BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ormet)	
Primary Aluminum Corporation for)	Case No. 09-119-EL-AEC
Approval of a Unique Arrangement with)	Case No. 09-119-EL-AEC
Ohio Power Company)	

MOTION FOR LEAVE TO FILE REPLY TO THE JULY 5, 2013 MOTIONS, COMMENTS, OBJECTIONS AND MEMORANDUM IN OPPOSITION

Ormet Primary Aluminum Corporation ("Ormet") respectfully requests leave of the Commission to file a consolidated reply to the July 5, 2013 motions, comments, objections, and memoranda in opposition filed in this case on July 5, 2013. The reasons supporting the request for leave to file a reply are set forth in the accompanying Memorandum in Support. Good cause exists for granting leave to permit Ormet to file its reply.

WHEREFORE, Ormet respectfully requests that the Commission grant it leave to file its consolidated reply to the July 5, 2013 pleadings by July 12, 2013.

Respectfully submitted,

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MEMORANDUM IN SUPPORT

By Opinion and Order issued July 15, 2009, the Commission modified and approved the amended application of Ormet for a Unique Arrangement with Columbus Southern Power Company and Ohio Power Company (jointly, "AEP Ohio") for electric service to Ormet's aluminum-producing facility located in Hannibal, Ohio.

On June 14, 2013, Ormet filed a motion to amend its Unique Arrangement with AEP Ohio and request for emergency relief, along with a Memorandum in Support, pursuant to Sections 4905.31 and 4909.16 Revised Code and Rules 4901-1-12 and 4901:1-38-05 Ohio Administrative Code ("O.A.C."). Ormet seeks four amendments to the Unique Arrangement in the form of emergency relief, specifically requesting that (a) the duration of the Unique Arrangement be shortened by three years such that it would terminate at the end of December, 2015; (b) payment of the remaining economic development discounts, previously approved under the Unique Arrangement be advanced by three years such that the last monthly installments would be fully received by December, 2014; (c) the prohibition on Ormet's purchase of power from a third party supplier be eliminated as of the January 2014 billing cycle; and (d) the price for the generation component of the standard service offer for electricity purchased by Ormet from AEP Ohio during 2013 be fixed at \$45.89 per megawatt hour, which was the amount billed to Ormet during the first quarter of 2013. These requests are essential to the successful completion of the re-organization of Ormet and ensure ongoing operations.

Ormet also requests that the Commission affirm, in the emergency order, the assignment by Ormet of its interest in the amended Unique Arrangement to Smelter Acquisition LLC pursuant to Section 13.04 of the current Unique Arrangement. Ormet also seeks approval of a number of other modifications to the Unique Arrangement on a non-emergency basis, that Ormet believes will ensure sustainable, expanded long-term operations at its facility in Hannibal, Ohio. In its motion, Ormet explains that the requested relief is necessary to enable Ormet to emerge from a recent bankruptcy sale as a going concern and to continue its operations in Ohio.

Rule 4901:1-38-05(B), O.A.C. provides that a mercantile customer of an electric utility may apply to the Commission for a unique arrangement with the electric utility. Additionally, Rule 4901:1-38-05(F), O.A.C. provides that affected parties may file a motion to intervene as well as comments and objections to any application filed under the rule, within 20 days of the date of the filing of the application.

On June 27, 2013, the attorney examiner issued an Entry in this matter. The attorney examiner found that given the nature and extent of the modifications requested by Ormet to the existing Unique Arrangement, Ormet's filing should be construed as an application for a Unique Arrangement under Rule 4901:1-38-05(B), O.A.C., and the 20 day intervention and comment period specified in Rule 4901:1-38-05(F), O.A.C., should apply to affected parties. The attorney examiner established a procedural schedule for the filing of motions to intervene and the filing of comments and objections by July 5, 2013. The Entry was silent on the subject of Reply comments. Further, there is no specific provision of the Commission's rules that addresses reply comments within the context of application for a unique arrangement.

On July 5, 2013, a motion to intervene, memorandum in support and comments were filed by the Ohio Hospital Association. The OMA Energy Group also filed a motion to intervene

and memorandum in support. On July 5, AEP Retail Energy Partners LLC filed a motion to intervene, memorandum in support and comments in this matter. The Industrial Energy Users—Ohio filed comments and objections and Ohio Power Company filed a memorandum in opposition of Ormet's motion to amend. The Ohio Consumers' Counsel also filed comments.

Since the approval of the Unique Arrangement by this Commission in July of 2009, the combination of rising tariff rates and a falling world market aluminum prices forced Ormet to file for bankruptcy under Chapter 11 of the Bankruptcy Code on February 25, 2013. Ormet has worked aggressively and diligently to develop and implement a plan to emerge from bankruptcy and to support continued and long-term operation of the Hannibal, Ohio Smelter. That plan is detailed in the June 14, 2013 motion to amend. Ormet believes that it is important to clarify its request and restate the purpose of the emergency relief request. Ormet agrees that some items associated with the Unique Arrangement contract can be effectively handled through normal due process and in a manner which provides more clarity to the future of costs borne by rate-payers in the transition of the AEP system to competitive choice.

In order to emerge from bankruptcy, the Commission must approve modifications to the Unique Arrangement before July 31, 2013 so that other transactions can be consummated to enable Ormet to emerge from bankruptcy. The emergency cannot be avoided simply by the buyer extending the deadline as several objectors assert. The continued employment of 894 direct employees, thousands of indirect employees and millions of dollars paid to local and state government will be lost if Ormet does not come out of bankruptcy by July 31, 2013.

Neither Rule 4901:1-38-05 nor the June 27, 2013 Entry contemplate nor directly prohibit Ormet from filing a reply to the motions, comments, objections and memorandum in opposition. However, the July 5 pleadings identify issues and clearly indicate confusion related to the

request, which Ormet seeks to address. Time is of the essence if Ormet is to emerge from bankruptcy. Ormet respectfully requests leave to file a reply addressing these issues so that the Commission can act on its emergency relief prior to July 31, 2013. The Commission will benefit by having specific responses to the comments when making its decision on the request for emergency relief.

Thus, Ormet submits that good cause exists for granting leave to it to file a consolidated reply to all of the July 5, 2013 pleadings by July 12. The granting of such leave will still permit the Commission to issue a Finding and Order addressing Ormet's request for emergency relief prior to July 31, 2013.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing document has been served upon the persons below via electronic mail this 8th day of July, 2013.

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Summary: Motion Motion for Leave to File Reply to the July 5, 2013 Motions, Comments, Objections and Memorandum in Opposition electronically filed by Mr. Stephen M Howard on behalf of Ormet Primary Aluminum Corporation