

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)
Power Company for Approval of Full) Case No. 12-1126-EL-UNC
Legal Corporate Separation and)
Amendment to its Corporate Separation)
Plan.

MOTION TO INTERVENE OF BUCKEYE POWER, INC.

Pursuant to Ohio Revised Code § 4903.221 and Ohio Administrative Code § 4901-1-11, Buckeye Power, Inc. (“Buckeye”) respectfully moves to intervene in this proceeding. Buckeye has real and substantial interests in this proceeding, and those interests may be adversely affected by its outcome. No other party to the proceeding can adequately represent Buckeye’s interests. The Commission should grant Buckeye’s Motion to Intervene for the reasons more fully set forth in the attached Memorandum in Support.

Respectfully submitted,

/s/ Ann B. Zallocco

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MEMORANDUM IN SUPPORT

I. Background.

On March 30, 2012, Ohio Power Company (“OPCo”) filed an application in this case (the “Application”), seeking PUCO approval of its full legal corporate separation, entailing the separation of OPCo’s generation assets from its transmission and distribution assets and the transfer of OPCo’s generation assets to an affiliate. OPCo’s Application was made following the Commission’s February 23, 2012 rejection on rehearing of OPCo’s and Columbus Southern Power Company’s (collectively, “AEP Ohio’s”) Electric Security Plan application in Case Nos. 11-0346-EL-SSO and 11-0348-EL-SSO and the Commission’s corresponding rejection of AEP Ohio’s previous application to amend its corporate separation plan, filed in Case No. 11-5333-EL-UNC.

Buckeye is an Ohio nonprofit corporation and the provider of wholesale electric power and energy and transmission services to the 25 electric distribution cooperatives providing retail electric service to approximately 380,000 member/consumers in 77 out of Ohio’s 88 counties.¹ The load of these electric distribution cooperatives represents approximately 5% of the electric load in the State of Ohio. Buckeye and its members operate their electric utilities on a non-profit cooperative basis for the mutual benefit of their member/consumers.

Buckeye requests intervention, as described herein, to protect its interests in various ownership and contractual arrangements with OPCo and other AEP affiliates.

¹ The 25 distribution cooperative members of Buckeye are: Adams Rural Electric Cooperative, Inc.; Buckeye Rural Electric Cooperative, Inc.; Butler Rural Electric Cooperative, Inc.; Carroll Electric Cooperative, Inc.; Consolidated Electric Cooperative, Inc.; Darke Rural Electric Cooperative, Inc.; Firelands Electric Cooperative, Inc.; The Frontier Power Company; Guernsey-Muskingum Electric Cooperative, Inc.; Hancock-Wood Electric Cooperative, Inc.; Holmes-Wayne Electric Cooperative, Inc.; Licking Rural Electrification, Inc.; Logan County Cooperative Power and Light Association, Inc.; Lorain-Medina Rural Electric Cooperative, Inc.; Mid-Ohio Energy Cooperative, Inc.; Midwest Electric, Inc.; Midwest Energy Cooperative; North Central Electric Cooperative, Inc.; North Western Electric Cooperative, Inc.; Paulding-Putnam Electric Cooperative, Inc.; Pioneer Rural Electric Cooperative, Inc.; South Central Power Company; Tricounty Rural Electric Cooperative, Inc.; Union Rural Electric Cooperative, Inc.; and Washington Electric Cooperative, Inc.

II. Legal Standards for Intervention.

Pursuant to Rev. Code § 4903.221, any person who may be adversely affected by a Commission proceeding may intervene in such proceeding. For the reasons discussed herein, Buckeye could be adversely affected by OPCo's corporate separation due to the complex ownership and contractual relationships between OPCo and Buckeye, as described in further detail in Part III below.

Pursuant to Ohio Adm.Code 4901-1-11, in deciding whether to permit intervention, the Commission shall consider:

- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings;
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues; and
- (5) The extent to which the person's interest is represented by existing parties.

III. Buckeye's Unique and Complex Relationship with AEP.

Buckeye and its affiliates, and OPCo and other AEP affiliates, have a unique and complex, interconnected business relationship, involving the joint ownership of major electric generating assets, and a variety of contracts, agreements and memorandums of understanding integral to Buckeye's operations. Several of these arrangements involve OPCo directly, while others involve other AEP affiliates, but many of these arrangements could be impacted by OPCo's proposed transfer of generation assets to a new generating affiliate. The affected arrangements include, among others, (1) the joint ownership by Buckeye and OPCo of the

Cardinal Station, a coal-fired baseload power plant located in Jefferson County, Ohio (OPCo backs-up Buckeye's Cardinal Station entitlement), and the Ohio Valley Electric Corporation's coal-fired baseload electric generating plants, (2) Buckeye's dependence on AEP Ohio for transmission and local delivery service functions, (3) AEP's operation of Buckeye's and its affiliate's major power generating facilities, including the Cardinal Station, the Robert P. Mone Station, a natural gas-fired peaking power plant owned by Buckeye affiliate National Power Cooperative, Inc. ("National") located near Van Wert, Ohio (OPCo backs-up National's Mone Station entitlement), and the Greenville Station, a natural gas-fired peaking plant located near Greenville, Ohio, and (4) various other agreements and business arrangements between Buckeye and AEP which, collectively, are integral to Buckeye's operations.

IV. Buckeye Clearly Meets All Criteria for Intervention.

Buckeye should be granted intervention because it has a real and substantial interest in this proceeding, due to the complex and interconnected relationship between Buckeye (and its affiliates) and OPCo (and its affiliates), as outlined above. Buckeye's participation will not unduly prolong or delay the proceeding. This Motion is timely, as the Commission has not established a procedural schedule in this matter nor issued any ruling. Buckeye's interests are not represented by existing parties. Buckeye is a non-profit member owned electric generation and transmission cooperative, the only of its kind in the State of Ohio, seeking to protect its ownership interest in assets and property jointly owned with AEP, and the benefits associated with its various agreements and arrangements with AEP Ohio. No other party can represent Buckeye's interests in this proceeding. Buckeye's unique relationship with OPCo and AEP affiliates will contribute to the Commission's understanding of the various issues raised by AEP's proposed corporation separation plan and its Application in this case.

V. Conclusion.

For the aforementioned reasons, Buckeye satisfies the criteria set forth in both Rev. Code 4903.221 and Ohio Adm.Code 4901-1-11. Therefore, Buckeye's Motion to Intervene should be granted.

Respectfully submitted,

/s/ Ann B. Zallocco

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion to Intervene of Buckeye Power, Inc. has been served by regular U.S. mail or electronic mail delivery upon the persons listed on the attached Service List on this 18th day of April, 2012.

/s/ Ann B. Zallocco

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Summary: Motion to Intervene and Memorandum in Support of Buckeye Power, Inc.
electronically filed by Ms. Ann B Zallocco on behalf of Buckeye Power, Inc.