

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Columbus)
Southern Power Company for Approval of)
an Electric Security Plan; an Amendment to) Case No. 08-917-EL-SSO
its Corporate Separation Plan; and the Sale or)
Transfer of Certain Generating Assets.)

In the Matter of the Application of Ohio)
Power Company for Approval of its Electric) Case No. 08-918-EL-SSO
Security Plan; and an Amendment to its)
Corporate Separation Plan.)

FINDING AND ORDER

The Commission finds:

- (1) On July 31, 2008, Columbus Southern Power Company (CSP) and Ohio Power Company (OP) (jointly, the Companies) filed an application for a standard service offer, in the form of an electric security plan (ESP) in accordance with Section 4928.143, Revised Code.
- (2) On March 18, 2009, the Commission issued an opinion and order that approved the Companies' proposed ESP with certain modifications, and directed each company to file revised tariffs consistent with the opinion and order. On July 23, 2009, the Commission issued an entry on rehearing, further modifying the Companies' ESP. The Commission directed the Companies to file revised tariffs in compliance with the opinion and order, as modified by the entry on rehearing.
- (3) On July 28, 2009, each company filed in final form four complete, printed copies of its revised tariffs. The revised rates reflect a five month recovery of the remaining total allowable revenues that the Companies were authorized to receive pursuant to their modified ESP for calendar year 2009.
- (4) Upon review of the entry on rehearing, the Commission finds that finding (139) incorrectly references the entry nunc pro tunc

issued on March 30, 2009, instead of another entry issued the same day. The correct reference should be to the "March 30 Entry."

- (5) In the entry on rehearing at finding (100), the Commission eliminated the recovery of costs associated with maintaining and operating the Waterford Energy Center and the Darby Electric Generating Station facilities, including carrying costs. Specifically, the Commission directed the Companies to modify its ESP to remove the annual recovery by CSP of \$51 million of expenses, including carrying costs, associated with the generating facilities. The revised tariffs filed by the Companies reflect this modification to the ESP and estimate that approximately \$22,666,667 has already been collected from CSP customers (see CSP workpaper titled "Summary of Requested Rate Increase" at 7). Consistent with our prior decisions regarding the total allowable revenues for 2009, the Commission directs the Companies to offset the deferrals that have been created by phasing in the incremental costs associated with the fuel adjustment clause (FAC) by the revenues related to the generating facilities that have already been collected from CSP customers.
- (6) The Commission finds that the revised tariffs are reasonable and shall be approved, effective for bills rendered beginning the first billing cycle of August.

It is, therefore,

ORDERED, That the entry on rehearing dated July 23, 2009, be amended, nunc pro tunc, as set forth above. It is, further,

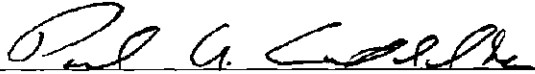
ORDERED, That the Companies comply with the directive in finding (5). It is, further,

ORDERED, That the revised tariffs filed by the Companies on July 28, 2009, be approved and effective for bills rendered beginning the first billing cycle of August. It is, further,

ORDERED, That a copy of this finding an order be served on all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

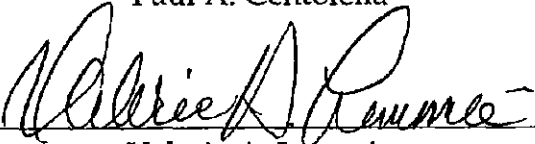
Alan R. Schriber, Chairman



Paul A. Centolella



Ronda Hartman Fergus



Valerie A. Lemmie

Cheryl L. Roberto

KWB:ct

Entered in the Journal

JUL 29 2009



Renee J. Jenkins
Secretary