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Steven D. Lesser Asim Z. Haque Lynn Slaby M. Beth Trombold

Commissioner:

PUCO

September 5, 2014

Docketing Division Public Utilities Commission of Ohio 180 East Broad Street Columbus OH 43215

RE: In the Matter of the Application of Ohio Power Company to Adjust The Economic Development Cost Recovery Rider Rate, Case No. 14-1329-EL-RDR

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the application filed by Ohio Power Company to adjust its Economic Development Cost Recovery Rider, in Case No. 14-1329-EL-RDR.

Sincerely,

hara S. Turkenton

Chief, Accounting & Electricity Division Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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Ohio Power Company Case No. 14-1329-EL-RDR

SUMMARY

On August 1, 2014, Ohio Power Company (Company) filed an application for approval to adjust its Economic Development Cost Recovery Rider (EDR). The EDR includes charges calculated by multiplying a customer's base distribution charge by a set percentage amount such that the utility timely recovers costs resulting from the delta revenues under the Commission-approved reasonable arrangements.

In this application, the Company proposes to adjust the percentage that is applied to customer's distribution charges to 11.44664%. Currently, the percentage for the Company is 10.89905%. The proposed EDR charges include delta revenues associated with Ormet Primary Aluminum Corporation (Ormet), Eramet Marietta, Inc. (Eramet), Globe Metallurgical, Inc. (Globe) and The Timken Company (Timken).

The proposed delta revenue amounts to be collected through the EDR results from reasonable arrangements approved by this Commission in Case No. 09-119-EL-AEC with Ormet, Case No. 09-516-EL-AEC with Eramet, Case No. 08-884-EL-AEC with Globe, and Case No. 10-3066-EL-AEC with Timken.

The Company requests that the updated percentage become effective for the first billing cycle of October 2014.

STAFF REVIEW AND RECOMMENDATIONS

Staff has reviewed the application and supporting schedules and finds the proposed EDR charges are a result of delta revenues resulting from reasonable arrangements approved by the Commission and recommends approval of the proposed application in this case.