

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Fuel Adjustment)	
Clauses for Columbus Southern Power)	Case No. 11-281-EL-FAC
Company and Ohio Power Company and)	
Related Matters.)	

**DUKE ENERGY COMMERCIAL ASSET MANAGEMENT, INC.'S REPLY
MEMORANDUM IN SUPPORT OF ITS
MOTION TO INTERVENE**

Pursuant to O.A.C. 4901-1-12(B)(2), Duke Energy Commercial Asset Management, Inc. (DECAM) hereby replies to Ohio Power Company's (AEP Ohio) Memorandum Contra DECAM's Motion to Intervene in this proceeding.

I. ARGUMENT

A. Because This Proceeding Impacts Prices Going Forward, DECAM Has A Real And Substantial Interest In This Proceeding As The Only Proposed Intervenor That Is A Wholesale Supplier.

The wholesale market, and DECAM's business interests, will be directly impacted by rates being charged under AEP Ohio's standard service offer (SSO). The level of an avoidable charge such as Rider FAC directly impacts whether customers choose AEP Ohio's SSO, or elect to shop. As a potential bidder in the wholesale auctions to serve that SSO, DECAM's interests will clearly be affected by the outcome of this proceeding. AEP Ohio's suggestion that the impact on DECAM is minimal because the audit is retrospective is flawed. Even though this proceeding analyzes

AEP's fuel procurement practices in 2010 and 2011, the audit will influence prices going forward.

DECAM has a real and substantial interest in protecting its ability to compete in the SSO. Contrary to AEP Ohio's contention that purely competitive interests do not justify intervention, the Commission has routinely recognized that such interests are indeed an adequate basis for intervention. *See In re Purchased Gas Adjustment Clause of The East Ohio Gas Company*, Case No. 05-219-GA-GCR at 6 (Dec. 2, 2005) (granting Interstate Gas Supply's motion to intervene because gas cost recovery rate proceedings had a demonstrated impact on competitive markets and the interests of competitive suppliers); *In re Purchased Gas Adjustment Clause of Columbia Gas of Ohio, Inc.*, No. 04-221-GA-GCR, No. 05-221-GA-GCR at 2 (Nov. 17, 2005) ("Further, the examiner finds that issues related to the competitive market, competitive gas suppliers and their customers may arise in these proceedings . . . Therefore, the examiners finds that IGS has stated a real and substantial interest and IGS' motion to intervene should be granted."); *In re Purchased Gas Adjustment Clause of The Cincinnati Gas & Electric Co.*, No. 05-218-GA-GCR at 5 (Nov. 15, 2005) (same). Thus, AEP Ohio's objection to DECAM's intervention because of a perceived lack of a real or substantial business interest lacks merit and should be overruled.

Finally, as noted by AEP Ohio, no other wholesale supplier has sought intervention in this proceeding. Thus, no other party this proceeding is in a similar situation as DECAM, and no other party to this proceeding can adequately protect or represent DECAM's interests. Therefore, DECAM's motion to intervene should be granted.

B. DECAM's Motion To Intervene Is Timely And Will Not Unduly Prolong The Resolution Of This Proceeding.

AEP Ohio's suggestion that DECAM's intervention in this proceeding will cause undue delay is disingenuous. The Attorney Examiners set a deadline for motions to intervene with the hearing date in mind. AEP Ohio was aware of this deadline, knew of the potential of intervening parties, and did not object to the deadline's proximity to the hearing date. Because AEP Ohio assented to the intervention deadline, and because DECAM's motion was timely, AEP Ohio cannot now contend that intervention by DECAM at this stage will prolong these proceedings.

II. CONCLUSION

The resolution of issues in this proceeding may have a direct impact on the ability of wholesale suppliers to compete in the market. DECAM, as a wholesale supplier, therefore has a real and substantial interest in this proceeding that is not adequately represented by existing parties. DECAM therefore respectfully requests that the Commission grant its motion to intervene and that it be made a full party of record.

Respectfully submitted,

DUKE ENERGY COMMERCIAL ASSET
MANAGEMENT, INC.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Reply Memorandum in Support of Motion to Intervene* was served this 22nd day of October, 2013, via e-mail upon the following counsel of record:

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Summary: Reply Memorandum in Further Support of Motion to Intervene electronically filed by Mr. Philip B Sineneng on behalf of Duke Energy Commercial Asset Management, Inc.