATS*

Dear Docketing Division:

Enclosed please find Staff's Review and Recommendation in regard to the issuance of a final credit associated with the Deferred Asset Phase-In-Recovery Bonds Rider, Case No. 12-1969-EL-ATS.

A handwritten signature in black ink, appearing to read 'DL', written over a horizontal line.

David Lipthrott  
Chief, Accounting and Finance Division  
Rates and Analysis Department  
Public Utilities Commission of Ohio

Enclosure  
Cc: Parties of Record

BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

|  |   |                         |
|--|---|-------------------------|
| In the Matter of the Application of Ohio | ) |                         |
| Power Company for Authority to Issue     | ) |                         |
| Phase-In-Recovery Bonds and Impose,      | ) | Case No. 12-1969-EL-ATS |
| Charge and Collect Phase-In-Recovery     | ) |                         |
| Charges and for Tariff and Bill Format   | ) |                         |
| Changes                                  | ) |                         |

---

**Staff Review and Recommendation**

---

**CASE BACKGROUND AND SUMMARY**

In accordance with the Public Utilities Commission of Ohio's ("Commission") Order in Case No. 12-1969-EL-ATS on March 20, 2013, and as modified on April 10, 2013, (the "Financing Order"), Ohio Power Company ("AEP Ohio") has been collecting charges through the Deferred Asset Phase-In Rider ("DAPIR") subject to annual audits. On June 17, 2019, AEP Ohio filed a Notice in this case indicating that DAPIR rates had recently resulted in full recovery of the financing costs authorized under the Financing Order. Consequently, AEP Ohio changed all rates under the DAPIR tariffs to zero effective July 1, 2019. AEP Ohio also indicated that a final reconciliation needed to occur before the expiration of the DAPIR tariffs.

On November 19, 2019, AEP Ohio filed a letter with attachments ("Final Reconciliation") detailing the final reconciliation of the DAPIR. The Final Reconciliation indicated an over-recovery of funds in the amount of \$1,814,284 that need to be refunded to customers along with a proposed methodology to credit customer's bills by amending the DAPIR tariffs to reflect a credit of 2.91 percent of the base distribution revenue for one month following Commission authorization to do so.

On December 16, 2019, AEP Ohio filed a copy of the Release and Termination Agreement ("Termination Agreement") between Ohio Phase-In-Recovery Funding LLC ("Ohio PIR Funding") and U.S. Bank National Association.

On January 15, 2020, the Commission issued a Finding and Order authorizing AEP Ohio to proceed with the one-time credit as described in the Final Reconciliation.

On November 12, 2020, AEP Ohio filed a letter detailing the amount credited-back to customers through the DAPIR in February 2020, which was \$1,536,763.52. A balance of \$277,520 remains to be refunded to customers after issuing the February 2020 credit. AEP Ohio proposes to issue the

remaining balance as a one-time credit through its Distribution Investment Rider ("Rider DIR"). AEP Ohio also requests Commission authority to terminate the DAPIR and remove it from AEP Ohio's tariffs.

### **RECOMMENDATION**

Staff recommends the Commission authorize AEP Ohio to issue the remaining credit balance of \$277,520 through a one-time credit in Rider DIR, as proposed by AEP Ohio. Staff also recommends the Commission authorize AEP Ohio to terminate the DAPIR and remove it from its tariffs. Staff further recommends the Commission direct AEP Ohio to file a letter in this docket to notify the Commission of when the one-time DAPIR credit has been passed-back to customers.

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

**Commission of Ohio Docketing Information System on**

**12/29/2020 12:48:07 PM**

**in**

**Case No(s). 12-1969-EL-ATS**

Summary: Staff Review and Recommendation in regard to the issuance of a final credit associated with the Deferred Asset Phase-In-Recovery Bonds Rider electronically filed by Zee Molter on behalf of PUCO Staff