Frank P. Darr

(614) 719-2855-Direct Dial

fdarr@mwncmh.com

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Barcy McNeal

Secretary, Docketing Division

Public Utilities Commission of Ohio

180 East Broad Street

Columbus, Ohio 43215

**Re: *In the Matter of the Joint Application of Ohio Power Company and Solvay Specialty Polymers for Approval of a Special Arrangement Agreement*, Case No. 14-2296-EL-EEC.**

***In the Matter of the Joint Application of Ohio Power Company and Kraton Polymers U.S. LLC for Approval of a Special Arrangement Agreement*, Case No. 14-2304-EL-EEC.**

Dear Secretary McNeal:

Ohio Power Company (“AEP-Ohio”), Solvay Specialty Polymers (“Solvay”), and Kraton Polymers U.S. LLC (“Kraton”) filed the joint applications listed above on December 22, 2014. On January 12, 2015, Industrial Energy Users-Ohio (“IEU-Ohio”) moved to intervene and filed comments and objections to each joint application. IEU-Ohio has been granted intervention in each case. On February 20, 2015, the attorney examiner suspended automatic approval of the applications. On March 16, 2015, the attorney examiner filed an entry stating that parties may file comments and reply comments regarding the policy issues presented by the applications.

At this time, IEU-Ohio will not be filing comments in addition to the comments and objections it filed in each of the cases on January 12, 2015. As set out in the comments and objections, IEU-Ohio is supportive of the commitment of the energy efficiency and peak demand reduction attributes and commitment payments for which authorization is sought if the Public Utilities Commission of Ohio (“Commission”) finds that approval of those parts of the applications will reduce the compliance costs recoverable from customers. For the reasons stated in its objection, however, IEU-Ohio opposes AEP-Ohio’s request to increase the amount of shared savings it may seek to collect from customers because authorization is unlawful and unreasonable. If the Commission nonetheless authorizes AEP-Ohio to increase the amount it may bill and collect for shared savings, IEU-Ohio requests that the Commission find that it has, pursuant to AEP-Ohio’s request, amended AEP-Ohio’s portfolio mandate compliance plan and that eligible customers may immediately elect to opt-out of the benefits and costs of such plan in accordance with Amended Substitute Senate Bill 310 (“SB 310”) (rather than do so effective January 1, 2017). IEU-Ohio notes that making this election available immediately would facilitate the ability of streamlined opt-out customers to compete in the global economy and, in some cases, reduce the all-in delivered price and delta revenue associated with reasonable arrangements.

Additionally, IEU-Ohio is aware that AEP-Ohio, Kraton, and Solvay are recommending that Kraton and Solvay be permitted to elect to opt-out of the benefits and costs of the portfolio mandate compliance plan as provided by SB 310. IEU-Ohio is supportive of that recommendation since preserving the benefits of SB 310 will facilitate Kraton’s and Solvay’s ability to compete in the global economy and reduce the compliance baseline that would otherwise apply to AEP-Ohio.

Although IEU-Ohio is not filing additional comments at this time, it reserves the right to file reply comments on April 27, 2015, as provided by the Attorney Examiner’s entry.

Sincerely,

/s/ Frank P. Darr

Frank P. Darr

 **Attorney for Industrial Energy Users-Ohio**

FPD:klb

cc: Parties of Record