

PUCO EXHIBIT FILING

FILE

Date of Hearing: 10/18/11

Case No. 10-2376-EL-UNC, et al.

PUCO Case Caption: _____

Columbus Southern Power and
Ohio Power

List of exhibits being filed:

Staff Ex. 3A

FES EXS. 15 (a through e)

16 (a through i)

17 (a through c)

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
10/28/11
Technician [Signature] Date Processed

PUCO

RECEIVED-DOCKETING DIV
2011 OCT 28 PM 3:20

Reporter's Signature: Maria DiPaolo Jones
Date Submitted: _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of Ohio Power :
Company and Columbus :
Southern Power Company :
for Authority to Merge and: Case No. 10-2376-EL-UNC
Related Approvals. :

In the Matter of the :
Application of Columbus :
Southern Power Company :
and Ohio Power Company :
for Authority to Establish: :
a Standard Service Offer : Case No. 11-346-EL-SSO
Pursuant to \$4928.143, : Case No. 11-348-EL-SSO
Ohio Rev. Code, in the :
Form of an Electric :
Security Plan. :

In the Matter of the :
Application of Columbus :
Southern Power Company : Case No. 11-349-EL-AAM
and Ohio Power Company : Case No. 11-350-EL-AAM
for Approval of Certain :
Accounting Authority. :

In the Matter of the :
Application of Columbus :
Southern Power Company to : Case No. 10-343-EL-ATA
Amend its Emergency :
Curtailment Service :
Riders. :

In the Matter of the :
Application of Ohio Power :
Company to Amend its : Case No. 10-344-EL-ATA
Emergency Curtailment :
Service Riders. :

In the Matter of the :
Commission Review of the :
Capacity Charges of Ohio : Case No. 10-2929-EL-UNC
Power Company and Columbus: :
Southern Power Company. :

1670

1 In the Matter of the :
Application of Columbus :
2 Southern Power Company for:
Approval of a Mechanism to: Case No. 11-4920-EL-RDR
3 Recover Deferred Fuel :
Costs Ordered Under Ohio :
4 Revised Code 4928.144. :

5 In the Matter of the :
Application of Ohio Power :
6 Company for Approval of a :
Mechanism to Recover : Case No. 11-4921-EL-RDR
7 Deferred Fuel Costs :
Ordered Under Ohio Revised:
8 Code 4928.144. :

9 - - -

10 PROCEEDINGS

11 before Ms. Greta See and Mr. Jonathan Tauber,
12 Attorney Examiners, at the Public Utilities
13 Commission of Ohio, 180 East Broad Street, Room 11-A,
14 Columbus, Ohio, called at 8:45 a.m. on Tuesday,
15 October 18, 2011.

16 - - -

17 VOLUME X

18 - - -

19
20
21 ARMSTRONG & OKEY, INC.
22 222 East Town Street, Second Floor
Columbus, Ohio 43215-5201
23 (614) 224-9481 - (800) 223-9481
Fax - (614) 224-5724
24
25

- - -

**ERRATA
TO
DIRECT TESTIMONY OF
DANIEL R. JOHNSON
ON BEHALF OF THE STAFF OF
THE PUBLIC UTILITIES COMMISSION OF OHIO**

1. Page 22, line 18: Insert the word “recent” between the words “most” and “forward.”
2. Page 29, line 20: Insert a comma between the words “that” and “I.”
3. On Attachment DRJ-1, the right hand set of columns: Labeled at the top as, “Simple Swap Based Upon ICE Quotes on Jan 18, 19, 20, 21, 24, 2011.” This should read, “Simple Swap Based Upon ICE Quotes on Jan 24, 2011.”
4. On Attachment DRJ-1, the right hand set of columns: The second square currently reads “Delivery Period June 1, 2011 to May 31, 2014.” That should be changed to read, “Delivery Period June 1, 2011 to May 31, 2013.”
5. On Attachment DRJ-1, the right hand set of columns: The second square currently reads “Delivery Period June 1, 2011 to May 31, 2013.” That should be changed to read, “Delivery Period June 1, 2011 to May 31, 2014.”

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSES TO THE OFFICE OF THE OHIO CONSUMERS' COUNSEL
IN PUCO CASE NOS. 11-346-EL-SSP AND 11-348-EL-SS0
SIXTEENTH SET**

INTERROGATORIES

STIP-OCC-INT-361.

Referring to Stipulation ¶1.d at page 6, in which the Companies agree to only pursue approval of the Turning Point and MR 6 projects under the GRR "during the term of the ESP":

- a. Will the GRR continue to be available after the term of the ESP for the Companies to seek recovery of costs on other generation projects?
- b. Have the Companies identified any projects which costs are intended to be included in a GRR after the term of the ESP?
- c. If the response to part (b) is affirmative, please identify the projects and the estimated costs to be included in the GRR.

RESPONSE

a. Yes. Section 4923.143(B)(2)(b) and (c), RC, provide for the establishment of a non-bypassable charge for the life of the facility as part of an ESP.

b. Only the projects identified in the Stipulation will be pursued during the ESP term (but the proposed charges to be established in separate proceedings would apply for the life of the facilities).

c. See b. above

Prepared By: William A. Allen/ Counsel

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S RESPONSE TO
FIRSTENERGY SOLUTIONS
DISCOVERY REQUEST
CASE NO. 11-346-EL-SSO AND 11-348-EL-SSO
THIRTEENTH SET (CORRECTED VERSION)**

INTERROGATORY

INT-13-005. Is the TPS project the lowest-cost alternative for producing 49.9
MW of generation (regardless of resource type)?

RESPONSE

No.

Prepared By: Philip J. Nelson

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S RESPONSE TO
FIRSTENERGY SOLUTIONS
DISCOVERY REQUEST
CASE NO. 11-346-EL-SSO AND 11-348-EL-SSO
THIRTEENTH SET (CORRECTED VERSION)**

REQUEST FOR ADMISSION

RFA-13-015. Admit that You do not need an additional 49.9 MW to satisfy Your current reserve margins.

RESPONSE

The AEP East system does not need to add 49.9 MW to satisfy its PJM 2011 reserve margin requirements.

Prepared by Phillip J. Nelson.

COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S RESPONSE TO
FIRSTENERGY SOLUTIONS
DISCOVERY REQUEST
CASE NO. 11-346-EL-SSO AND 11-348-EL-SSO
THIRTEENTH SET (*CORRECTED VERSION*)

REQUEST FOR ADMISSION

RFA-13-016. Admit that construction of the TPS project has not begun.

RESPONSE

Admit.

Prepared by Jay F. Godfrey.

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S RESPONSE TO
FIRSTENERGY SOLUTIONS
DISCOVERY REQUEST
CASE NO. 11-346-EL-SSO AND 11-348-EL-SSO
THIRTEENTH SET (*CORRECTED VERSION*)**

REQUEST FOR ADMISSION

RFA-13-017. Admit that the Commission has not determined that there is a need for the TPS project.

RESPONSE

The Commission has not yet determined that there is a need for the TPS project, however the Case Nos. 10-501-EL-FOR and 10-502-EL-FOR are pending Commission decision.

Prepared By: Counsel

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SEVENTEENTH SET**

INTERROGATORY

STIP-FES-INT-029

Referring to Section IV.1(s)(2) of the Stipulation, what issues will be discussed regarding the switching fee? With whom will the issues be discussed?

Will the fee be reduced? If so when and by how much?

RESPONSE

The Company will discuss if a reduction in the switching fee is appropriate with interested parties. The outcome of those discussions is not known. Any modification to the switching fee is subject to Commission approval.

Prepared By: David M. Roush

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SEVENTEENTH SET**

INTERROGATORY

STIP-FES-INT-17-17-046

Referring to Appendix C of the Stipulation:

- (a) How will AEP Ohio verify the identity of Group Three customers?
- (b) How will AEP Ohio measure and verify the "expanded usage" of Group Three customers?
- (c) How will AEP Ohio report these increases to CRES providers?
- (d) What happens when a Group Two customer increases its usage above the cap for both existing and expanded load at the facility?
- (e) If a shopping customer has a historical annual usage of 100 kWh and they use 104 kWh in 2012, is the CRES charged RPM for 104 kWh, or is the CRES charged RPM for 100 kWh and \$255/MW-day for the other 4 kWh?
- (f) Assuming the set-asides for RPM-priced capacity have been met – If a shopping customer has a historical annual usage of 100 kWh and they use 120 kWh in 2012, is the CRES charged RPM for 120 kWh, or is the CRES charged RPM for 100 kWh and \$255/MW-day for the other 20 kWh?
- (g) Would a Group Two customer account that increases usage by more than 10% be shifted to Group Three? Or does the customer remain in Group Two?
- (h) Would a Group Five account that increases usage by more than 10% be shifted to Group Three?

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SEVENTEENTH SET**

- (i) Please identify the number of current SSO customers that would be included in each of the five Groups defined in Appendix C.

SIP-FES-INT-17-17-046 (CONTINUED)

- (j) Please identify the amount of Your current SSO load, in annual kWh, that would be included in each of the five Groups defined in Appendix C.
- (k) What is the current estimate of the set-aside allocation by customer class?
- (l) Are any customer classes already over the set-aside allocation? If so, which ones? If so, what is the expected impact to the other customer class allotments?
- (m) Is it possible for a CRES supplier to execute a contract with a customer and subsequently be denied an RPM-priced capacity allotment by AEP Ohio?
- (n) Will the additional energy allotments awarded to Group One and Group Two customers that may exceed the set-aside percentages impact others currently in the queue?
- (o) If a customer with a large annual usage is the first customer in the enrollment queue, will all other customers in the queue be deferred/denied until the available annual energy allotment falls far enough below the Cap to service the large customer who is first in the queue?

RESPONSE

a. The verification will be addressed during the development of the more detailed implementation plan discussed in Appendix C of the Joint Stipulation and Recommendation.

b. See a. above

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SEVENTEENTH SET**

c. See a. above

d. See the Order of Priority for RPM Set Aside section of Appendix C.

STIP-FES-INT-17-17-046 (CONTINUED)

e. Generally, if a shopping customer has a historical annual usage of 100 kWh and they use 104 kWh in 2012, all 104 kWh will be charged based upon the RPM set aside rate. This is subject to paragraph 2 in the Securing a RPM Set Aside section of Appendix C.

f. If the customer has not been awarded an allotment, all 120 kWh will be charged at \$255/MW-day consistent with paragraph IV.2.b.1 of the Joint Stipulation and Recommendation.

g. Yes.

h. See a. above

i. The Company has not performed such a calculation.

j. The Company has not performed such a calculation

k. The Company has not performed such a calculation

l. The Company has not performed such a calculation but the Company is in the process of completing this calculation.

m. Yes

n. Yes.

o. Yes

Prepared By: William A. Allen

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SEVENTEENTH SET**

INTERROGATORY

STIP-FES-INT-17-17-047 Referring to page 3 of Appendix C of the Stipulation:

- (a) Is the deadline for submission of the Cap September 30th or October 1st?
- (b) Will Your calculation of the Cap be subject to review by Staff?
- (c) Will Your calculation of the Cap be subject to Commission approval in this docket?
- (d) Will Your estimates of annual energy allotments be subject to audit or verification? If so, by whom and how often?

RESPONSE

(a) September 30th

(b) This will be addressed during the development of the more detailed implementation plan discussed in Appendix C of the Joint Stipulation and Recommendation.

(c) See paragraph 1 of the Determination of the Cap section of Appendix C.

(d) This will be addressed during the development of the more detailed implementation plan discussed in Appendix C of the Joint Stipulation and Recommendation.

Prepared By: William A. Allen

COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO FIRST ENERGY SOLUTIONS DATA REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
NINETEENTH SET

INTERROGATORY

STIP-FES-INT-19-034.

Regarding Stipulation Appendix C page 1, what is the process for assigning a date and time for "First-come First-Served Basis" when a CRES provider submits multiple Affidavits to AEP Ohio or when multiple CRES Providers submit multiple Affidavits simultaneously?

RESPONSE

This will be determined as part of detailed implementation plan discussed on page 5 of Appendix C.

Prepared by: William A. Allen

COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO FIRST ENERGY SOLUTIONS DATA REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
NINETEENTH SET

INTERROGATORY

STIP-FES-INT-19-037.

Regarding Stipulation Appendix C page 2, please explain in detail the process a Group 3 customer will follow to request, document and be granted additional allotment due to the connection of new load.

RESPONSE

This will be determined as part of detailed implementation plan discussed on page 5 of Appendix C

Prepared by: William A. Allen

COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO FIRST ENERGY SOLUTIONS DATA REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
NINETEENTH SET

INTERROGATORY

STIP-FES-INT-19-039

Regarding Stipulation Appendix C page 3, will the allotment for a Group 3 customer be based on "the customer's previous year's 12-month annual usage," or will it include the 10% projected increase in load that qualifies them as Group 3?

RESPONSE

This will be determined as part of detailed implementation plan discussed on page 5 of Appendix C.

Prepared by: William A. Allen

COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO FIRST ENERGY SOLUTIONS DATA REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
NINETEENTH SET

INTERROGATORY

STIP-FES-INT-19-041.

Regarding Stipulation Appendix C page 4, what process must a Group 1 or 2 customer follow to request additional RPM set-aside allotments?

RESPONSE

This will be determined as part of detailed implementation plan discussed on page 5 of Appendix C.

Prepared by: William A. Allen

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS' DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
TWENTY-FIRST SET**

INTERROGATORY

STIP-FES-RFA-21-005

Admit that additional energy allotments awarded to Group One and Group Two customers in 2013 will count toward the set-aside percentage for 2014.

RESPONSE

Admit.

Prepared by: William A. Allen

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO IEU-OHIO'S
DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SIXTH SET**

REQUESTS FOR ADMISSION

STIP-IEU-RFA-6.8 Admit that there is no process in Appendix C of the Settlement for assigning a date and time for when a CRES provider submits multiple affidavits or when multiple CRES providers submit multiple affidavits simultaneously.

RESPONSE:

That process is being finalized presently and will be included in the detailed implementation plan described in Appendix C of the Stipulation.

Prepared by: William A. Allen

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SEVENTEENTH SET**

INTERROGATORY

STIP-FES-INT-17-17-043

Referring to Section IV.5 of the Stipulation, which states that "if the impact of the Pool termination/modification on AEP Ohio during the ESP term is greater than \$50 million prior to May 31, 2015, the company may pursue cost recovery of the entire impact during the ESP term and obtain approval by the Ohio commission":

- (a) Under the Stipulation, would AEP Ohio be permitted to recover lost capacity revenues attributable to months after May 31, 2015? If so, what is the last possible date that lost capacity revenues could be calculated?
- (b) Under the Stipulation, would AEP Ohio be permitted to begin recovery of lost capacity revenues as of January 1, 2013? September 1, 2013?
- (c) What is the estimated date of termination of the pool? If You do not have an estimate, what is the earliest feasible date for termination of the pool? What is the latest possible date for termination of the pool?
- (d) For the collection period of the proposed Pool Modification Rider, what is Your estimate of the initial date upon which the proposed Pool Modification Rider is expected to be collected from customers?
- (e) For the collection period of the proposed Pool Modification Rider, what is the date through which the proposed Pool Modification Rider will be collected from customers?
- (f) Assuming pool termination occurs January 1, 2014:
 - i. When would the Pool Modification Rider begin to be collected from SSO customers?
 - ii. What time period of lost capacity revenues would be collected through the rider?
 - iii. Would there be a time lag between when the capacity revenues are lost versus collected in the rider?

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
FIRST ENERGY SOLUTIONS'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SEVENTEENTH SET**

SIP-FES-INT-17-17-043

- (g) If AEP Ohio is able to increase energy revenues as a result of pool termination (i.e., by selling energy at a higher rate than under the existing Pool Agreement), will AEP Ohio offset lost capacity revenues with these increased energy revenues?

RESPONSE

- A. No, however recovery of the impacts of the pool termination/modification on AEP Ohio incurred prior to May 31, 2015 could occur through May 31, 2016.
- B. The calculation of the impact of the pool termination/modification would begin upon the effective date of the modification/termination of the pool. Once the calculation of the impact is completed, a recovery request could be filed with the Commission for approval.
- C. See the testimony of Company witness Munczinski and Appendix B of the Joint Stipulation and Recommendation.
- D. See B. above
- E. See A. and B. above
- F. See A. and B. above
- G. The impact of the modification/termination of the pool is a net impact on AEP Ohio.

Prepared By: Richard E. Munczinski

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO
IEU-OHIO'S DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
THIRD SET**

REQUEST FOR ADMISSION

STIP-IEU-INT-3-008 Admit that paragraph IV(8) of the Stipulation requires AEP-Ohio to file its next SSO application by no later than February 1, 2015, but in the event AEP-Ohio elects to seek approval of an ESP, the Stipulation does not require that ESP to contain a competitive bidding process.

RESPONSE

Admit.

Prepared By: Counsel

**COLUMBUS SOUTHERN POWER COMPANY'S
AND OHIO POWER COMPANY'S
RESPONSE TO IEU-OHIO'S
DISCOVERY REQUEST
IN PUCO CASE NOS. 11-346-EL-SSO AND 11-348-EL-SSO
SIXTH SET**

INTERROGATORIES

STIP-IEU-INT-6-001

Has AEP-Ohio sold any excess PJM capacity above that which was needed to meet AEP-Ohio's fixed resource requirement plan into RPM auctions for the delivery years 2010/2011, 2011/2012, 2012/2013, 2013/2014 and 2014/2015?

RESPONSE:

AEPSO on behalf of the AEP East operating companies has sold excess PJM capacity into the PJM RPM auctions above that which was needed to meet the AEP East operating companies' fixed resource requirement plan for the delivery years 2010/2011, 2011/2012, 2012/2013 and 2013/2014

Prepared By: Kelly D. Pearce