**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Application of Ohio Power Company to Update its gridSMART Rider Rates. | ::: | Case No. 14-192-EL-RDR |

**REPLY COMMENTS**

SUBMITTED ON BEHALF OF THE STAFF OF

THE PUBLIC UTILITIES COMMISSION OF OHIO

 On December 2, 2014, the hearing examiner issued a procedural schedule estab­lishing a January 20, 2015 deadline for filing reply comments in this case. Accordingly, Staff submits its reply comments, which appear below.

 The sole objective of these comments is to clarify Staff’s position concerning one of the recommendations that Ohio Power Company (OPC) made in the reply comments it filed in this case on October 22, 2014. In those reply comments, OPC recommended that if the Commission decides there should be a downward adjustment in recoverable capital costs associated with OPC’s Community Energy Storage (CES) program (because the associat­ed batteries will not be serving customers), then the amount of that adjustment should be lowered from $454,632 to $155,209 due to the impact of a large vendor refund that OPC had credited against the gridSMART Rider costs.

 To verify the validity and accuracy of OPC’s recommendation, Staff obtained from OPC the documents and calculations pertaining to OPC’s recommended lower CES battery adjustment. Based on its review and analysis of those documents and calcula­tions, Staff now supports OPC’s recommendation to lower the CES battery adjustment to $155,209.

Respectfully submitted,

**Michael DeWine**

Ohio Attorney General

**William L. Wright**

Section Chief

/s/ *Ryan P. O’Rourke*

**Ryan P. O’Rourke**

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# PROOF OF SERVICE

 I hereby certify that a true copy of the foregoing **Reply Comments**,sub­mitted on behalf of the Staff of the Public Utilities Commis­sion of Ohio,was served via electronic mail, upon the following Parties of Record, this 20th day of January, 2015.

/s/ *Ryan P. O’Rourke*

**Ryan P. O’Rourke**

Assistant Attorney General

**Parties of Record:**

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