

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Joint Application of)
The Timken Company and the Ohio)
Power Company for Approval of a Unique) Case No. 10-3066-EL-AEC
Arrangement for the Timken Company's)
Canton Ohio Facilities.)

**Joint Notice of Implementation
and Amendment of the Contract for Unique Arrangement**

Now come The Timken Company, TimkenSteel Corporation and the Ohio Power Company, the Joint Applicants in the matter at bar, and hereby notify the Commission of the first steps towards full implementation of the amendment to the Unique Arrangement authorized by the Commission's March 26, 2014 Opinion and Order in Case No. 10-3066-EL-AEC.

In response to the corporate separation of The Timken Company and the formation of the TimkenSteel Corporation, the March 26th Opinion and Order directed the Joint Applicants to amend the April 12, 2011 approved Unique Arrangement by removing The Timken Company's Stark County facilities from the Unique Arrangement. The Unique Arrangement will continue in effect with the newly formed TimkenSteel Corporation's Stark County facilities.

The Commission's March 26th Opinion and Order at page 4 instructs the Joint Applicant to "... take all necessary steps to carry out the terms of this Order." The first step necessary to carry out the March 26, 2014 Opinion and Order is to remove The Timken Company's Technology Center which is located some twelve miles north of the main Canton manufacturing campus from the Unique Arrangement. The Joint Applicants have elected to remove the Technology Center from the Unique Arrangement first because the Technology Center has stand-alone service lines and is separately metered by existing Ohio Power meters. Separating

the Technology Center at this time will permit The Timken Company to purchase power for the Technology Center from a competitive retail electric service provider.

The Joint Applicants envision making the arrangements to separate the Gambrinus Roller Bearing facility located in the Canton manufacturing campus as soon as suitable arrangements for independent service lines and metering can be arranged. It is expected that such arrangements will take several months to complete and the Joint Applicants intend to subsequently file a Second Amendment to address those matters. The Joint Applicants also wish to inform the Commission that TimkenSteel Corporation's Stark County facilities are operating under the Unique Arrangement in accordance with the approved application as of the April billing cycle in accordance with the March 26th Opinion and Order.

The Joint Applicants will continue to implement the March 26th Opinion and Order and when complete, will file an amended service agreement which details the revised arrangement. An amendment to make TimkenSteel a party to the Unique Arrangement and remove the Technology Center from the Unique Arrangement is attached as Exhibit A to this notice.

Respectfully submitted,

VORYS, SATER, SEYMOUR AND PEASE LLP

By:  _____

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing document was served via U.S. Mail and by email on the following persons this 7th day of May, 2014.



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EXHIBIT A

**CASE NO. 10-3066-EL-AEC
FIRST AMENDMENT TO CONTRACT FOR UNIQUE ARRANGEMENT**

THIS FIRST AMENDMENT TO THE CONTRACT FOR UNIQUE ARRANGEMENT (the "First Amendment") is entered into by and between the Ohio Power Company d/b/a AEP Ohio, its successors and assigns (the "Company"); TimkenSteel Corporation, its successors and assigns ("TimkenSteel"); and The Timken Steel Company, its successors and assigns ("TTC") (collectively, the "Parties"), and is effective as of April ____, 2014 (the "Effective Date").

WHEREAS, TTC and the Company applied for a special arrangement pursuant to section 4905.31, Revised Code with the Public Utilities Commission of Ohio (the "Commission"), which special arrangement was approved on April 27, 2011 (the "Unique Arrangement"); and

WHEREAS, The Unique Arrangement has been fully operational and all parties have complied with the duties and responsibilities under the Unique Arrangement; and

WHEREAS, The Timken Company has recently approved a corporate divestiture whereby two distinct new non-affiliated companies will emerge: a steel manufacturer known as TimkenSteel Corporation and a manufacturer of bearings and power transmission business which continues to be known as The Timken Company ("TTC"); and

WHEREAS, TTC, TimkenSteel and the Company recently applied to the Commission to amend the Unique Arrangement to align the duties and obligations of TTC and TimkenSteel under the Unique Arrangement in accordance with the divestiture while continuing operation of the Unique Arrangement to achieve economic development in Northeast Ohio and conservation; and

WHEREAS, the Commission on March 26, 2014 approved the application to amend the Unique Arrangement and ordered the Company to implement the changes called for in the application as submitted; and

WHEREAS, TTC, TimkenSteel and the Company have agreed upon an implementation plan for the Commission's March 26, 2014 Opinion and Order in the above styled docket;

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth herein the signed parties below agree to the following amendments to the Contract for Unique Arrangement entered into on June 3, 2011 as follows:

1. TimkenSteel shall be considered a full party as to all duties, responsibilities and benefits arising under the Contract for the Unique Arrangement commencing with the April billing cycle.

2. The facility known as the Technology Center located at 4500 Mount Pleasant Road NW, North Canton, Ohio 44720 Account No. 075-944-100-0 as more fully described in the second Whereas Clause of the Contract for Unique Arrangement is a facility that remains with TTC. The Technology Center shall be removed from the Unique Arrangement effective as of the start of the May 2014 billing cycle. Thereafter, TTC shall remain responsible for the power use at the Technology Center, and that account shall revert to standard service

commencing with the May 2014 billing cycle provided that TTC may contract for competitive retail electric services to be effective at any time following the end of the April billing cycle.

3. Paragraph 7 of the Contract for Unique Arrangement is amended as follows:

Any notice required or desired by either party to be given hereunder shall be made:

If to the Company, at:

Ohio Power Company d/b/a AEP Ohio
301 Cleveland Ave. SW
Canton, Ohio 44702
Attention: Manager-Energy Efficiency/Demand Response

If to TTC, at:

The Timken Company
4500 Mt Pleasant St. NW
North Canton, OH 44720-5450
Attention: Manager Purchasing

If to TimkenSteel, at:

TimkenSteel Corporation
1835 Dueber Ave. SW
Canton, Ohio 44706
Attention: Commodity Manager-Strategic Sourcing

Either party may submit to the other party a written notice of a location, address, or title of contact person change and such notice shall serve to modify this Section 7 of this Contract. Any communications required to be in writing pursuant to this Contract may be delivered by first class U.S. Mail, courier service or commonly used forms of electronic communication (e.g., fax or email) consistent with the provisions set forth in this Section 7. Notice shall be deemed to be received upon actual receipt if delivered by courier, fax or email, or three (3) days after postmarked if sent by first class U.S. Mail, postage prepaid.

4. This First Amendment may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement, and all of which, when taken together, shall be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, each of the Parties hereto has caused this First Amendment to be executed on its behalf by an appropriate officer thereunto duly authorized, all as of the date set forth at the beginning of this First Amendment.

The Timken Company

By: _____

Name: _____

Title: _____

TimkenSteel Corporation

By: _____

Name: _____

Title: _____

Ohio Power Company

By: _____

Name: _____

Title: _____

This foregoing document was electronically filed with the Public Utilities

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5/7/2014 2:12:57 PM

in

Case No(s). 10-3066-EL-AEC

Summary: Notice Joint Notice of Implementation and Amendment of the Contract for Unique Arrangement electronically filed by M HOWARD PETRICOFF on behalf of The Timken Company and TimkenSteel Corporation and Ohio Power Company