

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Columbus)	
Southern Power Company for Approval)	
of its Program Portfolio Plan and Request)	Case No. 09-1089-EL-POR
for Expedited Consideration.)	

In the Matter of the Application of Ohio)	
Power Company for Approval of its)	
Program Portfolio Plan and Request for)	Case No. 09-1090-EL-POR
Expedited Consideration.)	

IEU-OHIO'S REPLY TO AEP-OHIO'S MEMORANDUM IN RESPONSE

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I. INTRODUCTION

On November 12, 2009, Columbus Southern Power Company (“CSP”) and Ohio Power Company (“OP”) (collectively, “AEP-Ohio” or “Companies”) filed an Application (“Application”) for approval of an energy efficiency and peak demand reduction (“EE/PDR”) portfolio plan to comply with the requirements of Amended Substitute Senate Bill 221 (“SB 221”). Contemporaneously, a Stipulation and Recommendation (“Stipulation”) between AEP-Ohio and the Office of the Ohio Consumers’ Counsel (“OCC”), the Ohio Environmental Council (“OEC”), Sierra Club, the Natural Resources Defense Council (“NRDC”), the Ohio Poverty Law Center (“OPLC”) (the first group of parties listed are collectively referred to as the Ohio Consumer and Environmental Advocates or the “OCEA Parties”), Ohio Energy Group, Ohio Hospital Association (“OHA”), the Ohio Manufacturers’ Association (“OMA”), and Ohio Partners for Affordable Energy (“OPAE”) was filed supporting the portfolio plan.¹ The Application and

¹ Of note, Commission Staff is not a signatory to the Stipulation.

Stipulation include a request for expedited consideration by the Commission to permit the collection of rates associated with implementing the Stipulation, beginning with the first billing cycle in January 2010.

On November 23, 2009, Industrial Energy Users-Ohio (“IEU-Ohio”) filed a Memorandum Contra AEP-Ohio’s Application opposing the request for expedited consideration and highlighting the significant rate increases for all customers that will result from approval of the Stipulation. On December 3, 2009, AEP-Ohio filed a Memorandum in Response to IEU-Ohio’s Memorandum Contra. IEU-Ohio hereby files its Reply to AEP-Ohio’s Memorandum in Response.

II. REPLY TO AEP-OHIO MEMORANDUM IN RESPONSE

In its Memorandum in Response, American Electric Power (“AEP-Ohio”) states that:

“While the Companies and the Signatory Parties to the Stipulation did not presume to suggest a specific procedural schedule for the Commission’s handling of these cases, the Companies and the Signatory Parties did ask for expedited consideration of the application and requested rates to be established effective with the first billing cycle of January 2010. If the new rider rates are not established effective with the first billing cycle, the Companies’ compliance costs will only continue to accrue and need to be collected over a shorter period of time – only serving to make the rate impact more significant. Therefore, the Commission should proceed to establish an expedited procedural schedule to consider the application and the Stipulation and only allow IEU-Ohio’s participation as an intervenor to the extent that such participation does not unduly delay or prolong the proceeding.”²

Despite its renewed insistence that the Commission approve its Application and Stipulation on an expedited schedule, AEP-Ohio never articulates in the Application, the Stipulation, or its Memorandum in Response the procedural schedule that the

² Memorandum in Response at 2.

Commission should adopt. Thus, while AEP-Ohio attempts to paint IEU-Ohio as disruptive, AEP-Ohio has yet to identify any other objective associated with its expedited request except for the goal of increasing rates.³ IEU-Ohio does not seek to unduly delay this case, but rather only requests a vigorous review of AEP-Ohio's portfolio plan and properly objects to AEP-Ohio's still vague and undefined notion of expedited treatment of the Application and Stipulation.⁴

Additionally, pursuant to the Stipulation, AEP-Ohio filed Applications at the Commission for a renewable energy credit ("REC") incentive program for solar photovoltaic and small wind projects that are not yet installed as well as for a REC purchase program from existing solar voltaic and small wind renewable energy resources.⁵ The Renewable Energy Incentive and Purchase Program Cases are further interconnected to the instant case inasmuch as the Stipulation calls for the Commission to bless the recovery of prudently-incurred program costs in the Renewable Energy Incentive and Purchase Program Cases through the Companies' fuel adjustment clauses ("FAC").⁶ In the Renewable Energy Incentive and Purchase Program Cases, just as in this case, AEP-Ohio similarly asks for expedited treatment but yet makes no effort to suggest a procedural schedule. AEP-Ohio's failure to identify the expedited schedule it seeks in both this case and the interrelated Renewable Energy Incentive

³ Memorandum in Response at 2.

⁴ In a good-faith gesture demonstrating that IEU-Ohio merely seeks a thorough review of AEP-Ohio's portfolio plan, IEU-Ohio will file its comments well before the 60-day timeframe expires, most likely by the end of this week or very soon thereafter.

⁵ See *In the Matter of the Application of Columbus Southern Power Company for Approval of its Renewable Energy Technology Program*, Case Nos. 09-1871-EL-ACP, *et al.*, Application (November 30, 2009). See also *In the Matter of the Application of Ohio Power Company for Approval of its Renewable Energy Credit Purchase Offer Program*, Case Nos. 09-1873-EL-ACP, *et al.*, Application (November 30, 2009). (Collectively, "Renewable Energy Incentive and Purchase Program Cases").

⁶ Stipulation at 6.

and Purchase Program Cases leaves parties like IEU-Ohio with no choice but to object to vague and undefined requests for expedited treatment and also leaves related subjects in these individual cases without a sensibly streamlined regulatory process.

III. CONCLUSION

IEU-Ohio respectfully requests the Commission should either follow its rules in approving AEP-Ohio's EE/PDR portfolio plan or at least require AEP-Ohio to inform the Commission of what it considers "expedited" in the current circumstances so that the Commission as well as non-signatory parties to the Stipulation may evaluate the reasonableness of its expedited treatment request. IEU-Ohio believes that its participation in this case, regardless of the procedural schedule, will provide the Commission with necessary additional information to consider the full ramifications of AEP-Ohio's portfolio plan as well as provide the Commission with suggestions that would improve AEP-Ohio's portfolio plan while lowering the overall cost of compliance that will be passed onto customers.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *IEU-Ohio's Reply to AEP-Ohio's Memorandum in Response* was served upon the following parties of record this 7th day of December 2009, via first class mail, postage prepaid.

/s/ Joseph M. Clark

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**ON BEHALF OF OHIO PARTNERS FOR
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Summary: Reply IEU-Ohio's Reply to AEP-Ohio's Memorandum in Response electronically filed by Mr. Joe Clark on behalf of Industrial Energy Users-Ohio and Clark, Joseph M. Mr.