

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio)
Power Company for a Limited Waiver of) Case No. 13-1118-EL-WVR
Rule 4901:1-35-10, Ohio Administrative)
Code.)

ENTRY

The Commission finds:

- (1) On May 1, 2008, the governor signed into law Amended Substitute Senate Bill No. 221 (SB 221), amending various statutes in Title 49 of the Ohio Revised Code. Among the statutory amendments adopted were changes to Section 4928.14, Revised Code, to establish a standard service offer (SSO). The amended language of Section 4928.14, Revised Code, states that electric utilities are required to provide consumers with a SSO, consisting of either a market-rate offer (MRO) or an electric security plan (ESP). Pursuant to the directives of Section 4928.142(D)(4), Revised Code, and Section 4928.143(E) and (F), Revised Code, the Commission is required to evaluate the earnings of each electric utility's approved ESP or MRO to determine whether the plan or offer produces significantly excessive earnings for the electric utility.
- (2) The Commission adopted administrative rules in accordance with SB 221 in *In the Matter of the Adoption of Rules for Standard Service Offer, Corporate Separation, Reasonable Arrangements, and Transmission Riders for Electric Utilities Pursuant to Sections 4928.14, 4928.17, and 4905.31, Revised Code, as Amended by Amended Substitute Senate Bill No. 221, Case No. 08-777-EL-ORD (Rules Case)*. Among the rules adopted in the Rules Case is Chapter 4901:1-35, Ohio Administrative Code (O.A.C.). Rule 4901:1-35-10, O.A.C., provides:

By May fifteenth of each year, the electric utility shall make a separate filing with the commission demonstrating whether or not any

rate adjustments authorized by the commission as part of the electric utility's electric security plan resulted in significantly excessive earnings during the review period as measured by division (F) of section 4928.143 of the Revised Code. The process and timeframes for that proceeding shall be set by order of the commission, the legal director, or attorney examiner. The electric utility's filing shall include the information set forth in paragraph (C) of rule 4901:1-35-03 of the Administrative Code as it relates to excessive earnings.

- (3) Further, pursuant to the provisions of Rule 4901:1-35-03(C)(10)(a), O.A.C., the electric utility must provide testimony and analysis demonstrating the return on equity for publicly traded companies that face comparable business and financial risks as the electric utility for the same period.
- (4) On May 1, 2013, Ohio Power Company (Ohio Power) filed an application for a limited waiver and a request for expedited ruling to extend the May 15 filing requirement contained in Rule 4901:1-35-10, O.A.C., until either July 31, 2013, or 30 days after the Commission issues its decision in Ohio Power's significantly excessive earnings test (SEET) proceeding. Ohio Power explains that while Section 4928.143(F), Revised Code, provides that the Commission shall apply the SEET to Ohio Power's 2012 earnings, the statute does not mandate a specific date in which a SEET application should be filed. Ohio Power adds that the Commission has authority, pursuant to Rule 4901:1-35-02(B), O.A.C., to waive Ohio Power's May 15 filing deadline. In support of its waiver request, Ohio Power notes that information for its SEET filing will not be made available until after the May 15 deadline, and states that the pending SEET proceedings may also affect the manner of Ohio Power's presentation of data for its 2012 SEET filing.
- (5) The Commission finds that, in light of the fact that the information necessary for Ohio Power's 2012 SEET proceeding is not yet available and decisions have not yet been rendered in Ohio Power's 2011 SEET proceeding, Ohio

Power's request for a limited waiver of Rule 4901:1-35-10, O.A.C., is reasonable and should be granted. Ohio Power should file its information required by Rule 4901:1-35-10, O.A.C., by July 31, 2013, or 30 days after the Commission issues its decision in the Ohio Power's pending SEET cases, whichever is later.

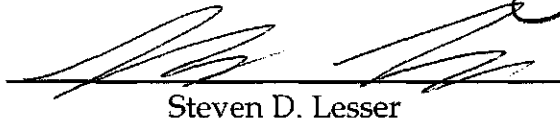
It is, therefore,

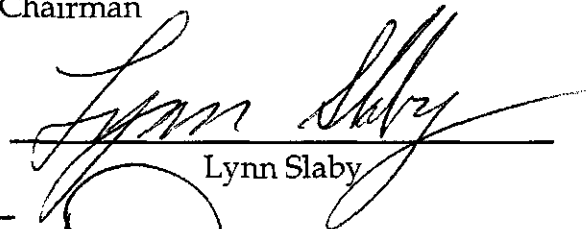
ORDERED, That AEP-Ohio's request for a waiver of the May 15 filing date in Rule 4901:1-35-10, O.A.C., be granted until the later of July 31, 2013, or 30 days after the Commission issues its decision in Case Nos. 11-4571-EL-UNC and 11-4572-EL-UNC. It is, further,

ORDERED, That a copy of this Entry be served upon AEP-Ohio and all other interested persons of record in this case.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Todd A. Snitchler, Chairman


Steven D. Lesser

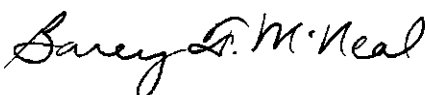

Lynn Slaby


M. Beth Trombold

JJT/sc

Entered in the Journal

MAY 15 2013



Barcy F. McNeal
Secretary