

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

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

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

ENTRY

The Commission finds:

- (1) Ohio Power Company (AEP-Ohio) is a public utility as defined in Section 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) On March 30, 2012, Ohio Power Company (AEP-Ohio)¹ filed an application for a standard service offer (SSO), pursuant to Section 4928.141, Revised Code. AEP-Ohio's application is for a modified electric security plan (ESP) is in accordance with Section 4928.143, Revised Code.

As part of the application, AEP-Ohio filed a request for waivers, pursuant to Rule 4901:1-35-02(B), Ohio Administrative Code (O.A.C.). In support of its request, AEP-Ohio claims that as the modified ESP was filed as a result of the Commission's March 7, 2012 entry, typical SSO filing requirements do not apply to this application, but in the efforts of transparency, AEP-Ohio is requesting certain waivers. Specifically, AEP-Ohio has proposed to establish a new nonbypassable Generation Resource Rider (GRR) to collect the costs associated with AEP-Ohio's investment in generating facilities, pursuant

¹ By entry issued on March 7, 2012, the Commission approved and confirmed the merger of Columbus Southern Power Company into Ohio Power Company, effective December 31, 2011. *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.

to Section 4928.143(B)(2)(c), Revised Code. AEP-Ohio's proposed Turning Point solar project would be the first capacity addition to be included in the GRR. AEP-Ohio states that if the Commission determines need for the Turning Point facility in the pending long term forecast report proceeding in Case Nos. 10-501-EL-FOR and 10-502-EL-FOR, AEP-Ohio will make a separate filing to recover costs associated with the facility in the form of a nonbypassable charge for the life of the facility. To implement this proposed approach, AEP-Ohio requests a waiver of Rules 4901:1-35-03(C)(3) or 4901:1-35-03(C)(9)(b), O.A.C. In addition, to the extent that the relief requested in AEP-Ohio's application requires a waiver of any other filing requirement found in Chapter 4901:1-35, O.A.C., AEP-Ohio requests such a waiver.

- (3) On April 10, 2012, Industrial Energy Users-Ohio, FirstEnergy Solutions Corp., and the Appalachian Peace and Justice Network (collectively Opposing Parties) filed a memorandum contra AEP-Ohio's request for waivers. The Opposing Parties argue that AEP-Ohio has failed to demonstrate good cause for its waiver requests, and is attempting to hide any costs and impacts the Turning Point solar project may have on customers. The Opposing Parties assert that the inclusion of estimates of these costs in the application are necessary not only for the interest of transparency in these proceedings, but also for the purpose of properly calculating the statutory test that an ESP must satisfy under Section 4928.143(C)(1), Revised Code. In addition, the Opposing Parties claim that the Commission already rejected AEP-Ohio's request for a general waiver by attorney examiner entry issued March 23, 2012.
- (4) On April 13, 2012, AEP-Ohio filed a reply to the Opposing Parties' memorandum contra. In its reply, AEP-Ohio points out that the attorney examiner granted AEP-Ohio's waiver requests related to Rules 4901:1-35-03(C)(3) and 4901:1-35(C)(9)(b), by attorney examiner entry issued March 23, 2011. Further, AEP-Ohio provides that it is necessary for the waiver requests to be granted in order to ensure its application is efficiently and expeditiously processed. AEP-Ohio opines that the modified application does not seek approval of the Turning Point solar project, but rather just the approval of a recovery mechanism subject to future Commission consideration. AEP-Ohio notes that this is consistent with the Commission's

preference in the December 14, 2011, Opinion and Order in this case. Therefore, AEP-Ohio explains the waivers are limited only to the creation of the recovery mechanism as necessary by statute, and the Commission will still be able to make its determination on the details of any recovery at a later date.

- (5) Upon consideration of AEP-Ohio's request for waivers, the Commission finds that good cause has not been shown and the request should be denied. First, while the Commission is aware that AEP-Ohio's original request for waivers was granted in part and denied in part by attorney examiner entry issued March 23, 2011, the modified application is substantially different from the original AEP-Ohio ESP application filed January 27, 2011. Thus, as the attorney examiner entry was in response to the original ESP application, any rulings made within the entry are not applicable to the current modified application. In addition, although the Commission understands that AEP-Ohio's request for waivers is limited to the creation of a recovery mechanism which, if approved, would still be subject to further Commission consideration, AEP-Ohio has failed to demonstrate good cause or that, in the absence of its requested waivers, AEP-Ohio would face an undue burden or significant delay to these proceedings.

As we established in our December 14, 2011, Opinion and Order, we believed the inclusion of projected Turning Point solar project costs were an important consideration in the statutory test under Section 4928.143, Revised Code. Further, AEP-Ohio provided such project costs in the previous evidentiary hearing in this case. *See* Opinion and Order at 30 (December 14, 2011). Therefore, while we stress that the Commission is not predetermining or prejudging the merits of AEP-Ohio's modified application, having information related to any projected rate impacts by customer class, as well as any projected costs that are currently known to be associated with the creation of the Turning Point facility available for the Commission's consideration, is not only necessary for our consideration of the modified application, but is also in the public interest. Accordingly, AEP-Ohio's request for waivers is hereby denied. AEP-Ohio is directed to supplement its application with this information within seven days unless otherwise ordered by the Commission or the attorney examiner.

It is, therefore,

ORDERED, AEP-Ohio's request for waivers be denied. It is, further,

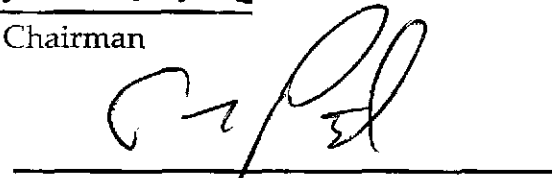
ORDERED, That AEP-Ohio is directed to file supplemental information to its application, as set forth in Finding (5), within seven days. It is, further,

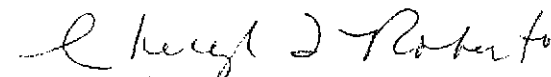
ORDERED, That a copy of this entry be served upon all parties of record.

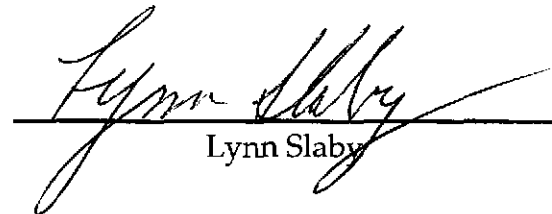
THE PUBLIC UTILITIES COMMISSION OF OHIO


Todd A. Snitchler, Chairman


Steven D. Lesser


Andre T. Porter

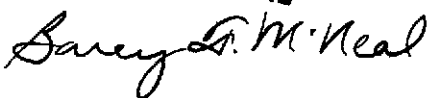

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JJT/sc

Entered in the Journal

APR 25 2012



Barcy F. McNeal
Secretary