

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Columbus Southern Power Company and)
Ohio Power Company, Individually and, if) Case No. 11-351-EL-AIR
Their Proposed Merger is Approved, as a) Case No. 11-352-EL-AIR
Merged Company (collectively, AEP Ohio))
for an Increase in Electric Distribution)
Rates.)

In the Matter of the Application of)
Columbus Southern Power Company and)
Ohio Power Company, Individually and, if) Case No. 11-353-EL-ATA
Their Proposed Merger is Approved, as a) Case No. 11-354-EL-ATA
Merged Company (collectively, AEP Ohio))
for Tariff Approval.)

In the Matter of the Application of)
Columbus Southern Power Company and)
Ohio Power Company, Individually and, if) Case No. 11-356-EL-AAM
Their Proposed Merger is Approved, as a) Case No. 11-358-EL-AAM
Merged Company (collectively, AEP Ohio))
for Approval to Change Accounting)
Methods.)

ENTRY

The Commission finds:

- (1) Columbus Southern Power Company (CSP) and Ohio Power Company (OPCo), (collectively the Applicants or AEP-Ohio) are electric companies as defined by Section 4905.03(A)(3), Revised Code, and public utilities as defined by Section 4905.02, Revised Code. The Applicants are, therefore, subject to the jurisdiction of this Commission pursuant to Sections 4905.04, 4905.05, and 4905.06, Revised Code.
- (2) On January 27, 2011, the Applicants filed a notice of intent to file an application for an increase in rates pursuant to Section 4909.43(B) Revised Code, and in compliance with Rule 4901-7-01, Standard Filing Requirements (SFRs) Chapter II, Sections A and B, Ohio Administrative Code. In the notice of intent to file

an application for an increase in rates, the Applicants have requested waivers from filing various financial and informational data required by this Commission's SFRs.

- (3) The Applicants' application for an increase in rates is governed by and must meet the requirements of Sections 4909.17 to 4909.19, and 4909.42, Revised Code.
- (4) With the filing of its notice of intent to file an application seeking Commission authority to increase its base rates, the Applicants propose that their test period begin June 1, 2010, and end May 31, 2011, and that the date certain be August 31, 2010. In its motion, the Applicants point out that, unless otherwise ordered by the Commission, Section 4909.15(C), Revised Code, establishes a default test period as the twelve-month period beginning six months prior to the date the application is filed and ending six months subsequent to that date. In its motion, the Applicants seek a modification of the default test period. The Applicants' proposed modification falls under the parameters set forth in Section 4909.15(C), Revised Code, and is, therefore granted. The test period for this application will begin June 1, 2010, and end May 31, 2011, and the date certain is August 31, 2010.
- (5) The Applicants have requested a waiver from the SFRs as to the filing of detailed information regarding the costs in its rate base and operating income relating to any supply-side or demand-side projects or programs from the Applicants' latest Commission-approved IRP. On December 20, 2010, the Applicants filed a Supplement to the 2010 Long Term Forecast Report which included, as Appendix 2, the 2010 AEP East Integrated Resource Plan. See *In the Matter of the Long Term Electric Forecast Report of the Ohio Power Company and Related Matters*, Case No. 10-501-EL-FOR and *In the Matter of the Long Term Electric Forecast Report of the Columbus Southern Power Company and Related Matters*, Case No. 10-502-EL-FOR. That filing is an attachment to the Applicants' Electric Security Plan (ESP) and runs in parallel to this distribution rate case. Also, at the time this distribution rate case is being resolved, AEP Ohio will have separate generation/ESP cases pending that will determine the Applicants' generation and distribution rates on

an unbundled basis. The Applicants request a waiver of SFR Chapter II, Section F, relating to the IRP, to avoid the submittal of unnecessary transmission and generation information as part of this distribution case as AEP-Ohio is not seeking recovery in this case of IRP rate base, IRP project dollars, or IRP expense dollars.

- (6) The Applicants have also requested a waiver from the SFRs related to the Applicants' generation, transmission, and fuel supply. The Applicants submit that they intend to request an increase in distribution rates only, not in rates associated with generation, including fuel or transmission. As such, the Applicants believe the information related to generation is not relevant to their requested distribution rate increase. So, in the interest of administrative economy, the Applicants seek a general waiver of any requirements of Chapter II(C) to provide information relating to their generation and transmission functions, including but not necessarily limited to the following:

SFRs, (B)(2) & (3) Data in the five-year financial forecast pertaining to generation and transmission;

SFRs, (C)(13) Materials and supplies data for generation and transmission;

SFRs, (C)(23) Data requirement for surviving dollars by vintage year of placement, related to generation and transmission plant;

Schedule D-5, page 1 of 4 CWIP by property groupings; and

Schedule D-5, page 4 of 4 Mix of fuel data.

- (7) A waiver of the SFRs related to providing information regarding federal and state tax returns as contained in Standard Filing Requirements, Chapter II(C)(15) is also requested by the Applicants. The Applicants have expressed concern regarding the confidential and proprietary information contained in these

documents. The Applicants propose to make the information available for review during the Staff's field audit.

- (8) A waiver of the SFRs related to providing the level of detail maintained by the utility, the total company balances, depreciation/amortization expense accruals, salvage, cost of removal, and transfers in the format specified on Schedule B-3.3, contained in the SFRs, Chapter II, Section B(C)(4) is also requested by the Applicants. AEP-Ohio claims that, for the years prior to 1999, the Applicants do not have the requested information at the level of detail requested. The Applicants do have available and propose to provide for each Applicant individually, the total company net changes from the date certain of each Applicant's last rate case to January 1, 1999. The Applicants request that, to the extent that Chapter II, Section B(C)(4) requires information from periods prior to 1999 in a greater level of detail than what the Applicants have available, the requirement for those prior years be waived.
- (9) The Applicants have requested a waiver from the SFRs which require electric utilities to provide a list of all construction projects in progress at the date certain which have been included in the proposed rate base, along with certain other information about those projects. The Applicants are not including any Construction Work in Progress (CWIP) balances in the rate base proposed. The Applicants believe that information requested in Schedules B-4, B-4.1, and B-4.2 (CWIP), B-9 (Mirror CWIP), Supplemental Information Due at Filing (C)(22), along with Chapter II, (C)(9) regarding CWIP are not applicable. Therefore, to the extent it is necessary for the Applicants to obtain waivers from submitting CWIP-related information required by the SFRs, the Applicants request that the Commission grant such waivers.
- (10) The Applicants have also proposed to merge CSP into OPCo through a pending application in *In the Matter of the Application of Ohio Power Company and Columbus Southern Power Company for Authority to Merge and Related Approvals*, Case No. 10-2376-EL-UNC, and anticipate a merger closing in 2011 prior to the effective date of any new distribution rates resulting from the to be filed application in this proceeding. The Applicants plan to

provide rate case information for CSP and OPco separately and to provide additional information for the combined, post-merger company providing a merger takes place during the period when this distribution case remains pending. The Applicants request that the Commission approve of this proposal to provide data to comply with the SFRs.

- (11) The Commission is of the opinion that the waiver requests discussed above are well-supported with a showing of good cause and, therefore, should be granted as requested.

The Commission's granting of these waivers does not relieve the Applicants of their responsibility to provide additional schedules, work papers, and calculations, used in the production of such informational material if, in the determination of the Staff, the information becomes necessary to process the application.

It is, therefore,

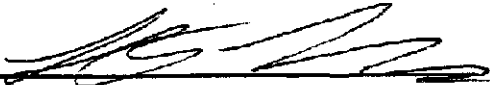
ORDERED, That the test period of the Applicants, Columbus Southern Power Company and Ohio Power Company shall begin June 1, 2010, and end May 31, 2011, and that the date certain shall be August 31, 2010. It is, further,

ORDERED, That the appropriate method for making any changes to the date certain or test period shall be the filing of a new notice of intent to file an application for an increase in rates and withdrawal of the pending application. It is, further,

ORDERED, That the request for waivers made by the Columbus Southern Power Company and the Ohio Power Company be granted as set forth above. It is, further,

ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO



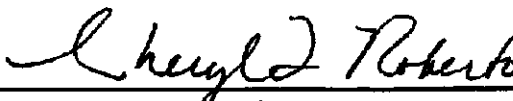
Steven D. Lesser, Chairman



Paul A. Centolella



Valerie A. Lemmie

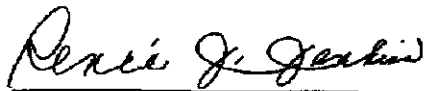


Cheryl L. Roberto

HW:js

Entered in the Journal

FEB 23 2011



Renee J. Jenkins
Secretary