

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Amendment of)	
Chapters 4901:1-10 and 4901:1-21, Ohio)	
Administrative Code, Regarding Electric)	Case No. 14-1411-EL-ORD
Companies and Competitive Retail)	
Electric Service, to Implement 2014)	
Sub.S.B. No. 310.)	

AEP Ohio's Initial Comments

On October 15, 2014, the Public Utilities Commission of Ohio (Commission) issued an Entry attaching proposed rules in compliance with newly-enacted R.C. 4928.65 under 2014 Sub. S.B. No. 310 (S.B. 310). The proposed rules were developed by the Commission's Staff and the Entry requires that interested parties file comments by November 5, 2014 and reply comments by November 17. The Ohio Power Company (AEP Ohio) thanks the Commission for the opportunity to comment and reserves the right to file reply comments on any matter addressed by other commenters.

In addition to AEP Ohio's comments on the proposed rules below, the Company would also like to address the issue of cost recovery for the work needed to comply with these proposed rules, should the new requirements be adopted by the Commission. AEP Ohio proposes to recover all costs for the work performed under these new rules through the existing Alternative Energy Rider (AER) and the Energy Efficiency and Peak Demand Reduction (EE/PDR) Rider. The Company proposes to add the final costs of the project into these existing riders which would then be auditable by Commission Staff under the current rules. These mechanisms would allow for cost recovery of the new compliance costs and allow for them to be reviewed and approved by the Commission during the normal course. Therefore, the Company asks for

approval by the Commission in this case to treat the costs incurred to comply with the new cost disclosure requirements as compliance cost that are appropriate for recovery through the AER and EE/PDR Riders.

4901:1-10-35 (B)

AEP Ohio recommends clarification in the language for subsection (B). It is currently unclear who is responsible for providing the data for the CRES provider information to be shown on the bill. It is The Company's position that the information for renewable energy requirements for shopping customers should be provided by the CRES provider and placed on the bill under the CRES provider's section of the bill. It would be inappropriate to place the average usage of the CRES renewable energy costs under the utilities charges and would create confusion in calculating the customer's bill with a CRES charge being shown in the utility section of the bill.

In addition, the utility does not want to be responsible for the costs shown under the CRES portion of the bill and therefore believe it to be appropriate for the CRES provider to supply this information so that they are responsible for the accuracy of the information provided under their section of the bill. Further, if the CRES provider is responsible for providing this information, it should be held responsible for the information appearing on the bill and not the utility. While utility will allow for this information to be displayed on the bill, the utility cannot police each and every bill to ensure that the CRES provider is supplying the required information. AEP Ohio recommends adding additional language holding the CRES provider's responsible for providing the cost of their renewable energy costs under their portion of the bill. On that basis, AEP Ohio recommends the following edits to the proposed language:

(B) Each electric distribution utility (EDU) shall list on all customer bills sent by the EDU, ~~including utility consolidated bills that include both EDU and competitive retail electric service provider charges,~~ the individual customer cost of compliance with all of the following for sections 1, 2, and 3 shown below for the applicable billing period: Consolidated bills sent by the EDU, which include supplier charges, shall include the EDU's individual customer cost of compliance for sections 2 and 3 shown below for the applicable billing period and will be included under the EDU's section of charges. Suppliers are responsible for providing the EDU with the individual customer cost of compliance for 4901:1-21-19(B)(1) for the applicable billing period which will be included under the Supplier section of charges.

Clarifying this existing section would allow for section (B)(1)(d) to be eliminated:

~~(d) On consolidated bills that include both EDU and competitive retail electric service (CRES) provider charges, the renewable energy resource requirement line item shall be either the cost as calculated in paragraph (B)(1) of this rule, or, for CRES customers, the cost as calculated in paragraph (B)(1) of rule 4901:1-21-19 of the Administrative Code.~~

4901:1-10-35(B)(1)(a) & (b)

AEP Ohio seeks clarification on three items shown under this section. The Company does not propose specific rule language to implement these matters but requests clarification on them as part of the Commission's decision.

First, while the calculation explicitly states to use the usage in megawatt-hours, the Company would like to ensure that the line item for all customers' bill will be displayed in a kilowatt-hour format. Displaying a megawatt-hour cost on a residential customer's would not display an apples to apples cost comparison on the bill.

Secondly, AEP Ohio would like to ask the Commission to ensure that the utilities are notified when the report is provided as well as allow for up to 30 days after the utility is notified that the report is filed in order to update the data on customer's bills. The current language does

not allow for any amount of time to adjust the current values used in the utilities systems or to allow for the possibility to start with the initial bill cycle of the month.

Thirdly, AEP Ohio has several customers whose charges are based on per unit charges. The current rules do not address special circumstances for instances where non-metered service exist such as street lights.

CONCLUSION

For the foregoing reasons, AEP Ohio respectfully requests that the Commission consider the above comments. AEP Ohio reserves the right to file reply comments.

Respectfully submitted,

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The undersigned hereby certifies that a true and accurate copy of the foregoing ***Initial Comments*** was served this 5th day of November, 2014 by electronic mail, upon the persons listed below.

//s/ Steven T. Nourse

Steven T. Nourse

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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

11/5/2014 4:17:48 PM

in

Case No(s). 14-1411-EL-ORD

Summary: Comments -Initial Comments electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company