

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Ohio Power Company to Adjust its)	Case No. 23-423-EL-ACP
2022 Baseline for Compliance)	
with Section 4928.64, Revised Code)	

APPLICATION TO ADJUST BASELINE

Ohio Power Company d/b/a AEP Ohio (“AEP Ohio” or the “Company”) submits this application to adjust its baseline, for 2022, used to calculate the annual alternative energy portfolio benchmarks for the Company. In support of its application (the 2022 Application), AEP Ohio states the following:

1. AEP Ohio is an electric utility as that term is defined in §4928.01(A)(11), Ohio Rev. Code.
2. AEP Ohio is an electric utility operating company subsidiary of American Electric Power Company, Inc.
3. In 2008, the General Assembly enacted Substitute Senate Bill 221 (SB 221) which included creation of an alternative energy portfolio standard (AEPS), as outlined in Section 4928.64, Revised Code. SB 221 also adopted a new energy efficiency/peak demand reduction (EE/PDR) mandate, as reflected in Section 4928.66, Revised Code. Sections 4928.64 and 4928.66, Revised Code have been amended numerous times since then and additional related new provisions, Sections 4928.641- 4928.645, Revised Code, were created by SB 310 effective in 2014. In 2019, the General Assembly enacted Am. Sub. H.B 6 (HB 6) that, among other things, amended Sections 4928.64, 4928.641, 4928.644, and 4928.645.

4. The Company's 2012 and 2013 AEPS status reports, Case Nos. 13-880-EL-ACP and 14-520-EL-ACP, respectively, were approved on May 22, 2019. The Company's 2012 and 2013 AEPS compliance reports, Case Nos. 13-879-EL-ACP, and 14-521-EL-ACP, respectively, were approved on March 22, 2019. The Company's 2014 AEPS status and compliance reports are pending in Case Nos. 15-693-EL-ACP and 15-694-EL-ACP, respectively. The Company filed a separate application in Case No. 14-559-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2012 and 2013. On June 4, 2014, Staff of the Public Utilities Commission of Ohio (Staff) filed its Findings and Recommendations regarding the 14-559 application. Staff subsequently filed, on June 11, 2014, a correction to their findings. As corrected, Staff recommended that the Company be allowed to adjust its baseline for economic development customers receiving discounts through the Company's EDR (Economic Development Rider). On February 20, 2019, the Commission approved the application to adjust the 2012 and 2013 baselines used to determine its alternative energy portfolio benchmarks. The Company filed a separate application in Case No. 15-332-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2014, which was approved June 2, 2021.
5. The Company's 2015 AEPS status report and compliance report are pending in Case Nos. 16-747-EL-ACP and 16-748-EL-ACP, respectively.

The Company filed a separate application in Case No. 16-746-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2015 and waiver of OAC 4901:1-40-03(B)(3), which was approved June 2, 2021.

6. The Company's 2016 AEP status report and compliance report are pending in Case Nos. 17-978-EL-ACP and 17-981-EL-ACP, respectively. The Company filed a separate application in Case No. 17-935-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2016 and waiver of OAC 4901:1-40-03(B)(3), which was approved June 2, 2021.
7. The Company's 2017 AEPS status report and compliance report are pending in Case Nos. 18-612-EL-ACP and 18-611-EL-ACP, respectively. The Company filed a separate application in Case No. 18-610-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2017 and waiver of OAC 4901:1-40-03(B)(3), which was approved June 2, 2021.
8. The Company's 2018 AEPS status report and compliance report are pending in Case Nos. 19-934-EL-ACP and 19-933-EL-ACP, respectively. The Company filed a separate application in Case No. 19-814-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2018 and waiver of OAC 4901:1-40-03(B)(3), which was approved June 2, 2021.

9. The Company's 2019 AEPS status report and compliance report are pending in Case Nos. 20-738-EL-ACP and 20-737-EL-ACP, respectively. The Company filed a separate application in Case No. 20-736-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2019 and waiver of OAC 4901:1-40-03(B)(3), which remains pending.
10. The Company's 2020 AEPS status report and compliance report are pending in Case Nos. 21-431-EL-ACP and 21-425-EL-ACP, respectively. The Company filed a separate application in Case No. 21-352-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2020 and waiver of OAC 4901:1-40-03(B)(3), which remains pending.
11. The Company's 2021 AEPS status report and compliance report are pending in Case Nos. 22-346-EL-ACP and 22-347-EL-ACP, respectively. The Company filed a separate application in Case No. 22-345-EL-ACP to request a ruling regarding the proposed economic development baseline adjustment for 2021 and waiver of OAC 4901:1-40-03(B)(3), which remains pending.
12. The specific baseline adjustment being proposed in this 2022 Application is reflected in Exhibit A attached. The proposed baseline adjustment is consistent with recent rulings by the Commission and appropriate under Sections 4928.64 and 4928.644, Revised Code.
13. Effective October 22, 2019, Ohio law was changed pursuant to H.B. 6,

which expressly permits the Commission to “reduce either baseline described in section 4928.643 of the Revised Code to adjust for new economic growth in the electric distribution utility's certified territory or in the electric services company's service area in this state.” R.C. 4928.644(A).

14. On February 20, 2019, the Commission granted AEP Ohio’s applications to adjust its 2012 and 2013 baselines for economic growth. *In the Matter of the Application of Ohio Power Company to Adjust its 2012 and 2013 Baselines for Compliance with R.C. 4928.64*, Case No. 14-559-EL-ACP, Finding and Order at ¶ 12 (Feb. 20, 2019). Similarly, the Commission recently granted AEP Ohio’s prior requests to adjust its baselines 2014-2018 baselines for economic growth. *In the Matter of the Application of Ohio Power Company to Adjust its 2014 Baseline for Compliance with R.C. 4928.64*, Case No. 15-332-EL-ACP, *et al.*, Finding and Order at ¶ 19 (June 2, 2021).
15. AEP Ohio also submits that economic development is beneficial for the State of Ohio and therefore believes that reducing the baseline for the portion of the load with an economic development rider benefits the public. In approving rate discounts for certain customers under R.C. 4905.31 based on economic development considerations, the Commission has already determined that such discounts attract and retain new load growth that promotes the public interest and advances the economic development of the State of Ohio. AEP Ohio’s EE/PDR baselines and its AEPS baselines for 2009 through 2021 have been filed using substantially

the same set of economic development criteria, which currently tracks with the load associated with the discounts recovered from all customers through the Company's Economic Development Rider (EDR).

16. Finally, approving AEP Ohio's requested baseline adjustment in the 2022 Application will reduce projected compliance costs and save customers money, as reflected in Exhibit B attached to this Application. Stated differently, granting this application will save AEP Ohio's customers over \$4.3 million in compliance costs.

WHEREFORE, Based on the information and exhibits submitted with this filing, the Commission should approve the Company's 2022 Application, the Commission should confirm that the adjusted AEPS baseline used by the Company in its 2022 compliance report is consistent with, and approved under, the governing statute, R.C. 4928.644. In order to reduce uncertainty and help the Company more effectively manage its compliance obligations, AEP Ohio requests an expedited ruling on this application.

Respectfully submitted,

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Ohio Power Company Renewable Energy Benchmark for 2022

Table 1: Merged Solar & Non-Solar

Merged - Ohio Power						
(all units in MWh unless noted)						
Year	Actual Retail Sales (SSO Load)	Adjustments for Economic Growth	Adjusted Baseline		Year-end Target	Year-end Benchmark
2022	14,902,738	(1,864,504)	13,038,235		6.50%	847,485

Ohio Power Company Renewable Compliance Costs for 2022

Ohio Power Company Renewable Compliance Costs (2022)			
	Unadjusted Baseline SSO Sales	less: Economic Development	Adjusted Baseline
2022 Compliance Baseline (MWh)	14,902,738	(1,864,504)	13,038,235
2022 Benchmark – 6.5% (MWh)	968,678	(121,193)	847,485
x			
(Est) Weighted REC Cost 2022	\$ 35.09	\$ 35.09	\$ 35.09
Compliance Cost	\$ 33,990,911	\$ (4,252,662)	\$ 29,738,249

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Summary: Application Adjustment to 2022 Baseline. electronically filed by Michael
J. Schuler on behalf of Ohio Power Company.