## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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

## MOTION TO INTERVENE OF THE OHIO HOSPITAL ASSOCIATION

Pursuant to Ohio Revised Code Section ("R.C.") 4903.221, Ohio Administrative Code ("OAC") Rule 4901-1-11, and the Attorney Examiner Entry dated July 9, 2012, the Ohio Hospital Association ("OHA") moves for leave to intervene in this proceeding. The Public Utilities Commission of Ohio ("Commission") should grant OHA leave to intervene because OHA has a real and substantial interest in this proceeding, and the Commission's disposition of this proceeding may impair or impede OHA's ability to protect that interest.

## MEMORANDUM IN SUPPORT

On March 30, 2012, Ohio Power Company ("OP") and American Electric Power Company, Inc. ("AEP-Ohio") filed an application seeking full legal corporate separation for the purpose of amending OP's existing corporate separation plan. Further, OP proposes to separate its generation function from its transmission and distribution functions. Additionally, OP seeks the Commission's waiver of OAC Rule 4901:1-37-09(C)(4) requiring that its application state the fair market value and book value of any generating assets that it plans to transfer to an affiliate, and OAC Rule 4901:1-37-09(D), which requires hearings in this proceeding.

The members of OHA will be affected by the Commission's determination in this matter, and should be permitted to intervene in the above-captioned proceedings because it has real and substantial interests.

OHA is a private, nonprofit trade association with 167 hospitals and 19 healthcare system members that have more than 700 electricity accounts statewide. More than 350,000 Ohioans work for or at those hospitals and healthcare systems. OHA's mission is to be a membership-driven organization that provides proactive leadership to create an environment in which Ohio hospitals are successful in serving their communities. The approximately 54 hospitals receiving electricity from AEP-Ohio are OHA members and consume significant amounts of electrical energy, relying on their host electric distribution utilities of the AEP Companies to deliver the electric power necessary to provide patient care. Every hospital, or virtually every hospital, in AEP-Ohio's service area is a member of OHA and all OHA member hospitals are posted at <a href="http://www.ohanet.org/Members">http://www.ohanet.org/Members</a>.

OHA is concerned that the ultimate resolution of the matters to be addressed in the above-captioned proceeding could have a substantial effect on the electricity costs of OHA members, including the hospitals in the service area of the AEP-Ohio, as well as hospital interests in power reliability, adequacy, and demand management. A significant component of hospital costs is electric, estimated at about \$4500 per staffed bed per annum, and such costs are necessarily passed on to patients, their families, businesses and taxpayers. Additionally, hospitals have somewhat unique electricity load patterns and require reliable electric service on a 24-hour basis very day of the year in order to provide medical care. Pertinent to this proceeding is the additional fact that all hospitals are required by federal regulators and accrediting organization to maintain emergency generators in the event of interrupted utility power, and larger hospitals in particular utilize sophisticated energy management systems and related energy efficiency

technology. In sum, communities and individuals depend upon hospitals, and hospitals in turn depend upon electric companies to provide reliable service at an affordable rate. The outcome of this case will significantly impact the reasonableness of AEP-Ohio's rates charged to hospitals for the foreseeable future.

As a result of the above concerns and hospital characteristics, OHA has a substantial interest in this proceeding that is not adequately addressed by any other party. OHA's participation will enhance the effectiveness of the above proceedings, will not unnecessarily cause delay, and will help ensure that the proceedings in these matters are fair to its membership.

Accordingly, OHA respectfully requests the Commission to determine that OHA has a real and substantial interest in this proceeding and should grant its Motion to Intervene pursuant to R.C. 4903.221 and OAC Rule 4901-1-11.

Respectfully submitted on behalf of THE OHIO HOSPITAL ASSOCIATION

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## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing Motion to Intervene was served upon the parties of record listed below this  $18^{th}$  day of July *via* electronic mail.

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Summary: Motion to Intervene and Memorandum in Support electronically filed by Teresa Orahood on behalf of Ohio Hospital Association