

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

Report of Columbus Southern Power)	
Company Regarding the Cost Basis of)	
Smart Meter Disconnections and)	Case No. 10-164-EL-RDR
Reconnections)	

REPORT

Columbus Southern Power Company (CSP, or the “Company”) submits this report in accordance with the Commission’s Entry in Case No 10-164-EL-RDR (the “gridSMART case”), dated October 22, 2010. Specifically, in response to the Ohio Consumer’s Counsel’s application for rehearing and request to eliminate or adjust certain disconnection/reconnection fees, the Commission granted the request for rehearing on this limited issue, and ordered CSP to “file a report...on the cost basis for the disconnection or reconnection of service where a smart meter is installed.” Entry at para. 11.

In response, CSP states as follows:

1. The cost of disconnecting customers using an AMI meter, or a “smart meter”, has not decreased, and therefore should not be eliminated or reduced. O.A.C. 4901:1-18-06(A)(2) requires that a utility company provide a customer with personal notice of disconnection on the day of disconnection, without regard to the type of meter in use. Whereas, prior to the use of an AMI meter, one utility employee would be dispatched to provide personal notice and physically disconnect a meter, that same employee still provides personal notice to an AMI customer, and then contacts another utility employee for remote disconnection.

The costs of disconnection have therefore not decreased, and should not be eliminated.

2. For safety reasons, when a customer requests a disconnection for non-credit reasons, such as to perform work at their location, an employee is dispatched to manually disconnect service at the pole location. The tariff charge for this service is currently \$30.00 (PUCO No. 7, Sheet 5-1, Issued March 30, 2009, Miscellaneous Distribution Charges). Likewise, a reconnection charge of \$30.00 is charged for subsequent reconnection. Because this work is performed manually at the pole location, these customer-driven disconnection/reconnection costs have not changed since the implementation of the gridSMART program, and no adjustment is warranted.
3. CSP acknowledges that certain credit-related reconnection costs are lower when an AMI meter is in use, because an employee is not generally dispatched to manually reconnect the meter. Because each CSP residential customer helps to pay for the gridSMART program, regardless of whether they can currently participate, CSP believes that every customer should benefit from any cost savings. This approach will be proposed in the upcoming AEP Ohio distribution base rate case, and if accepted, will result in reduced reconnection fees for all customers who pay for the program, regardless of whether they have a smart meter. CSP intends to apply the cost savings of AMI meters for the benefit of all CSP customers in the upcoming rate case.
4. As set out below, because CSP has not filed a distribution rate case in many years, the actual cost of credit-related reconnections are much higher than the

current tariff charge of \$11.30:

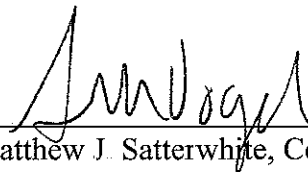
	CSP Current Tariff Charge	CSP Current Cost non-AMI Meter	CSP Current Cost AMI Meter
Reconnection Charge*	\$ 11.30	\$ 48.00	\$ 25.00
<i>*All costs shown are during normal business hours. Charges shown reflect service terminated for non-payment and include the wages of service center and field employees for the time they are in contact with the customer, and fuel costs for any required travel.</i>			

(PUCO No. 7, Sheet 5-1, Issued March 30, 2009, Miscellaneous Distribution Charges)

Again, because these costs will be presented as part of the upcoming distribution rate case, CSP is not currently proposing revised tariffs. However, it is clear that the costs of disconnection/reconnection, even for AMI meters, far exceed the current tariff fee, and should not be reduced or eliminated.

WHEREFORE, CSP respectfully request that the current disconnection/reconnection fees not be eliminated or adjusted.

Respectfully submitted,

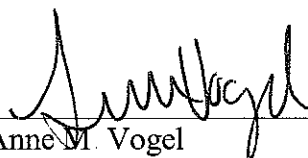


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CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served by regular mail upon the following parties of record at the addresses listed below, on this 20th day of January, 2011.



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Summary: Report Report of CSP Regarding the Cost Basis of Smart Meter Disconnections and Reconnections electronically filed by Anne M Vogel on behalf of American Electric Power Company, Inc.