

In the Matter of the Review of the )  
Distribution Investment Rider Contained ) Case No. 13-419-EL-RDR  
in the Tariffs of Ohio Power Company. )

**COMMENTS  
BY  
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

Joseph P. Serio, Counsel of Record  
Michael J. Schuler  
Assistant Consumers' Counsel

**Office of the Ohio Consumers' Counsel**  
10 West Broad Street, Suite 1800  
Columbus, Ohio 43215-3485  
Telephone: Direct – 614-466-9565 (Serio)  
Telephone: Direct – 614-466-9547 (Schuler)  
serio@occ.state.oh.us  
schuler@occ.state.oh.us

**August 2, 2013**

## TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION .....	1
II. COMMENTS .....	3
A. The PUCO Staff’s Comments On Its Review Of Ohio Power Company’s 2012 Progress In Implementing Distribution Infrastructure Programs Are Inadequate And Fail To Address The Quantifiable Reliability Improvements That The Commission Mandated in the Electric Security Plan Proceeding.....	3
B. Comments on the Audit Report .....	6
1. Net plant in service should exclude non-jurisdictional plant.....	7
2. \$15,788,966 should be used for the amount of gridSMART net plant for the 1st Quarter of the 2012 DIR revenue requirement calculation.....	8
3. All gridSMART spending that is collected from customers through the gridSMART rider must be excluded from the DIR rider. ....	8
4. Net plant in service should include \$21,513,289 for the amount of Veg. Mgmt. net plant for the 1st Quarter of 2012 DIR revenue requirement calculation. ....	9
5. Net plant in service should exclude \$283,000 for land held for future use that was disallowed in the last distribution rate case.....	10
6. The carrying charge rate should exclude the Commercial Activity Tax (CAT) to prevent double recovery.....	10
7. The carrying charge rate should not include the uncollectible accounts expense. ....	11
8. The weighted average cost of capital should be used to compute the carrying charge rate. ....	11
9. The Over/Under revenue recovery calculation should reflect OCC’s adjustments. ....	11
III. CONCLUSION.....	13

In the Matter of the Review of the )  
Distribution Investment Rider Contained ) Case No. 13-0419-EL-RDR  
in the Tariffs of Ohio Power Company. )

**COMMENTS  
BY  
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

This case involves a review of the Distribution Investment Rider (“DIR”) which allows Columbus Southern Power Company and Ohio Power Company (jointly “AEP Ohio” or “the Utility”) to charge its 1.2 million residential customers for infrastructure investments that improve service reliability. The DIR involves millions of dollars in costs that AEP Ohio wants approval to charge its customers.

This case rises out of the PUCO’s approval of AEP Ohio’s electric security plan (“ESP”), which established the DIR.<sup>1</sup> Specifically, the DIR allows AEP Ohio to charge customers for a certain amount of capital costs associated with distribution infrastructure improvements that create a more reliable electric distribution system.<sup>2</sup> The DIR is then subject to annual review for accounting accuracy, prudence, and compliance with the DIR plan.<sup>3</sup>

<sup>1</sup> *In the Matter of the Applications of Ohio Power Company for Authority to Establish a Standard Service Offers Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan (“ESP II”),* Case No. 11-346-EL-SSO, Opinion and Order at 47 (August 8, 2012).

<sup>2</sup> Id. at 42.

<sup>3</sup> Id. at 47.

In the ESP case, out of which the DIR was born, AEP Ohio was unable and/or unwilling to provide detail regarding how customers would obtain a benefit in service quality through the Utility's expedited recovery of distribution investment costs.<sup>4</sup> As a result, the PUCO explicitly required the Utility and the PUCO Staff **to quantify reliability improvements that are expected** as a result of the DIR funding.<sup>5</sup> Furthermore, the Commission explicitly required the Utility and the PUCO Staff to focus DIR spending on where it will have the **greatest impact on maintaining and improving reliability**.<sup>6</sup>

The Office of the Ohio Consumer's Counsel ("OCC") files these Comments<sup>7</sup> to address the audit of the DIR and to propose additional adjustments that the Public Utilities Commission of Ohio ("PUCO" or "Commission") should adopt in this case. OCC supports many of the recommendations outlined in the Compliance Audit of the 2012 Distribution Investment Rider (DIR) of Columbus Southern Power and Ohio Power Company, d/b/a AEP Ohio ("Final Audit Report"). The Final Audit Report was filed by Blue Ridge Consulting Services, Inc. ("Blue Ridge" or "Auditor") on June 20, 2013 and is supported by the PUCO Staff. In addition, the PUCO should adopt the additional recommendations outlined below to protect AEP Ohio's customers from costs that were not prudently incurred.

---

<sup>4</sup> Id. at 44.

<sup>5</sup> Id. at 47 (Emphasis added).

<sup>6</sup> Id. (Emphasis added).

<sup>7</sup> AEP Ohio and other intervenors are permitted to file initial comments by August 2, 2013 and reply comments by August 16, 2013. Entry at 2 (June 26, 2013).

## II. COMMENTS

### A. **The PUCO Staff's Comments On Its Review Of Ohio Power Company's 2012 Progress In Implementing Distribution Infrastructure Programs Are Inadequate And Fail To Address The Quantifiable Reliability Improvements That The Commission Mandated in the Electric Security Plan Proceeding.**

The PUCO should require the PUCO Staff to conduct a more detailed review of AEP Ohio's proactive efforts to increase the reliability of its distribution infrastructure. On June 20, 2013, the PUCO Staff filed Comments that set forth the Staff's review of Ohio Power Company's 2012 Progress Implementing Distribution Infrastructure Programs. In those Comments, the PUCO Staff concluded that, "AEP Ohio met expectations for increasing 2012 proactive/reliability DIR expenditures over comparable expenditures in the prior three years."<sup>8</sup> However, in reaching this conclusion, the PUCO Staff merely compared the dollar amounts of investments designated "proactive/reliability" to the total amount of DIR expenditures.<sup>9</sup> There is no indication (in the PUCO Staff's Comments) that the PUCO Staff did any detailed review or analysis of the expenditures in order to ensure that the spending and programs were consistent with the intent of the DIR Program -- to improve service reliability. Instead, an in-depth review and analysis of the expenditures included in the DIR is necessary to ensure that those expenditures had a quantifiable benefit and that DIR spending was focused on areas that

---

<sup>8</sup> Comments Submitted on Behalf of the Staff of The Public Utilities Commission of Ohio – Review of Ohio Power Company's 2012 Progress Implementing Distribution Infrastructure Programs ("PUCO Staff Reliability Comments") at 7 (June 20, 2013).

<sup>9</sup> Id. at 7.

had the greatest impact on maintaining and improving reliability as outlined by the PUCO in the ESP Opinion and Order.<sup>10</sup>

The PUCO Staff filed Comments regarding its review of the 2012 DIR expenditures to “determine whether AEP Ohio is spending more on proactive infrastructure programs and those that are expected to have a positive impact on reliability.”<sup>11</sup> But neither of these requirements were addressed by the PUCO Staff in its review of the 2012 DIR program.

For example, the PUCO Staff found that AEP Ohio only invested \$148,486,000; yet, AEP Ohio’s 2012 Annual System Improvement Plan<sup>12</sup> reflected budget of over \$206 million in distribution capital expenditures for reliability specific investments in 2012.<sup>13</sup> Therefore, under the PUCO Staff’s analysis, AEP Ohio underspent by approximately 27% the amount it budgeted for reliability specific capital investments. But the PUCO Staff provided no detailed explanation of how it reached that calculation.

Moreover, the PUCO Staff found that out of that \$148,486,000, AEP Ohio only spent approximately \$37 million in **proactive**/reliability or approximately 25% of the total investment in reliability.<sup>14</sup> And the PUCO Staff did not specifically identify the distribution investments that it considered “proactive.” In fact, PUCO Staff’s Comments make no mention of whether any of the DIR investments are expected to contribute to

---

<sup>10</sup> *ESP II*, Case No. 11-346-EL-SSO, Opinion and Order at 47; Entry on Rehearing at 47 (January 30, 2013).

<sup>11</sup> PUCO Staff Reliability Comments at 2.

<sup>12</sup> Ohio Adm. Code 4901:1-10-26(B)(3)(d).

<sup>13</sup> *In the Matter of the Annual Report of Ohio Power Company Pursuant to Rule 26 of the Electric Service and Safety Standards*, Ohio Administrative Code 4901:1-10-26, Case No. 13-996-EL-ESS, Annual Investment Report at 57 (March 28, 2013).

<sup>14</sup> PUCO Staff Reliability Comments at 3 (Emphasis added).

quantifiable improved reliability or more importantly if the investments actually resulted in improved reliability.<sup>15</sup>

Because there is no affirmative demonstration that the DIR spending is proactively improving service reliability in a quantifiable manner, the DIR recovery should be limited to the 25% that the PUCO Staff identified. Without more detailed information, the PUCO cannot conclude that the other 75% of AEP Ohio's investments under the DIR are proactively improving reliability. To the contrary, AEP Ohio has failed to comply with the mandated reliability performance standards for two years in a row -- the two years since the DIR was approved.<sup>16</sup> Instead, the PUCO should direct the PUCO Staff and AEP Ohio to conduct an analysis similar to what it is required to conduct for the 2013 DIR Work Plan as explained below.

As part of its 2013 DIR Work Plan, AEP Ohio provided very little detail regarding the twenty-seven different programs valued at approximately \$187 million and provided no specific projections of the reliability improvements that could be expected.<sup>17</sup> The PUCO found that AEP Ohio's 2013 DIR Work Plan contained insufficient detail because it "does not quantify, for many of the components, the reliability improvements that are expected to occur through the DIR investments, nor does it address the issue of double recovery or demonstrate that DIR spending levels will exceed AEP Ohio's capital

---

<sup>15</sup> See generally, Id.

<sup>16</sup> *In the Matter of the Annual Report of [sic] Pursuant to Rule 10 of the Electric Service and Safety Standards, Ohio Administrative Code 4901:1-10-10*, Annual Report of the Columbus Southern Power Company at 2 (April 9, 2012); *In the Matter of the Annual Report of [sic] Pursuant to Rule 10 of the Electric Service and Safety Standards, Ohio Administrative Code 4901:1-10-10*, Annual Report of the Columbus Southern Power Company at 2 (April 1, 2013).

<sup>17</sup> *In the Matter of the Commission's Review of the Ohio Power Company's Distribution Investment Rider Work Plan Resulting from Commission Case No. 11-346-EL-SSO et al.*, Case No. 12-3129-EL-UNC, OCC Initial Comments at 13-14 (January 18, 2013).

spending levels in recent years.”<sup>18</sup> To address the inadequacy of AEP Ohio’s 2013 DIR Work Plan, the PUCO directed AEP Ohio to:

quantify actual reliability improvements achieved for any program that is expected to reduce the frequency and/or duration of outages. For any program that is expected to maintain reliability, AEP Ohio is directed to quantify the outages avoided by implementation of the DIR plan in 2013. AEP Ohio shall provide this information to Staff in writing by February 28, 2014.<sup>19</sup>

The PUCO Staff’s review and treatment of the DIR investments, requested in this proceeding, should be no different than what the PUCO requires for the 2013 review as described in Finding and Order quoted in the preceding paragraph. The PUCO should require AEP Ohio to file a report within 30 days of an Order from this case that quantifies the reliability improvements that occurred as a result of this DIR proceeding. Furthermore, the Commission should require the PUCO Staff to identify each “proactive reliability” program and to describe how the program contributes to improved reliability to assist in tracking progress on a going forward basis.

#### **B. Comments on the Audit Report**

As explained in more detail below, OCC supports Blue Ridge’s recommendations. However, as explained further below, the recommendations in the Blue Ridge Audit Report do not go far enough to protect AEP Ohio’s customers. For example, there should be an allocation between jurisdictional and non-jurisdictional plant, the amount of first quarter gridSMART expenses should be corrected, and there should be an exclusion for land held for future use from net plant. Commercial activities

---

<sup>18</sup> In the Matter of the Commission’s Review of the Ohio Power Company’s Distribution Investment Rider Work Plan Resulting from Commission Case No. 11-346-EL-SSO et al., Case No. 12-3129-EL-UNC, Commission Finding and Order at 10 (May 29, 2013).

<sup>19</sup> Id. at 11-12.



tax and uncollectibles should be removed from the proposed carrying charge rate so that customers do not pay twice for those amounts. The PUCO should establish an over/under revenue tracker in order to true up DIR recoveries from one year to the next.

OCC also recommends that only 25% of the 2012 distribution plant additions should be included in the DIR for cost recovery in this case because the Utility failed to demonstrate that the DIR expenditures will actually improve reliability in a quantifiable manner as required by the PUCO Order establishing the DIR mechanism.<sup>20</sup> Some of the remaining 75% of those costs could be recovered through a distribution rate case if any of those costs are found to be prudent, just and reasonable. Finally, the PUCO should require its Staff to conduct a more thorough review of the reliability investments that AEP Ohio is seeking to recover in this proceeding.

**1. Net plant in service should exclude non-jurisdictional plant.**

A review of AEP Ohio's most recent base rate case (Case No. 11-352-EL-AIR) indicates that some of Ohio Power's plant was allocated to non-jurisdictional customers.<sup>21</sup> Ohio Power Company and Staff Report Schedules B-2 show that 99.90% of distribution plant is allocated to Ohio jurisdictional.<sup>22</sup> However, AEP Ohio computes DIR net plant by subtracting the Staff's adjusted jurisdictional net plant (\$2,092,752,000)

---

<sup>20</sup> *ESP II*, Case No. 11-346-El-SSO, Opinion and Order at 47.

<sup>21</sup> *In the Matter of the Application of Columbus Southern Power Company, Individually and, if Their Proposed Merger is Approved, as a Merged Company (collectively, AEP Ohio) for an Increase in Electric Distribution Rates ("AEP Ohio Rate Case")*, Case No. 11-352-EL-AIR, Ohio Power Company Schedule B-2, Staff Report Schedule B-2.

<sup>22</sup> *Id.*

from total Utility net plant for each of 2012 quarterly filings.<sup>23</sup> The Utility calculation allows the recovery of non-jurisdictional plant in the DIR revenue requirement. Accordingly, all non-jurisdictional net plant should be excluded from the calculation of DIR revenue requirement in this proceeding. The impact of OCC's recommendation is set forth on attached Schedule 2, which shows the calculation of the jurisdictional plant-in-service allocation factor that should be used. Attached Schedule 3 sets forth the calculation of jurisdictional depreciation reserve allocation factor.

**2. \$15,788,966 should be used for the amount of gridSMART net plant for the 1st Quarter of the 2012 DIR revenue requirement calculation.**

AEP Ohio's initial DIR filing included an incorrect amount for gridSMART net plant of \$7,909,386.<sup>24</sup> The use of this incorrect amount overstates the DIR revenue requirement for the first quarter. The corrected amount of gridSMART net plant of \$15,788,966<sup>25</sup> should be used in the calculation of the DIR revenue requirement as set forth in attached Schedule 1.

**3. All gridSMART spending that is collected from customers through the gridSMART rider must be excluded from the DIR rider.**

In the ESP Order, the PUCO indicated that any gridSMART spending that is recovered through the gridSMART Rider should be excluded from recovery in the DIR rider.<sup>26</sup> Blue Ridge noted that at some point in time, it expected AEP Ohio to book the

---

<sup>23</sup> *ESP II*, Case No. 11-346-EL-SSO, AEP Ohio 1<sup>st</sup> Quarterly Filing 2012; *In the Matter of the Application of Ohio Power Company to Update its Distribution Investment Rider*, Case No. 12-2627-EL-RDR, 2<sup>nd</sup> Quarterly Filing 2012 (Nov. 16, 2012); 3<sup>rd</sup> Quarterly Filing 2012 (December 21, 2012); 4<sup>th</sup> Quarterly Filing 2012 (May 21, 2013) (collectively Attachment 1).

<sup>24</sup> AEP Ohio 1<sup>st</sup> Quarterly Filing 2012 (Attachment 1).

<sup>25</sup> See Response to OCC Interrogatory No. 1-009 (Attachment 2).

<sup>26</sup> *ESP II*, Case No. 11-346-EL-SSO, Opinion and Order at 46.

\$46.6 -\$47.3 million to plant in service. At that time, Blue Ridge recommended that the Utility reconcile the difference between the actual amount spent/reimbursed by the Department of Energy and the amount excluded from the DIR.<sup>27</sup> OCC agrees with Blue Ridge's recommendation. Additionally, the PUCO should require AEP Ohio to reconcile its next DIR filing to reflect the proper amount of gridSMART plant to be excluded from the DIR.

Furthermore, Blue Ridge noted that FERC Account 37016 was charged \$15.2 million for AMI meters.<sup>28</sup> Blue Ridge was unable to conclude that all gridSMART meters had been excluded from the DIR.<sup>29</sup> As a result, Blue Ridge recommended that AEP Ohio address this concern and identify the correct amount of gridSMART to be excluded in order to avoid any double recovery.<sup>30</sup> The PUCO should require the protections necessary to ensure that all gridSMART spending that is recovered through the gridSMART Rider is excluded from the DIR.

**4. Net plant in service should include \$21,513,289 for the amount of Veg. Mgmt. net plant for the 1st Quarter of 2012 DIR revenue requirement calculation.**

AEP Ohio's initial DIR filing included an incorrect amount for Veg. Mgmt. net plant of \$13,897,570.<sup>31</sup> The use of this incorrect amount overstates the DIR revenue

---

<sup>27</sup> Blue Ridge Audit Report at 39.

<sup>28</sup> Id. at 40.

<sup>29</sup> Id.

<sup>30</sup> Id. at 41.

<sup>31</sup> AEP Ohio 1<sup>st</sup> Quarter Filing 2012 (Attachment 1).

requirement for the first quarter. The corrected amount of Veg. Mgmt. net plant of \$21,513,289<sup>32</sup> should be used in calculating the DIR revenue requirement.

**5. Net plant in service should exclude \$283,000 for land held for future use that was disallowed in the last distribution rate case.**

AEP Ohio's computation of the DIR plant included land<sup>33</sup> that was disallowed in the Utility's most recent distribution rate case.<sup>34</sup> Inasmuch as the PUCO has already determined that this land should not be included for cost recovery in a rate case, it should not be included as part of the DIR recovery. The PUCO Staff's recommended land exclusion should be reflected in the calculation of DIR revenue requirement as set forth in attached Schedule 2.

**6. The carrying charge rate should exclude the Commercial Activity Tax (CAT) to prevent double recovery.**

In calculating the carrying charge for the DIR, AEP Ohio included four components: pretax weighted average cost of capital; weighted average property tax expense; Commercial Activity Tax ("CAT") and depreciation rate.<sup>35</sup> However, AEP Ohio's computation of its carrying charge rate of 20.59% includes the CAT, which was previously imbedded in the rate, thus causing a double recovery of the CAT. AEP Ohio should be prohibited from twice collecting carrying charges (on the amount of CAT)

---

<sup>32</sup> See, Response to OCC Interrogatory No. 1-010 (Attachment 3).

<sup>33</sup> AEP Ohio 1<sup>st</sup> Quarter Filing 2012 (Attachment 1).

<sup>34</sup> See generally, *AEP Ohio Rate Case*, Case No. 11-352-EL-AIR, Opinion and Order at 5-6, 10 *see also*, *AEP Ohio Rate Case*, Case No. 11-352-EL-AIR, Joint Stipulation and Recommendation (November 23, 2011); *see also*, *AEP Ohio Rate Case*, Case No. 11-352-EL-AIR, A Report by the Staff of the Public Utilities Commission of Ohio at Schedule B-2.2 (September 15, 2011).

<sup>35</sup> Blue Ridge Audit Report at 42; AEP Response Data Request 1-027.

from its customers. Accordingly, the CAT should be excluded from the calculation of the carrying charge rate for the DIR as set forth in attached Schedule 4.

**7. The carrying charge rate should not include the uncollectible accounts expense.**

AEP Ohio's computation of the carrying charge rate of 20.59% also includes a recovery of the uncollectible accounts expense that was not approved for collection from customers by the PUCO. A review of the ESP Opinion and Order indicates that that there was no authorization to include the uncollectible account in the calculation of carrying costs.<sup>36</sup> Accordingly, the uncollectible accounts expense should be excluded as set forth in attached Schedule 4.

**8. The weighted average cost of capital should be used to compute the carrying charge rate.**

As part of the audit, Blue Ridge recommended that the weighted average cost of capital be used to compute the carrying charge rate.<sup>37</sup> OCC agrees with the Blue Ridge. The PUCO should authorize a carrying charge rate of 20.28% for the DIR revenue requirement calculation as set forth in attached Schedule 4.

**9. The Over/Under revenue recovery calculation should reflect OCC's adjustments.**

Blue Ridge recommended that an over/under revenue adjustment be included as part of review of the DIR program in 2013.<sup>38</sup> AEP Ohio computes over/under revenue recovery by calculating a total DIR revenue requirement for each month and dividing it

---

<sup>36</sup> *ESP II*, Case No. 11-346-EL-SSO, Opinion and Order at 42.

<sup>37</sup> Blue Ridge Audit Report at 43-44.

<sup>38</sup> *Id.* at 45-46.

by twelve and then comparing that amount to the actual DIR revenue billed.<sup>39</sup> It is unknown how AEP Ohio calculated the total DIR revenue requirement amount. AEP Ohio did not provide any supporting work papers to show the basis of its monthly revenue requirement amount. Also the amount of the total monthly revenue requirement amounts vary each month and do not match with AEP Ohio DIR revenue requirement amounts included in the Utility's DIR quarterly filing.

In order to protect AEP Ohio's customers from unreasonable charges, the over/under revenue recovery calculation should be based on the revenue requirement approved for each quarter and the actual DIR revenue billed as set forth in attached Schedule 5. Additionally, OCC also agrees with the Blue Ridge recommendation that a tracker for over/under recovery should be done annually to reconcile the difference between the DIR approved revenue requirement and the actual DIR revenue billed. OCC recommends that a true-up adjustment should be included in the AEP July 1, 2013 DIR filing that will be effective on September 1, 2013 to reflect a true-up adjustment and the impact of the adjustments included in these Comments. The requested DIR rate of 12.22994%, included in the July 1, 2013 DIR filing,<sup>40</sup> should be adjusted down to reflect the recommendation made by Blue Ridge and OCC as set forth in attached Schedule 1 for a tentative calculation of a DIR rate of 11.23457% to be effective September 1, 2013. The DIR rate of 11.23457 % reflects an estimated over-recovery of \$196,566 that needs to be offset in the July 1, 2013 DIR Revenue Requirement request in order to prevent an

---

<sup>39</sup> AEP Ohio 1<sup>st</sup> Quarter Filing 2012; 2<sup>nd</sup> Quarterly Filing 2012; 3<sup>rd</sup> Quarterly Filing 2012; 4<sup>th</sup> Quarterly Filing 2012 (collectively Attachment 1).

<sup>40</sup> *In the Matter of the Application of Ohio Power Company to Update its Distribution Investment Rider*, Case No. 12-2627-EL-RDR, 1<sup>st</sup> Quarterly Filing 2013 (July 1, 2013) (Attachment 4).

over-collection from AEP Ohio's customers. OCC recommends that the estimated \$196,566 be updated to reflect the actual DIR revenues billed through August 2012.

### **III. CONCLUSION**

OCC appreciates the opportunity to provide these Comments in order to assist the PUCO in its annual review of AEP Ohio's DIR. The PUCO's adoption of the recommendations set forth in the Blue Ridge Audit Report as well as the additional recommendations proposed by OCC are necessary to protect AEP Ohio's customers from unreasonable charges. Additionally, AEP Ohio customers should not be required to pay for infrastructure that does not create a more reliable electric distribution system. For these reasons, a more detailed review of AEP Ohio's proactive efforts to increase the reliability of its distribution infrastructure is warranted.

Respectfully submitted,

BRUCE J. WESTON  
OHIO CONSUMERS' COUNSEL

/s/ Joseph P. Serio  
Joseph P. Serio, Counsel of Record  
Michael J. Schuler  
Assistant Consumers' Counsel

**Office of the Ohio Consumers' Counsel**  
10 West Broad Street, Suite 1800  
Columbus, Ohio 43215-3485  
Telephone: Direct – 614-466-9565 (Serio)  
Telephone: Direct – 614-466-9547 (Schuler)  
serio@occ.state.oh.us  
schuler@occ.state.oh.us

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing Comments have been served upon the below-named persons via electronic service this 2nd day of August, 2013.

/s/ Joseph P. Serio  
Joseph P. Serio  
Assistant Consumers' Counsel

**SERVICE LIST**

Thomas McNamee  
Public Utilities Commission of Ohio  
180 E. Broad St., 6<sup>th</sup> St.  
Columbus, OH 43215  
Thomas.mcnamee@puc.state.oh.us

Steve Nourse  
AEP Service Corp.  
1 Riverside Plaza, 29<sup>th</sup> Floor  
Columbus, OH 43215  
stnourse@aep.com

AEs: Sarah.parrot@puc.state.oh.us  
Jonathan.tauber@puc.state.oh.us



## AMERICAN ELECTRIC POWER - OHIO

## Schedule 1

Case No. 13-419-EL-RDR

Distribution Investment Rider

Line		OCC Calculation		OCC Calculation		OCC Calculation		OCC Calculation		Unadjusted July 1, 2013 AEP Filing Effective 9/1/2013 Through 11/30/2013 Plant at 3/31/13 1th Quarter 2013
		Effective 9/1/2012 Through 11/30/2012 Plant at 3/31/12 1st Quarter 2012	Effective 12/1/2012 Through 2/28/2013 Plant at 6/30/12 2nd Quarter 2012	Effective 3/1/2013 Through 7/31/2013 Plant at 9/30/12 3rd Quarter 2012	Effective 8/1/2013 Through 8/31/2013 Plant at 12/31/12 4th Quarter 2012	Effective 9/1/2013 Through 11/30/2013 Plant at 3/31/13 1th Quarter 2013				
1	Distribution Plant as of 8/31/2010	\$ 3,345,925,000	\$ 3,345,925,000	\$ 3,345,925,000	\$ 3,345,925,000	\$ 3,345,925,000	\$ 3,345,925,000	\$ 3,345,925,000	\$ 3,345,925,000	\$ 3,345,925,000
2	Accumulated Depreciation as of 8/31/2010	\$ 1,253,173,000	\$ 1,253,173,000	\$ 1,253,173,000	\$ 1,253,173,000	\$ 1,253,173,000	\$ 1,253,173,000	\$ 1,253,173,000	\$ 1,253,173,000	\$ 1,253,173,000
3=1-2	Net Distribution Plant	\$ 2,092,752,000	\$ 2,092,752,000	\$ 2,092,752,000	\$ 2,092,752,000	\$ 2,092,752,000	\$ 2,092,752,000	\$ 2,092,752,000	\$ 2,092,752,000	\$ 2,092,752,000
4										
5	Distribution Plant 2012 - Schedule 2	\$ 3,575,826,691	\$ 3,624,657,826	\$ 3,684,119,140	\$ 3,716,084,914	\$ 3,732,750,893				\$ 3,732,750,893
6	Accumulated Depreciation 2012 - Schedule 3	\$ 1,372,685,035	\$ 1,383,330,861	\$ 1,390,030,557	\$ 1,391,105,086	\$ 1,390,499,853				\$ 1,390,499,853
7=5-6	Net Distribution Plant	\$ 2,203,141,657	\$ 2,241,326,965	\$ 2,294,088,583	\$ 2,324,979,828	\$ 2,342,251,040				\$ 2,342,251,040
8										
9=7-3	Change in Distribution Net Plant	\$ 110,389,657	\$ 148,574,965	\$ 201,336,583	\$ 232,227,828	\$ 249,499,040				\$ 249,499,040
10										
11	gridSMART Net Plant Adjustment (Recovered through GS Rider)	\$ 15,788,966	(a) \$ 16,588,585	\$ 15,866,376	\$ 15,852,582	\$ 16,072,795				\$ 16,072,795
11a	gridSMART AMI Meters Adjustment (Recovered through GS Rider)	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -
12	gridSMART Adjustment (Actual spent/reimbursed by DOE)	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -
13=9-11-11a-12	Incremental Veg Mgmt net Plant Adjustment (Recovered through	\$ 21,513,289	(b) \$ 22,415,905	\$ 23,022,943	\$ 24,706,104	\$ 25,082,045				\$ 25,082,045
14	Net Distribution Plant - DIR	\$ 73,087,402	\$ 109,570,475	\$ 162,447,264	\$ 191,669,142	\$ 208,344,200				\$ 208,344,200
15										
16	Incremental ADIT Offset	\$ 103,588,000	\$ 115,425,831	\$ 128,230,838	\$ 148,677,603	\$ 159,908,564				\$ 159,908,564
17=9-13-15	Adjusted Change in Distribution Plant	\$ (30,500,598)	\$ (5,855,356)	\$ 34,216,426	\$ 42,991,539	\$ 48,435,636				\$ 48,435,636
18	DIR Investment Percentage Allowance	25%	25%	25%	25%	100%				100%
19	Carrying Charge Rate - Schedule 4	20.28%	20.28%	20.28%	20.28%	20.59%				20.59%
20										
21=17*18*19	Initial Rider Revenue	\$ (1,546,357)	\$ (296,862)	\$ 1,734,746	\$ 2,179,637	\$ 9,972,897				\$ 9,972,897
22										
23	Revenue Offset Provided in Distribution Stipulation	\$ 62,344,000	\$ 62,344,000	\$ 62,344,000	\$ 62,344,000	\$ 62,344,000				\$ 62,344,000
24										
25=21+23	Revised Rider Revenue	\$ 60,797,643	\$ 62,047,138	\$ 64,078,746	\$ 64,523,637	\$ 72,316,897				\$ 72,316,897
26										
27	2012 Rider Revenue Cap	\$ 86,000,000	\$ 86,000,000	\$ 86,000,000	\$ 86,000,000	\$ 104,000,000				\$ 104,000,000
28										
29	2012 Rider Revenue (lesser of line 25 & 27)	\$ 60,797,643	\$ 62,047,138	\$ 64,078,746	\$ 64,523,637	\$ 72,316,897				\$ 72,316,897
30										
31	(Over)/Under - Schedule 5	\$ -	\$ 1,164,794	\$ (39,103)	\$ (882,425)	\$ (196,566)				\$ (196,566)
32										
33	2012 Fully Adjusted Revenue Requirement	\$ 60,797,643	\$ 63,211,932	\$ 64,039,643	\$ 63,641,212	\$ 72,120,332				\$ 72,120,332
34										
35	Annual Base Distribution Revenue	\$ 642,538,878	\$ 639,776,882	\$ 639,148,462	\$ 638,823,874	\$ 641,950,050				\$ 641,950,050
36										
37=33/35	AEP Ohio Percentage of Base Distribution Revenue	9.46210%	9.88031%	10.01953%	9.96225%	11.23457%				11.23457%
38=33/12	Monthly Estimated DIR Revenue	\$ 5,066,470	\$ 5,267,661	\$ 5,336,637	\$ 5,303,434					
39	Number of Months	3	3	5	1					
40=38 x 39	Estimated DIR Revenue	\$ 15,199,411	\$ 15,802,983	\$ 26,683,185	\$ 5,303,434					
41	Actual DIR Revenues - Schedule 5	\$ 14,034,617	\$ 15,842,086	\$ 27,565,610	\$ 5,500,000					
42 = 40 - 41	(Over)/Under Recovery - Schedule 5	\$ 1,164,794	\$ (39,103)	\$ (882,425)	\$ (196,566)					\$ (196,566)

(a) gridSmart

(b) Veg Mgmt

OCC's Discovery 1-009 and Blue Ridge work papers

OCC's Discovery 1-010

AMERICAN ELECTRIC POWER - OHIO

Case No. 13-419-EL-RDR

Calculation of Jurisdictional Plant in Service

Schedule 2

sect. no.	Description	CSP and OP Rate Case Nos. 11-351-EL-AIR and 11-352-EL-AIR										7/1/2013	
		As of 8/31/10					As of 8/31/10					As of 3/31/13	
		Applicant's Unadjusted	Jurisdictional	Unadjusted	Adjusted	As of 8/31/10	Applicant's Unadjusted	Jurisdictional	Unadjusted	Adjusted	As of 8/31/10	Applicant's Unadjusted	Jurisdictional
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)		
	Distribution Plant:												
360	Land & Land Rights	49,605,000	99.92%	49,565,000	(283,000)	49,282,000	0	0	50,600,694	51,896,050	52,152,518		
361	Structures & Improvements	18,783,000	99.96%	18,775,000	0	18,775,000	0	0	20,466,412	20,466,412	20,471,037		
362	Station Equipment	477,503,000	99.93%	477,160,000	(755,000)	476,405,000	0	0	527,062,853	534,064,824	536,338,521		
363	Storage Battery Equipment	5,062,000	100.00%	5,062,000	0	5,062,000	0	0	5,062,199	5,062,199	5,062,199		
364	Poles, Towers and Fixtures	557,278,000	99.90%	556,697,000	(36,000)	556,661,000	0	0	594,880,516	597,342,233	606,885,503		
365	Overhead Conductors and Devices	522,585,000	99.90%	522,074,000	(12,787,000)	509,287,000	0	0	596,321,750	600,626,006	594,748,922		
366	Underground Conduit	146,012,000	100.00%	146,012,000	0	146,012,000	0	0	174,256,009	177,066,868	178,302,420		
367	Underground Conductors and Devices	465,379,000	100.00%	465,379,000	0	465,379,000	0	0	513,356,754	517,628,339	522,935,952		
368	Line Transformers	622,813,000	100.00%	622,813,000	(428,000)	622,385,000	0	0	657,297,329	661,533,450	666,255,529		
369	Services	271,457,000	100.00%	271,457,000	(191,000)	271,266,000	0	0	289,966,477	291,915,624	296,155,244		
370	Meters	151,172,000	99.93%	151,073,000	(7,486,000)	143,587,000	0	0	171,649,067	174,037,711	165,366,712		
371	Installations on Customer Premises	48,002,000	100.00%	48,002,000	0	48,002,000	0	0	49,786,446	50,501,788	51,485,241		
372	Leased Property on Customer Premises	104,000	100.00%	104,000	0	104,000	0	0	103,793	103,793	103,793		
373	Street Lighting and Singal Systems	33,718,000	100.00%	33,718,000	0	33,718,000	0	0	35,322,383	35,868,174	36,487,302		
	Total Distribution Plant	3,369,473,000	99.953049%	3,367,891,000	(21,966,000)	3,345,925,000	3,577,789,365	3,626,643,437	3,686,132,682	3,718,113,471	3,732,750,893		
							(283,000)	(283,000)	(283,000)	(283,000)	(283,000)		
	Land Exclusion												
	Adjusted Plant	3,577,506,365	3,626,360,437	3,685,849,682	3,717,830,471	3,732,467,893							
	Juris. Alloc.	99.953049%	99.953049%	99.953049%	99.953049%	99.953049%							
	Juris. Plant	3,575,826,691	3,624,657,826	3,684,119,140	3,716,084,914	3,730,715,463							

**AMERICAN ELECTRIC POWER - OHIO**  
**Case No. 13-419-EL-RDR**  
**Calculation of Jurisdictional Depreciation Reserve**

**Schedule 3**

acct. no.	Description	CSP and OP Rate Case Nos. 11-351-EL-AIR and 11-352-EL-AIR										7/1/2013	
		As of 8/31/10					As of 8/31/10					As of 3/31/13	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	1st Quarter	As of 3/31/13
		Applicant's Unadjusted	Jurisdictional Allocations	Unadjusted Jurisdictional	Adjustments	Adjusted Jurisdictional	Applicant's Unadjusted	Applicant's Unadjusted	Applicant's Unadjusted	Applicant's Unadjusted	Applicant's Unadjusted	Applicant's Unadjusted	Applicant's Unadjusted
	Distribution Plants												
360	Land & Land Rights	(3,000)	100.00	(3,000)	0	(3,000)	0	0	9,997	9,998	9,630		
361	Structures & Improvements	8,852,000	99.95	8,848,000	0	8,848,000	0	0	9,646,052	9,685,025	9,723,894		
362	Station Equipment	133,259,000	99.96	133,204,000	50,000	133,254,000	0	0	153,051,202	154,853,321	156,689,517		
363	Storage Battery Equipment	832,000	100.00	832,000	0	832,000	0	0	1,524,985	1,605,792	1,686,599		
364	Poles, Towers and Fixtures	280,333,000	99.95	280,196,000	8,000	280,204,000	0	0	338,867,443	341,509,714	343,237,580		
365	Overhead Conductors and Devices	136,356,000	99.95	136,285,000	(338,000)	135,947,000	0	0	152,732,792	152,719,199	153,604,096		
366	Underground Conduit	43,882,000	99.97	43,868,000	0	43,868,000	0	0	48,050,087	48,351,462	48,058,763		
367	Underground Conductors and Devices	187,503,000	99.93	187,480,000	0	187,480,000	0	0	208,463,196	209,556,303	211,460,382		
368	Line Transformers	254,228,000	99.95	254,111,000	(6,000)	254,105,000	0	0	272,155,507	272,658,546	272,745,877		
369	Services	100,883,000	99.96	100,838,000	(19,000)	100,819,000	0	0	119,282,435	120,055,570	121,170,968		
370	Meters	71,806,000	99.95	71,771,000	(4,262,000)	67,509,000	0	0	47,262,696	38,379,446	27,546,237		
371	Installations on Customer Premises	28,724,000	99.97	28,714,000	0	28,714,000	0	0	34,247,676	34,661,360	35,043,709		
372	Leased Property on Customer Premises	15,000	100.00	15,000	0	15,000	0	0	71,307	71,647	71,987		
373	Street Lighting and Singal Systems	15,571,000	99.94	15,562,000	0	15,562,000	0	0	16,765,145	16,811,884	16,911,135		
	RWIP Retirement Work in Progress	(3,983,000)	99.95	(3,981,000)	0	(3,981,000)	0	0	(11,526,374)	(9,250,149)	(7,460,521)		
	Total Distribution Plant	1,258,259,000	99.958753	1,257,740,000	(4,567,000)	1,253,173,000	1,373,251,466	1,383,901,685	1,390,604,146	1,391,679,118	1,390,499,853		
	Land Exclusion						0	0	0	0	0		
	Adjusted Depr.						1,373,251,466	1,383,901,685	1,390,604,146	1,391,679,118	1,390,499,853		
	Juris. Alloc.						99.958753	99.958753	99.958753	99.958753	99.958753		
	Juris Accum Del						1,372,685,035	1,383,330,861	1,390,030,557	1,391,105,086	1,389,926,307		

## Schedule 4

AMERICAN ELECTRIC POWER - OHIO  
Case No. 13-419-EL-RDR  
Carrying Charge Rate

Carrying Charge Rate

Calculation of Property Tax Rate		CSP	OP	Total AEP	Carrying Charge Rate
(1)	Property Tax	\$	70,758,000 \$	54,682,000 \$	175,440,000
(2)	Plant in Service		1,853,590,000	1,712,365,000	3,565,955,000
(3)	Accumulated Depreciation		(777,090,000)	(571,156,000)	(1,348,246,000)
(4)	Net Plant-in-Service		1,076,500,000	1,141,209,000	2,217,709,000
(5)	Property Tax Rate (1) / (4)		6.573%	4.792%	5.656%
(6)	Commercial Activity Tax Rate				0.000%
(7)	AFP Ohio Weighted Average Property & Commercial Tax				5.656%
(8)	AFP Ohio Average Depreciation Rate				3.680%
Calculation of Rate of Return					
(9)	Cost of Debt	Percentage	47.72%	Cost	5.46%
(10)	Common Equity		52.28%		10.20%
(11)	Weighted Average Rate of Return				7.938%
(12)	Carrying Charge Rate				10.943%
Revenue Tax Conversion Factor					
		CSP	OP	Adjusted CSP	Adjusted OP
(1)	Operating Revenue	Case No. 11-351-EL AIR Case No. 11-352-EL AIR	100.000%	100.000%	100.000%
Less:					
(2)	Uncollectible Accounts Expense	0.396%	0.250%	0.000%	0.000%
(3)	Commercial Activities Tax	0.260%	0.260%	0.260%	0.260%
(4)	Income Before Income Tax	99.344%	99.490%	99.740%	99.740%
(5)	Less: State & Municipal Income Tax				
(6)	CSP = Line (4) X 0.9399%	0.934%	1.751%	0.937%	1.755%
(7)	OP = Line (4) X 1.7599%				
(8)	Income Before Federal Income Tax	98.410%	97.739%	98.803%	97.985%
(9)	Less: Federal Income Tax				
(10)	CSP = Line (7) X 35%	34.444%	34.209%	34.581%	34.295%
(11)	OP = Line (7) X 35%				
(12)	Operating Income Percentage	63.967%	63.530%	64.222%	63.690%
(13)	Revenue Tax Conversion Factor	1.56331	1.57405	1.55711	1.57010
(14)					1.56358 (a)

Carrying Charge Rate

(1)	Operating Revenue	Case No. 11-351-EL AIR Case No. 11-352-EL AIR	100.000%	100.000%	100.000%
Less:					
(2)	Uncollectible Accounts Expense	0.396%	0.250%	0.000%	0.000%
(3)	Commercial Activities Tax	0.260%	0.260%	0.260%	0.260%
(4)	Income Before Income Tax	99.344%	99.490%	99.740%	99.740%
(5)	Less: State & Municipal Income Tax				
(6)	CSP = Line (4) X 0.9399%	0.934%	1.751%	0.937%	1.755%
(7)	OP = Line (4) X 1.7599%				
(8)	Income Before Federal Income Tax	98.410%	97.739%	98.803%	97.985%
(9)	Less: Federal Income Tax				
(10)	CSP = Line (7) X 35%	34.444%	34.209%	34.581%	34.295%
(11)	OP = Line (7) X 35%				
(12)	Operating Income Percentage	63.967%	63.530%	64.222%	63.690%
(13)	Revenue Tax Conversion Factor	1.56331	1.57405	1.55711	1.57010
(14)					1.56358 (a)

## AEP Ohio

## Case No. 13-419-EL-RDR

## Over/(Under) Revenue Calculation

## Schedule 5

Line	Period	Schedule 1		1/12 Revenue		DIR Revenues		Monthly		Quarterly	
		Revenue	Requirement	Billed				Over/(Under)	Recovery	Over/(Under)	Recovery
1	Sep-12	\$ 60,797,643.49	\$ 5,066,470.29	\$ 5,421,098.00	Actual			\$ 354,627.71			
2	Oct-12	\$ 60,797,643.49	\$ 5,066,470.29	\$ 4,281,035.00	Actual			\$ (785,435.29)			
3	Nov-12	\$ 60,797,643.49	\$ 5,066,470.29	\$ 4,332,484.00	Actual			\$ (733,986.29)			
			\$ 15,199,410.87	\$ 14,034,617.00				\$ (1,164,793.87)		\$ (1,164,793.87)	
4	Dec-12	\$ 63,211,931.91	\$ 5,267,660.99	\$ 4,957,352.00	Actual			\$ (310,308.99)			
5	Jan-13	\$ 63,211,931.91	\$ 5,267,660.99	\$ 5,351,929.00	Actual			\$ 84,268.01			
6	Feb-13	\$ 63,211,931.91	\$ 5,267,660.99	\$ 5,532,805.00	Actual/Estimate			\$ 265,144.01			
			\$ 15,802,982.98	\$ 15,842,086.00				\$ 39,103.02		\$ 39,103.02	
7	Mar-13	\$ 64,039,643.06	\$ 5,336,636.92	\$ 5,532,805.00	Actual/Estimate			\$ 196,168.08			
8	Apr-13	\$ 64,039,643.06	\$ 5,336,636.92	\$ 5,532,805.00	Actual/Estimate			\$ 196,168.08			
9	May-13	\$ 64,039,643.06	\$ 5,336,636.92	\$ 5,500,000.00	OCC Estimate			\$ 163,363.08			
10	Jun-13	\$ 64,039,643.06	\$ 5,336,636.92	\$ 5,500,000.00	OCC Estimate			\$ 163,363.08			
11	Jul-13	\$ 64,039,643.06	\$ 5,336,636.92	\$ 5,500,000.00	OCC Estimate			\$ 163,363.08			
			\$ 26,683,184.61	\$ 27,565,610.00				\$ 882,425.39		\$ 882,425.39	
12	Aug-13	\$ 63,641,212.08	\$ 5,303,434.34	\$ 5,500,000.00	OCC Estimate			\$ 196,565.66		\$ 196,565.66	
13	Actual Revenue Billed Sept 2012- April 2013 (8 Months)			\$ 40,942,313.00	July 1, 2013 Filing						
14	Actual Revenue Billed Sept 2012- Jan 2013 (5 Months)			\$ 24,343,898.00	OCC INT-2-013						
15	Actual Revenue Billed Feb 2013- April 2013 (3Months)			\$ 16,598,415.00	Line 13 - Line 14						
16	Number of Billed Month ( Feb, March, & April)			3							
17	Monthly Actual/Estimate Billed Revenue			\$ 5,532,805.00	Line 15 / Line 16						

## AEP Ohio Proposed Distribution Investment Rider 1st Quarter 2012

Line		AEP Ohio
1	Distribution Plant as of 8/31/2010	\$ 3,345,925,000
2	Accumulated Depreciation as of 8/31/2010	\$ 1,253,173,000
3=1-2	Net Distribution Plant	<u>\$ 2,092,752,000</u>
4		
5	1st Quarter 2012 Distribution Plant	\$ 3,577,789,365
6	Accumulated Depreciation 1st Quarter 2012	<u>\$ 1,373,251,466</u>
7=5-6	Net Distribution Plant	<u>\$ 2,204,537,899</u>
8		
9=7-3	Change in Distribution Net Plant	\$ 111,785,899
10		
11	gridSMART Net Plant Adjustment (Recovered through GS Rider)	\$ 7,909,386
12		
13	Incremental Veg Mgmt net Plant Adjustment (Recovered through Rider)	\$ 13,897,570
14		
15	Incremental ADIT Offset	\$ 103,588,000
16		
17=9-11-13-15	Adjusted Change in Distribution Plant	\$ (13,609,057)
18		
19	Carrying Charge Rate	20.59%
20		
21=17*19	Initial Rider Revenue	\$ (2,802,105)
22		
23	Revenue Offset Provided in Distribution Stipulation	\$ 62,344,000
24		
25=21+23	Revised Rider Revenue	\$ 59,541,895
26		
27	2012 Rider Revenue Cap	\$ 86,000,000
28		
29	2012 Rider Revenue (lesser of line 25 & 27)	\$ 59,541,895
30		
31	Annual Base Distribution Revenue (12 Months Ending March 2012)	\$ 642,538,878
32		
33=29/31	AEP Ohio Percentage of Base Distribution Revenue	<u><u>9.26666%</u></u>

OHIO POWER COMPANY

1st Revised Sheet No. 489-1  
Cancels Original Sheet No. 489-1

P.U.C.O. NO. 20

DISTRIBUTION INVESTMENT RIDER

Effective Cycle 1 September 2012 all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 9.26666% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to order dated August 8, 2012 in Case No. 11-346-EL-SSO  
Issued: August 8, 2012

Effective: Cycle 1 September 2012

Issued By  
Pablo Vegas, President  
AEP Ohio

AEP Ohio Proposed Distribution Investment Rider 2nd Quarter 2012

<u>Line</u>		AEP Ohio
1	Distribution Plant as of 8/31/2010	\$ 3,345,925,000
2	Accumulated Depreciation as of 8/31/2010	\$ 1,253,173,000
3=1-2	Net Distribution Plant	\$ 2,092,752,000
4		
5	2nd Quarter 2012 Distribution Plant	\$ 3,626,643,437
6	Accumulated Depreciation 2nd Quarter 2012	\$ 1,383,901,685
7=5-6	Net Distribution Plant	\$ 2,242,741,752
8		
9=7-3	Change in Distribution Net Plant	\$ 149,989,752
10		
11	gridSMART Net Plant Adjustment (Recovered through GS Rider)	\$ 16,588,585
12		
13	Incremental Veg Mgmt net Plant Adjustment (Recovered through Rider)	\$ 22,415,905
14		
15	Incremental ADIT Offset	\$ 115,425,831
16		
17=9-11-13-15	Adjusted Change in Distribution Plant	\$ (4,440,569)
18		
19	Carrying Charge Rate	20.59%
20		
21=17*19	Initial Rider Revenue	\$ (914,313)
22		
23	Revenue Offset Provided in Distribution Stipulation	\$ 62,344,000
24		
25=21+23	Revised Rider Revenue	\$ 61,429,687
26		
27	2012 Rider Revenue Cap	\$ 86,000,000
28		
29	2012 Rider Revenue (lesser of line 25 & 27 )	\$ 61,429,687
30		
31	Annual Base Distribution Revenue (12 Months Ending June 2012)	\$ 639,776,882
32		
33=29/31	AEP Ohio Percentage of Base Distribution Revenue	<u>9.60174%</u>



OHIO POWER COMPANY

2nd Revised Sheet No. 489-1D  
Cancels 1st Revised Sheet No. 489-1D

P.U.C.O. NO. 20

OAD - DISTRIBUTION INVESTMENT RIDER  
(Open Access Distribution- Distribution Investment Rider)

Effective Cycle 1 December 2012 all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 9.60174% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to order dated August 8, 2012 in Case No. 11-346-EL-SSO  
Issued: \_\_\_\_\_

Effective: Cycle 1 December 2012

Issued By  
Pablo Vegas, President  
AEP Ohio

AEP Ohio Proposed Distribution Investment Rider September 2012

Line		AEP Ohio
1	Distribution Plant as of 8/31/2010	\$ 3,345,925,000
2	Accumulated Depreciation as of 8/31/2010	\$ 1,253,173,000
3=1-2	Net Distribution Plant	<u>\$ 2,092,752,000</u>
4		
5	September 2012 Distribution Plant	\$ 3,686,132,683
6	Accumulated Depreciation September 2012	<u>\$ 1,390,604,143</u>
7=5-6	Net Distribution Plant	<u>\$ 2,295,528,539</u>
8		
9=7-3	Change in Distribution Net Plant	\$ 202,776,539
10		
11	gridSMART Net Plant Adjustment (Recovered through GS Rider)	\$ 15,866,376
12		
13	Incremental Veg Mgmt net Plant Adjustment (Recovered through Rider)	\$ 23,022,943
14		
15	Incremental ADIT Offset	\$ 128,230,838
16		
17=9-11-13-15	Adjusted Change in Distribution Plant	\$ 35,656,383
18		
19	Carrying Charge Rate	20.59%
20		
21=17*19	Initial Rider Revenue	\$ 7,341,649
22		
23	Revenue Offset Provided in Distribution Stipulation	\$ 62,344,000
24		
25=21+23	Revised Rider Revenue	\$ 69,685,649
26		
27	2012 Rider Revenue Cap	\$ 86,000,000
28		
29	2012 Rider Revenue (lesser of line 25 & 27 )	\$ 69,685,649
30		
31	(Over)/Under (Based on September Actuals)	\$ 1,687,106
32		
33	2012 Fully Adjusted Revenue Requirement	\$ 71,372,755
34		
35	Annual Base Distribution Revenue ( 12 Months Ending September 2012)	\$ 639,148,462
36		
37=33/35	AEP Ohio Percentage of Base Distribution Revenue	<u>11.16685%</u>

OHIO POWER COMPANY

3rd Revised Sheet No. 489-1D  
Cancels 2nd Revised Sheet No. 489-1D

P.U.C.O. NO. 20

OAD - DISTRIBUTION INVESTMENT RIDER  
(Open Access Distribution- Distribution Investment Rider)

Effective Cycle 1 March 2013 all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 11.16685% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to order dated November 28, 2012 in Case No. 12-2627-EL-RDR  
Issued: December 21, 2012

Issued By  
Pablo Vegas, President  
AEP Ohio

Effective: Cycle 1 March 2013

## AEP Ohio Proposed Distribution Investment Rider December 2012

Line		AEP Ohio
1	Distribution Plant as of 8/31/2010	\$ 3,345,925,000
2	Accumulated Depreciation as of 8/31/2010	\$ 1,253,173,000
3=1-2	Net Distribution Plant	\$ 2,092,752,000
4		
5	December 2012 Distribution Plant	\$ 3,718,113,472
6	Accumulated Depreciation December 2012	\$ 1,391,679,118
7=5-6	Net Distribution Plant	\$ 2,326,434,354
8		
9=7-3	Change in Distribution Net Plant	\$ 233,682,354
10		
11	gridSMART Net Plant Adjustment (Recovered through GS Rider)	\$ 15,852,582
12		
13	Incremental Veg Mgmt net Plant Adjustment (Recovered through Rider)	\$ 24,706,104
14		
15	Incremental ADIT Offset	\$ 148,677,603
16		
17=9-11-13-15	Adjusted Change in Distribution Plant	\$ 44,446,064
18		
19	Carrying Charge Rate	20.59%
20		
21=17*19	Initial Rider Revenue	\$ 9,151,445
22		
23	Revenue Offset Provided in Distribution Stipulation	\$ 62,344,000
24		
25=21+23	Revised Rider Revenue	\$ 71,495,445
26		
27	2012 Rider Revenue Cap	\$ 86,000,000
28		
29	2012 Rider Revenue (lesser of line 25 & 27 )	\$ 71,495,445
30		
31	(Over)/Under (Based on December Actuals)	\$ 4,793,406
32		
33	2012 Fully Adjusted Revenue Requirement	\$ 76,288,851
34		
35	Annual Base Distribution Revenue (12 Months Ending December 2012)	\$ 638,823,874
36		
37=33/35	AEP Ohio Percentage of Base Distribution Revenue	<u>11.94208%</u>

OHIO POWER COMPANY

4th Revised Sheet No. 489-1  
Cancels 3rd Revised Sheet No. 489-1

P.U.C.O. NO. 20

DISTRIBUTION INVESTMENT RIDER

Effective Cycle 1 August 2013 all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of 11.94208% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to order dated November 28, 2012 in Case No. 12-2627-EL-RDR  
Issued: \_\_\_\_\_

Issued By  
Pablo Vegas, President  
AEP Ohio

Effective: Cycle 1 August 2013

OHIO POWER COMPANY'S RESPONSE TO  
THE OHIO CONSUMERS' COUNSEL OF OHIO  
PUCO Case No. 13-419-EL-RDR  
FIRST SET

**INTERROGATORY**

INT-1-009     What are the gridSMART plant book balances and gridSMART accumulated depreciation book balances as of 3/31/2012, 6/30/2012, and 12/31/2012 by FERC accounts as provided in the 3rd quarter 2012 filing made AEP Ohio on December 21, 2012?

**RESPONSE**

See OCC 1-009 Attachment 1. Note there were adjustments to the original worksheets. The December filing incorporates all adjustments to date.

company	utility_account	cc_rate_codes	month	quantity	book_cost	allocated_reserve	net_book_value
Columbus Southern Power - Distr	36200 - Station Equipment	gridSMART	03/2012	133	3980687	131094.08	3849592.46
Columbus Southern Power - Distr	36400 - Poles, Towers and Fixtures	gridSMART	03/2012	960	254586.6	17219.39	237367.21
Columbus Southern Power - Distr	36500 - Overhead Conductors, Device	gridSMART	03/2012	20678	5201219	224555.63	4976663.13
Columbus Southern Power - Distr	36600 - Underground Conduit	gridSMART	03/2012	36	1532.14	25.41	1506.73
Columbus Southern Power - Distr	36700 - Undergrnd Conductors,Device	gridSMART	03/2012	32	9733.44	57.67	9675.77
Columbus Southern Power - Distr	36800 - Line Transformers	gridSMART	03/2012	558	1084791	53406.91	1031383.81
Columbus Southern Power - Distr	36900 - Services	gridSMART	03/2012	200	85071.75	3728.64	81343.11
Columbus Southern Power - Distr	37000 - Meters	gridSMART	03/2012	2	52707.37	1413.02	51294.35
Columbus Southern Power - Distr	37016 - AMI Meters	gridSMART	03/2012	134334	8607971	3060587.07	5547384.12
Columbus Southern Power - Distr	37100 - Installs Customer Premises	gridSMART	03/2012	15	557.59	140.25	417.34
Columbus Southern Power - Distr	37300 - Street Lghtng & Signal Sys	gridSMART	03/2012	19	2543.77	205.63	2338.14
				19281400		3492433.7	15788966.17

company	utility_account	cc_rate_codes	month	quantity	book_cost	allocated_reserve	net_book_value
Ohio Power - Distr	36200 - Station Equipment	gridSMART	06/2012	149	4046431	152940.27	3893490.25
Ohio Power - Distr	36400 - Poles, Towers and Fixtures	gridSMART	06/2012	1099	261723.2	19767.26	241955.95
Ohio Power - Distr	36500 - Overhead Conductors, Device	gridSMART	06/2012	22392	5497786	266383.31	5231402.2
Ohio Power - Distr	36600 - Underground Conduit	gridSMART	06/2012	42	1551.71	32.25	1519.46
Ohio Power - Distr	36700 - Undergrnd Conductors, Device	gridSMART	06/2012	37	9896.45	87.33	9809.12
Ohio Power - Distr	36800 - Line Transformers	gridSMART	06/2012	621	1120953	61005.55	1059947.1
Ohio Power - Distr	36900 - Services	gridSMART	06/2012	212	85256.01	3869.9	81386.11
Ohio Power - Distr	37000 - Meters	gridSMART	06/2012	2	444770	14227.21	430542.74
Ohio Power - Distr	37016 - AMI Meters	gridSMART	06/2012	136719	8396182	2760507.06	5635675.19
Ohio Power - Distr	37100 - Installs Customer Premises	gridSMART	06/2012	16	558.24	94.29	463.95
Ohio Power - Distr	37300 - Street Lghtng & Signal Sys	gridSMART	06/2012	28	2615.66	222.5	2393.16
					19867722	3279136.93	16588585.23



company	utility_account	cc_rate_codes	month	quantity	book_cost	allocated_reserve	net_book_value
Ohio Power - Distr	36200 - Station Equipment	gridSMART	12/2012	51	4,156,605.90	208,707.30	3,947,898.60
Ohio Power - Distr	36400 - Poles, Towers and Fixtures	gridSMART	12/2012	1187	275,510.51	26,836.95	248,673.56
Ohio Power - Distr	36500 - Overhead Conductors, Device	gridSMART	12/2012	23106	5,736,082.09	342,311.29	5,393,770.80
Ohio Power - Distr	36600 - Underground Conduit	gridSMART	12/2012	34	1,290.92	37.44	1,253.48
Ohio Power - Distr	36700 - Undergrnd Conductors,Device	gridSMART	12/2012	40	16,387.16	196.19	16,190.97
Ohio Power - Distr	36800 - Line Transformers	gridSMART	12/2012	592	1,100,044.82	75,237.90	1,024,806.92
Ohio Power - Distr	36900 - Services	gridSMART	12/2012	414	97,629.18	5,330.73	92,298.45
Ohio Power - Distr	37000 - Meters	gridSMART	12/2012	1	-4,870.51	-75.34	-4,795.17
Ohio Power - Distr	37016 - AMI Meters	gridSMART	12/2012	109809	7,829,384.76	2,699,934.62	5,129,450.14
Ohio Power - Distr	37100 - Installs Customer Premises	gridSMART	12/2012	16	558.24	118.56	439.68
Ohio Power - Distr	37300 - Street Lghtng & Signal Sys	gridSMART	12/2012	48	2,874.55	279.63	2,594.92
					19,211,497.62	3,358,915.27	15,852,582.35

OHIO POWER COMPANY'S RESPONSE TO  
THE OHIO CONSUMERS' COUNSEL OF OHIO  
PUCO Case No. 13-419-EL-RDR  
FIRST SET

**INTERROGATORY**

INT-1-010      What are the incremental Veg Mgmt plant book balances and Veg Mgmt accumulated depreciation book balances as of 3/31/2012, 6/30/2012 and 12/31/2012 by FERC accounts as provided in the 3rd quarter 2012 filing AEP Ohio made on December 21, 2012?

**RESPONSE**

See OCC 1-010 Attachment 1. Note that there was a correction to the original worksheets used in the calculation. The December filing includes all correcting adjustments to date.

month number	Total Capital Spend										Merged	Remove Base	CSP			Remove Base			CSP			Remove Base			OPCO			CSP			OPCO			4.00% OPCO			Remove Base			Combined Cumulative Incremental	3.30% Combined Depreciation																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
	CSP	OPC											Incremental	Cumulative Incremental	OPCO	OPCO	Incremental	Cumulative Incremental	OPCO	OPCO	Incremental	Cumulative Incremental	OPCO	OPCO	Incremental	Cumulative Incremental	OPCO	OPCO	Incremental	Cumulative Incremental	OPCO	OPCO	Incremental	Cumulative Incremental	OPCO	OPCO	Incremental	Cumulative Incremental																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
200901	\$ 104,724	\$ 187,059	\$ -	\$ 65,809	\$ 38,915	\$ 38,915	\$ 65,809	\$ 38,915	\$ 38,915	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 93	\$ 50,403	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403	\$ 50,403	\$ 136,656	\$ 50,403

month number	Total Capital Spend			Remove Base		CSP		Remove Base		OPCO		2.85% CSP		4.00% OPCO		Remove Base		Combined Incremental		3.30% Combined Depreciation	
	CSP	OPC	Merged	CSP	Incremental	Cumulative Incremental	CSP	OPCO	Incremental	Cumulative Incremental	OPCO	Depreciation	Incremental	Depreciation	Incremental	Combined	Base	Incremental	Combined	Depreciation	Combined
200901	\$ 104,724	\$ 187,059	\$ -	\$ 65,809	\$ 38,915	\$ 38,915	\$ 65,809	\$ 136,656	\$ 50,403	\$ 50,403	\$ 50,403	\$ 93	\$ 89,318	\$ 168	\$ 89,318	\$ -	\$ -	\$ 89,318	\$ -	\$ -	\$ -
200902	\$ 114,757	\$ 181,141	\$ -	\$ 66,398	\$ 48,359	\$ 87,273	\$ 66,398	\$ 116,663	\$ 64,478	\$ 114,880	\$ 114,880	\$ 208	\$ 112,836	\$ 383	\$ 112,836	\$ -	\$ -	\$ 112,836	\$ -	\$ -	\$ -
200903	\$ 185,456	\$ 325,269	\$ -	\$ 97,710	\$ 10,740	\$ 175,020	\$ 97,710	\$ 206,231	\$ 119,038	\$ 233,918	\$ 233,918	\$ 417	\$ 206,784	\$ 780	\$ 206,784	\$ -	\$ -	\$ 206,784	\$ -	\$ -	\$ -
200904	\$ 149,513	\$ 118,050	\$ -	\$ 138,973	\$ 85,440	\$ 185,559	\$ 138,973	\$ 255,896	\$ 162,809	\$ 396,727	\$ 396,727	\$ 442	\$ 173,349	\$ 1,322	\$ 173,349	\$ -	\$ -	\$ 173,349	\$ -	\$ -	\$ -
200905	\$ 300,530	\$ 746,872	\$ -	\$ 229,935	\$ 70,595	\$ 256,154	\$ 229,935	\$ 289,474	\$ 162,398	\$ 558,125	\$ 558,125	\$ 611	\$ 527,953	\$ 2,847	\$ 527,953	\$ -	\$ -	\$ 527,953	\$ -	\$ -	\$ -
200906	\$ 231,571	\$ 396,671	\$ -	\$ 79,621	\$ 151,950	\$ 408,104	\$ 79,621	\$ 224,192	\$ 457,479	\$ 1,016,605	\$ 1,016,605	\$ 973	\$ 314,429	\$ 3,389	\$ 314,429	\$ -	\$ -	\$ 314,429	\$ -	\$ -	\$ -
200907	\$ 244,585	\$ 541,455	\$ -	\$ 132,439	\$ 112,146	\$ 520,250	\$ 132,439	\$ 184,069	\$ 357,386	\$ 1,373,990	\$ 1,373,990	\$ 1,240	\$ 469,532	\$ 4,460	\$ 469,532	\$ -	\$ -	\$ 469,532	\$ -	\$ -	\$ -
200908	\$ 214,666	\$ 180,036	\$ -	\$ 107,287	\$ 171,331	\$ 627,629	\$ 107,287	\$ 216,113	\$ 36,077	\$ 1,337,914	\$ 1,337,914	\$ 1,904	\$ 4580	\$ 6,803	\$ 4580	\$ -	\$ -	\$ 4580	\$ -	\$ -	\$ -
200909	\$ 187,440	\$ 290,979	\$ -	\$ 16,309	\$ 17,131	\$ 798,760	\$ 16,309	\$ 226,225	\$ 64,754	\$ 1,402,667	\$ 1,402,667	\$ 2,845	\$ 235,885	\$ 4,460	\$ 235,885	\$ -	\$ -	\$ 235,885	\$ -	\$ -	\$ -
200910	\$ 685,658	\$ 822,415	\$ -	\$ 60,780	\$ 394,878	\$ 1,193,638	\$ 60,780	\$ 184,145	\$ 638,270	\$ 2,040,937	\$ 2,040,937	\$ 8,265	\$ 1,033,148	\$ 9,751	\$ 1,033,148	\$ -	\$ -	\$ 1,033,148	\$ -	\$ -	\$ -
200911	\$ 686,483	\$ 578,379	\$ -	\$ 95,597	\$ 590,886	\$ 1,784,524	\$ 95,597	\$ 139,913	\$ 438,466	\$ 2,479,403	\$ 2,479,403	\$ 7,737	\$ 1,029,352	\$ 8,265	\$ 1,029,352	\$ -	\$ -	\$ 1,029,352	\$ -	\$ -	\$ -
200912	\$ 998,822	\$ 582,985	\$ -	\$ 116,810	\$ 882,012	\$ 2,666,536	\$ 116,810	\$ 242,341	\$ 434,466	\$ 2,914,991	\$ 2,914,991	\$ 6,355	\$ 1,222,856	\$ 9,717	\$ 1,222,856	\$ -	\$ -	\$ 1,222,856	\$ -	\$ -	\$ -
201001	\$ 610,600	\$ 231,600	\$ -	\$ 65,809	\$ 544,791	\$ 3,211,327	\$ 65,809	\$ 116,663	\$ 94,944	\$ 2,914,991	\$ 2,914,991	\$ 10,174	\$ 639,735	\$ 13,214	\$ 639,735	\$ -	\$ -	\$ 639,735	\$ -	\$ -	\$ -
201002	\$ 101,405	\$ 126,837	\$ -	\$ 66,398	\$ 35,007	\$ 3,246,334	\$ 66,398	\$ 116,663	\$ 10,174	\$ 2,925,164	\$ 2,925,164	\$ 7,737	\$ 45,180	\$ 9,717	\$ 45,180	\$ -	\$ -	\$ 45,180	\$ -	\$ -	\$ -
201003	\$ 245,797	\$ 393,086	\$ -	\$ 97,710	\$ 148,087	\$ 3,394,421	\$ 97,710	\$ 206,231	\$ 186,855	\$ 3,112,019	\$ 3,112,019	\$ 8,090	\$ 334,942	\$ 11,342	\$ 334,942	\$ -	\$ -	\$ 334,942	\$ -	\$ -	\$ -
201004	\$ 337,530	\$ 546,620	\$ -	\$ 138,973	\$ 198,557	\$ 3,592,978	\$ 138,973	\$ 255,896	\$ 290,724	\$ 3,402,743	\$ 3,402,743	\$ 8,563	\$ 489,281	\$ 12,465	\$ 489,281	\$ -	\$ -	\$ 489,281	\$ -	\$ -	\$ -
201005	\$ 427,796	\$ 626,308	\$ -	\$ 229,935	\$ 197,861	\$ 3,790,838	\$ 229,935	\$ 289,474	\$ 338,834	\$ 3,739,577	\$ 3,739,577	\$ 9,035	\$ 534,595	\$ 13,214	\$ 534,595	\$ -	\$ -	\$ 534,595	\$ -	\$ -	\$ -
201006	\$ 291,600	\$ 448,774	\$ -	\$ 79,621	\$ 211,979	\$ 4,002,817	\$ 79,621	\$ 224,192	\$ 224,582	\$ 3,964,160	\$ 3,964,160	\$ 9,540	\$ 436,561	\$ 13,214	\$ 436,561	\$ -	\$ -	\$ 436,561	\$ -	\$ -	\$ -
201007	\$ 409,080	\$ 411,784	\$ -	\$ 132,439	\$ 276,641	\$ 4,279,458	\$ 132,439	\$ 184,069	\$ 227,715	\$ 4,191,874	\$ 4,191,874	\$ 10,199	\$ 504,356	\$ 14,876	\$ 504,356	\$ -	\$ -	\$ 504,356	\$ -	\$ -	\$ -
201008	\$ 445,525	\$ 486,963	\$ -	\$ 107,287	\$ 338,238	\$ 4,617,696	\$ 107,287	\$ 216,113	\$ 270,850	\$ 4,462,725	\$ 4,462,725	\$ 11,881	\$ 609,088	\$ 16,738	\$ 609,088	\$ -	\$ -	\$ 609,088	\$ -	\$ -	\$ -
201009	\$ 383,478	\$ 784,754	\$ -	\$ 60,780	\$ 459,391	\$ 5,444,256	\$ 60,780	\$ 184,145	\$ 532,486	\$ 5,553,740	\$ 5,553,740	\$ 12,975	\$ 925,698	\$ 18,512	\$ 925,698	\$ -	\$ -	\$ 925,698	\$ -	\$ -	\$ -
201010	\$ 520,171	\$ 716,631	\$ -	\$ 95,597	\$ 476,102	\$ 5,920,358	\$ 95,597	\$ 139,913	\$ 616,949	\$ 6,170,688	\$ 6,170,688	\$ 14,110	\$ 1,084,885	\$ 20,569	\$ 1,084,885	\$ -	\$ -	\$ 1,084,885	\$ -	\$ -	\$ -
201011	\$ 571,689	\$ 756,862	\$ -	\$ 116,810	\$ 355,445	\$ 6,275,803	\$ 116,810	\$ 242,341	\$ 729,440	\$ 6,900,128	\$ 6,900,128	\$ 14,957	\$ 1,161,614	\$ 23,000	\$ 1,161,614	\$ -	\$ -	\$ 1,161,614	\$ -	\$ -	\$ -
201012	\$ 472,255	\$ 971,781	\$ -	\$ 66,398	\$ 136,304	\$ 6,414,107	\$ 66,398	\$ 116,663	\$ 528,552	\$ 7,373,942	\$ 7,373,942	\$ 15,287	\$ 1,064,885	\$ 24,580	\$ 1,064,885	\$ -	\$ -	\$ 1,064,885	\$ -	\$ -	\$ -
201101	\$ 204,113	\$ 81,919	\$ -	\$ 66,398	\$ 136,304	\$ 6,414,107	\$ 66,398	\$ 116,663	\$ 528,552	\$ 7,373,942	\$ 7,373,942	\$ 15,287	\$ 1,064,885	\$ 24,580	\$ 1,064,885	\$ -	\$ -	\$ 1,064,885	\$ -	\$ -	\$ -
201102	\$ 202,054	\$ 645,215	\$ -	\$ 97,710	\$ 78,466	\$ 6,628,229	\$ 97,710	\$ 206,231	\$ 281,212	\$ 7,655,154	\$ 7,655,154	\$ 15,928	\$ 1,116,614	\$ 25,517	\$ 1,116,614	\$ -	\$ -	\$ 1,116,614	\$ -	\$ -	\$ -
201103	\$ 176,176	\$ 487,443	\$ -	\$ 138,973	\$ 54,851	\$ 6,683,080	\$ 138,973	\$ 255,896	\$ 365,261	\$ 8,020,415	\$ 8,020,415	\$ 16,453	\$ 1,371,687	\$ 26,735	\$ 1,371,687	\$ -	\$ -	\$ 1,371,687	\$ -	\$ -	\$ -
201104	\$ 193,824	\$ 621,157	\$ -	\$ 229,935	\$ 25,150	\$ 6,708,230	\$ 229,935	\$ 289,474	\$ 291,877	\$ 8,312,292	\$ 8,312,292	\$ 17,695	\$ 1,537,783	\$ 28,908	\$ 1,537,783	\$ -	\$ -	\$ 1,537,783	\$ -	\$ -	\$ -
201105	\$ 255,085	\$ 591,351	\$ -	\$ 79,621	\$ 195,279	\$ 6,903,509	\$ 79,621	\$ 224,192	\$ 360,173	\$ 8,672,466	\$ 8,672,466	\$ 18,039	\$ 1,607,071	\$ 31,744	\$ 1,607,071	\$ -	\$ -	\$ 1,607,071	\$ -	\$ -	\$ -
201106	\$ 274,900	\$ 584,365	\$ -	\$ 132,439	\$ 521,100	\$ 7,424,608	\$ 132,439	\$ 184,069	\$ 850,587	\$ 9,523,052	\$ 9,523,052	\$ 18,798	\$ 1,798,371	\$ 33,055	\$ 1,798,371	\$ -	\$ -	\$ 1,798,371	\$ -	\$ -	\$ -
201107	\$ 653,539	\$ 1,034,656	\$ -	\$ 107,287	\$ 144,365	\$ 7,568,974	\$ 107,287	\$ 216,113	\$ 393,418	\$ 9,916,471	\$ 9,916,471	\$ 20,065	\$ 1,908,941	\$ 35,929	\$ 1,908,941	\$ -	\$ -	\$ 1,908,941	\$ -	\$ -	\$ -
201108	\$ 251,652	\$ 609,531	\$ -	\$ 16,309	\$ 318,456	\$ 7,887,430	\$ 16,309	\$ 226,225	\$ 488,615	\$ 10,405,085	\$ 10,405,085	\$ 21,219	\$ 2,123,394	\$ 37,012	\$ 2,123,394	\$ -	\$ -	\$ 2,123,394	\$ -	\$ -	\$ -
201109	\$ 334,765	\$ 714,840	\$ -	\$ 60,780	\$ 531,349	\$ 8,418,779	\$ 60,780	\$ 184,145	\$ 373,545	\$ 10,778,631	\$ 10,778,631	\$ 20,065	\$ 2,123,394	\$ 37,012	\$ 2,123,394	\$ -	\$ -	\$ 2,123,394	\$ -	\$ -	\$ -
201110	\$ 592,129	\$ 557,690	\$ -	\$ 95,597	\$ 484,503	\$ 8,903,282	\$ 95,597	\$ 139,913	\$ 324,868	\$ 11,103,498	\$ 11,103,498	\$ 21,219	\$ 2,123,394	\$ 37,012	\$ 2,123,394	\$ -	\$ -	\$ 2,123,394	\$ -	\$ -	\$ -
201111	\$ 580,100	\$ 464,781	\$ -	\$ 116,810	\$ 465,186	\$ 9,368,468	\$ 116,810	\$ 242,341	\$ 651,428	\$ 11,754,926	\$ 11,754,926	\$ 21,219	\$ 2,123,394	\$ 37,012	\$ 2,123,394	\$ -	\$ -	\$ 2,123,394	\$ -	\$ -	\$ -
201112	\$ 581,996	\$ 893,769	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
201201	\$ -	\$ -	\$ 611,711	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
201202	\$ -	\$ -	\$ 634,456	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
201203	\$ -	\$ -	\$ 898,712	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
201204	\$ -	\$ -	\$ 1,036,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
201205	\$ -	\$ -	\$ 689,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
201206	\$ -	\$ -	\$ 605,353	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				Remove Base		CSP		Remove Base		OPCO		2.85% CSP		4.00% OPCO		Remove Base		Combined Incremental		3.30% Combined Depreciation	
				\$ 12,991,474	\$ 19,020,683	\$ 4,455,800	\$ 3,557,197	\$ 7,125,101	\$ 11,704,523	\$ 11,704,523	\$ 337,465	\$ 550,290	\$ 1,907,559	\$ 23,671,634	\$ 367,975	\$ -	\$ -	\$ 23,671,634	\$ -	\$ -	\$ -

Cumulative Incremental Capital \$ 23,671,634  
Remove Depreciation \$ (1,255,729)  
Incremental Veg NBV \$ 22,415,905

Cumulative Incremental Capital	\$ 26,369,117.81
Remove Depreciation	\$ (1,663,013.54)
Incremental Veg NBV	\$ 24,706,104.28

## AEP Ohio Proposed Distribution Investment Rider March 2013

<u>Line</u>		AEP Ohio
1	Distribution Plant as of 8/31/2010	\$ 3,345,925,000
2	Accumulated Depreciation as of 8/31/2010	\$ 1,253,173,000
3=1-2	Net Distribution Plant	\$ 2,092,752,000
4		
5	March 2013 Distribution Plant	\$ 3,732,750,893
6	Accumulated Depreciation March 2013	\$ 1,390,499,853
7=5-6	Net Distribution Plant	\$ 2,342,251,040
8		
9=7-3	Change in Distribution Net Plant	\$ 249,499,040
10		
11	gridSMART Net Plant Adjustment (Recovered through GS Rider)	\$ 16,072,795
12		
13	Incremental Veg Mgmt net Plant Adjustment (Recovered through Rider)	\$ 25,082,045
14		
15	Incremental ADIT Offset	\$ 159,908,564
16		
17=9-11-13-15	Adjusted Change in Distribution Plant	\$ 48,435,636
18		
19	Carrying Charge Rate	20.59%
20		
21=17*19	Initial Rider Revenue	\$ 9,972,897
22		
23	Revenue Offset Provided in Distribution Stipulation	\$ 62,344,000
24		
25=21+23	Revised Rider Revenue	\$ 72,316,897
26		
27	2013 Rider Revenue Cap	\$ 104,000,000
28		
29	2013 Rider Revenue (lesser of line 25 & 27 )	\$ 72,316,897
30		
31	(Over)/Under (Based on March Actuals)	\$ 6,193,235
32		
33	2013 Fully Adjusted Revenue Requirement	\$ 78,510,132
34		
35	Annual Base Distribution Revenue (12 Months Ending March 2013)	\$ 641,950,050
36		
37=33/35	AEP Ohio Percentage of Base Distribution Revenue	<u>12.22994%</u>

OHIO POWER COMPANY

~~4th-5th~~ Revised Sheet No. 489-1  
Cancels ~~3rd-4th~~ Revised Sheet No. 489-1

P.U.C.O. NO. 20

DISTRIBUTION INVESTMENT RIDER

Effective Cycle 1 ~~August-September~~ 2013 all customer bills subject to the provision of this Rider, including any bills rendered under special contract, shall be adjusted by the Distribution Investment Rider charge of ~~11.94208~~12.22994% of the customer's distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to order dated November 28, 2012 in Case No. 12-2627-EL-RDR

Issued: July 1, 2013

Effective: Cycle 1 ~~August-September~~ 2013

Issued By  
Pablo Vegas, President  
AEP Ohio

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**8/2/2013 4:44:33 PM**

**in**

**Case No(s). 13-0419-EL-RDR**

Summary: Comments Comments by the Office of the Ohio Consumers' Counsel electronically filed by Patti Mallarnee on behalf of Serio, Joseph P.