

American Electric Power 1 Riverside Plaza Columbus, OH 43215-2373 AEP.com

November 6, 2012

The Honorable Greta See Attorney Examiner Public Utilities Commission of Ohio 180 East Broad Street Columbus Ohio 43215-3793

Re: In the Matter of the Electric Security Plan of Ohio Power Company, Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-349-EL-AAM and 11-350-EL-AAM

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Dear Ms. See:

On October 29, 2012, the Ohio Energy Group (OEG) filed "comments" in these dockets regarding the pending stakeholder process regarding the competitive bidding process of the Ohio Power Company (AEP Ohio). On November 1, 2012, AEP Ohio submitted correspondence demonstrating that OEG's comments were untimely additional arguments in support of its previously-filed rehearing request and otherwise improperly undermine the stakeholder effort relating to AEP Ohio's competitive bidding process. On November 5, 2012, OEG compounded its error by filing a "memorandum contra correspondence" to further elaborate the untimely and improper arguments. AEP Ohio takes this opportunity to briefly address the inaccuracies in OEG's pleading.

First, OEG inaccurately characterized AEP Ohio's correspondence as being effectively a motion to strike and then proceeded to label it as procedurally deficient. AEP Ohio's November 1 letter was not a motion to strike and was not submitted as a motion at all. Thus, OEG's memorandum contra is a misplaced pleading that is not authorized by the Commission's procedural rules. Rather, AEP Ohio's November 1 letter was a response to OEG's October 29 comments. Though OEG's real motivation appears to be to have the last word, to the extent that OEG considered the November 1 letter a motion to strike, it should consider this letter as a reply in support to which OEG has no further opportunity to respond.

Second, OEG wrongly claims (at 2) that AEP Ohio was "patently incorrect in its assertion that [OEG's comments] raises two points that it already raised on rehearing." OEG's defense for concluding AEP Ohio is incorrect was that OEG only reargued one of its rehearing issues, not both. This half admission is only half correct because OEG clearly raised both points in its rehearing application. Specifically, OEG denies having raised on rehearing the issue of whether the energy auction should have a starting price equal to AEP Ohio's tariff rate. On the

contrary, OEG's application repeatedly argued (at 6-7) that the auctions should be conducted with a "price to beat" that was based on each rate zone's FAC rate. Further, OEG's application repeated three times in two pages (at 6-7) that the auction should not be accepted if it produces a rate higher than the FAC rate. OEG's "price to beat" is the same as saying the auction starting price should be the FAC rate. There can be no question that both of the issues raised in OEG's "comments" amount to additional, improper argument in support of its rehearing requests.

Respectfully Submitted,

cc: Parties of Record

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Case No(s). 11-0346-EL-SSO, 11-0348-EL-SSO, 11-0349-EL-AAM, 11-0350-EL-AAM

Summary: Correspondence to Attorney Examiner electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company