

**BEFORE THE  
PUBLIC UTILITIES COMMISSION OF OHIO**

<b>In the Matter of the Application of</b>	)	
<b>Columbus Southern Power Company</b>	)	<b>Case No. 11-5568-EL-POR</b>
<b>for Approval of its Program Portfolio</b>	)	
<b>Plan and Request for Expedited</b>	)	
<b>Consideration</b>	)	
	)	
<b>In the Matter of the Application of</b>	)	
<b>Ohio Power Company for Approval</b>	)	<b>Case No. 11-5569-EL-POR</b>
<b>of its Program Portfolio Plan and</b>	)	
<b>Request for Expedited Consideration</b>	)	

**APPLICATION  
AND REQUEST FOR EXPEDITED CONSIDERATION**

Columbus Southern Power Company (CSP) and Ohio Power Company (OPCo), collectively the “Companies” or “AEP Ohio,” submit this application to seek approval of the Companies’ 2012-2014 Energy Efficiency/Peak Demand Reduction (EE/PDR) Program Portfolio Plan, attached hereto as Exhibits A and B. In support of their application, CSP and OPCo state the following:

1. The Companies are both an “electric distribution utility” as that term is defined in Section 4928.01 (A) (6), Ohio Rev. Code, and as that term is used in Chapter 4928, Ohio Rev. Code.
2. Am. Sub S.B. No. 221 (SB 221) adopted benchmark requirements for energy efficiency savings and peak demand reductions found in §4928.66, Ohio Rev. Code (EE/PDR benchmarks).
3. The Commission conducted a rulemaking proceeding in Case No. 08-888-EL-ORD that resulted in the adoption of rules concerning the EE/PDR benchmarks.

4. This application is being filed for approval of an EE/PDR Program Portfolio Plan in a manner consistent with adopted Rule 4901:1-39-04. The Plan, and AEP Ohio's compliance with the Commission's rules will be further explained in the testimony of Company witness Williams.
5. The Commission's March 18, 2009 Opinion and Order and March 30, 2009 Entry in the Companies' Electric Security Plan (ESP) in Case Nos. 08-917-EL-SSO and 08-918-EL-SSO, approved an EE/PDR Rider.
6. In deciding the Companies' ESP cases, the Commission also decided certain matters pertaining to the calculation of the Companies' EE/PDR benchmarks, including economic development adjustments to the Companies' compliance baselines.
7. AEP Ohio convened a diverse group of stakeholders, known as the AEP Ohio Collaborative (Collaborative), early in the process to provide input in the development of the Companies' 2009-2011 EE/PDR Action Plan, as well as the development of the Companies' 2012-2014 EE/PDR Action Plan. The Collaborative members include regulatory stakeholders, consumer advocates, state, business, industry, environmental, healthcare, educational, and low-income representatives.
8. As will be further explained in the testimony of Company witness Williams, Navigant Consulting conducted a Market Potential Study (MPS) and Baseline Survey on behalf of AEP Ohio. Using the results of the MPS and Baseline Survey, AEP Ohio and Navigant, working through the Collaborative process, developed a three-year EE/PDR Action Plan for AEP Ohio. That three-year plan is being filed in these dockets as the Companies' second Program Portfolio Plan.

9. The EE/PDR Action Plan calls for expenditure of \$274.1 million in 2012-2014, including programs available for all customers, in order to meet or exceed the EE/PDR mandates imposed by S.B. 221. None of those expenses are reflected in current rates.
10. The Companies are now requesting authorization to collect, through the EE/PDR Rider, the 2012-2014 EE/PDR Plan program costs and shared savings for 2012 through 2014 as set out in the Plan and as agreed to by the Signatory Parties in the Stipulation, subject to annual true-up of actual program costs and shared savings. Rate matters and operation of the rider will be further explained in the testimony of Company witness Moore, along with the proposed methodology for annually updating the EE/PDR Rider.
11. The Companies further request that the existing EE/PDR Rider rates continue subject to final true-up and reconciliation.<sup>1</sup>
12. The EE/PDR Action Plan includes benefit-cost analysis for each proposed program and for the total portfolio annually for 2012, 2013 and 2014. The Commission-endorsed Total Resource Cost (TRC) test was used as a key factor for judging cost-effectiveness of each program and overall the portfolio passed the TRC.
13. The Companies also seek approval of the necessary accounting authority to implement the EE/PDR Rider and annual true-up of costs.
14. Concurrent with the filing of this application, the Companies and thirteen prospective interveners are jointly submitting a Stipulation and Recommendation that proposes to resolve all of the issues that are raised in this proceeding. Testimony in support of this Application and the Stipulation and Recommendation will be filed shortly. The testimony of Company witnesses Williams and Moore will provide significant

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<sup>1</sup> On November 18, 2011, AEP Ohio filed a Motion and Request for Expedited Treatment in the 2009-2011 EE/PDR dockets, 09-1089-EL-POR and 09-1090-EL-POR, seeking to extend the existing EE/PDR Rider at its current rate, subject to refund, pending Commission approval of this Application.

evidentiary support for the approval of the Companies' EE/PDR Action Plan and adoption of the parties' Stipulation.

15. The Companies request expedited consideration of this application and the Stipulation and Recommendation, in order to support the Companies' efforts to achieve compliance with the EE/PDR mandates of SB 221 and mitigate the regulatory lag for recovery of the costs associated with these statutory requirements.

WHEREFORE, based on the reasons stated above and the testimony and exhibits submitted with this filing, the Commission should expeditiously approve the Companies' application and grant any other relief deemed appropriate to facilitate approval of the application. The Companies request an Order on or before December 31, 2011.

Respectfully submitted,

/s/ Anne M. Vogel

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## PROOF OF SERVICE

I certify that Columbus Southern Power Company's and Ohio Power Company's Application and Request for Expedited Consideration was served by electronic mail upon counsel for all parties of record identified below this 29<sup>th</sup> day of November, 2011.

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Summary: Application and Request for Expedited Consideration (Part 1 of 3) electronically filed by Anne M Vogel on behalf of American Electric Power Company, Inc.