



Legal Department

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
AEP.com

January 15, 2015

Barcy F. McNeal  
Docketing Division Chief  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus Ohio 43215-3793

Re: *In the Matter of the Application of Ohio Power Company  
to Update its Transmission Cost Recovery Rider Rates,*  
Case No. 14-1094-EL-RDR

**Steven T. Nourse**  
Senior Counsel –  
Regulatory Services  
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Dear Ms. McNeal:

In its August 27, 2014 Finding and Order in this docket, the Commission directed the Company to meet with Staff by November 1, 2014, and to provide updated work papers and other supporting documentation, to verify that the Company's TCRR rates are accurately and reasonable designed to recover all appropriate amounts by May 31, 2015. The Company has worked with Staff to monitor the TCRR rates for potential recalibration. Current projections show an over-recovery balance at May 31, 2015. Based on discussions with Staff, the Company proposes an approximately \$42.7 million reduction to the TCRR revenue requirement (subject to future reconciliation), with rates to be effective with the first billing cycle of February 2015.

Accordingly, the following four schedules are included with this application:

- Schedules A-1 and A-2 are the clean and redlined versions of the new tariff sheet.
- Schedule B-5 contains the typical bill comparisons for the proposed rates.
- Schedule C-3 Page 1 is the allocation of the \$42.7 million reduction between demand and energy components and among rate classes. The adjustment is a reduction to the approximately \$57.1 million under-recovery component contained in the current rates. The reduction component is allocated in the same manner as the \$57.1 million component was allocated.
- Schedule C-3 Page 2 shows the current rates, the adjustment components, and the final rates. Work Paper Schedule C-3 contains the same calculation for the Standby Service (SBS) rates. The billing units used for the adjustment components are the same as in the original TCRR filing in this docket, though truncated to the months of February through May 2015.

Accordingly, the Company requests that the Commission approve this filing.

Regards,

/s/Steven T. Nourse  
Steven T. Nourse  
Senior Counsel  
American Electric Power Service  
Corporation  
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OHIO POWER COMPANY

7<sup>th</sup> Revised Sheet No. 475-1  
Cancels 6<sup>th</sup> Revised Sheet No. 475-1

P.U.C.O. NO. 20

## TRANSMISSION COST RECOVERY RIDER

Effective Cycle 1 February 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Transmission Cost Recovery Rider per KW and/or KWH as follows:

| Schedule                                                    | ¢/KWH   | \$/KW |
|-------------------------------------------------------------|---------|-------|
| RS,RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP and RDMS | 0.91606 |       |
| GS-1, GS-1-TOD                                              | 0.94029 |       |
| GS-2 Secondary                                              | 0.13309 | 1.92  |
| GS-2 Recreational Lighting, GS-TOD,GS-2-TOD and GS-2-ES     | 0.92209 |       |
| GS-2 Primary                                                | 0.12847 | 1.85  |
| GS-2 Subtransmission and Transmission                       | 0.12591 | 1.82  |
| GS-3 Secondary                                              | 0.13643 | 2.83  |
| GS-3-ES                                                     | 0.77449 |       |
| GS-3 Primary                                                | 0.13169 | 2.74  |
| GS-3 Subtransmission and Transmission                       | 0.12907 | 2.68  |
| GS-4 Primary                                                | 0.13019 | 2.34  |
| GS-4 Subtransmission and Transmission                       | 0.12759 | 2.29  |
| EHG                                                         | 0.48907 |       |
| EHS                                                         | 0.86732 |       |
| SS                                                          | 0.86732 |       |
| OL, AL                                                      | 0.12644 |       |
| SL                                                          | 0.12644 |       |

| Schedule SBS                    | ¢/KWH   | \$/KW |      |      |      |      |      |
|---------------------------------|---------|-------|------|------|------|------|------|
|                                 |         | 5%    | 10%  | 15%  | 20%  | 25%  | 30%  |
| Backup - Secondary              | 0.13500 | 0.02  | 0.02 | 0.04 | 0.04 | 0.06 | 0.08 |
| - Primary                       | 0.13032 | 0.01  | 0.02 | 0.03 | 0.05 | 0.05 | 0.07 |
| -Subtrans/Trans                 | 0.12772 | 0.01  | 0.02 | 0.03 | 0.05 | 0.06 | 0.06 |
| Backup < 100 KW Secondary       |         | 0.39  |      |      |      |      |      |
| Maintenance - Secondary         | 0.14144 |       |      |      |      |      |      |
| - Primary                       | 0.13515 |       |      |      |      |      |      |
| - Subtrans/Trans                | 0.13255 |       |      |      |      |      |      |
| GS-2 and GS-3 Breakdown Service |         | 0.39  |      |      |      |      |      |

Filed pursuant to Order dated \_\_\_\_\_ in Case No. 14-1094-EL-RDR

Issued: \_\_\_\_\_

Issued by  
Pablo Vegas, President  
AEP Ohio

Effective: Cycle 1 February 2015

OHIO POWER COMPANY

6<sup>th</sup>-7<sup>th</sup> Revised Sheet No. 475-1  
 Cancels 5<sup>th</sup>-6<sup>th</sup> Revised Sheet No. 475-1

P.U.C.O. NO. 20

## TRANSMISSION COST RECOVERY RIDER

Effective Cycle 1 ~~September 2014~~ February 2015, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Transmission Cost Recovery Rider per KW and/or KWH as follows:

| Schedule                                                    | ¢/KWH                 | \$/KW           |
|-------------------------------------------------------------|-----------------------|-----------------|
| RS,RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP and RDMS | <u>1.876740.91606</u> |                 |
| GS-1, GS-1-TOD                                              | <u>1.901770.94029</u> |                 |
| GS-2 Secondary                                              | <u>0.273830.13309</u> | <u>3.941.92</u> |
| GS-2 Recreational Lighting, GS-TOD,GS-2-TOD and GS-2-ES     | <u>1.897260.92209</u> |                 |
| GS-2 Primary                                                | <u>0.264330.12847</u> | <u>3.801.85</u> |
| GS-2 Subtransmission and Transmission                       | <u>0.259060.12591</u> | <u>3.731.82</u> |
| GS-3 Secondary                                              | <u>0.276310.13643</u> | <u>5.602.83</u> |
| GS-3-ES                                                     | <u>1.568540.77449</u> |                 |
| GS-3 Primary                                                | <u>0.266720.13169</u> | <u>5.412.74</u> |
| GS-3 Subtransmission and Transmission                       | <u>0.261410.12907</u> | <u>5.302.68</u> |
| GS-4 Primary                                                | <u>0.278950.13019</u> | <u>5.322.34</u> |
| GS-4 Subtransmission and Transmission                       | <u>0.273390.12759</u> | <u>5.212.29</u> |
| EHG                                                         | <u>0.903120.48907</u> |                 |
| EHS                                                         | <u>1.720210.86732</u> |                 |
| SS                                                          | <u>1.720210.86732</u> |                 |
| OL, AL                                                      | <u>0.273380.12644</u> |                 |
| SL                                                          | <u>0.273380.12644</u> |                 |

| Schedule SBS                    | ¢/KWH                 | \$/KW           |                 |                 |                 |                 |                 |
|---------------------------------|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                 |                       | 5%              | 10%             | 15%             | 20%             | 25%             | 30%             |
| Backup - Secondary              | <u>0.280290.13500</u> | <u>0.040.02</u> | <u>0.070.02</u> | <u>0.110.04</u> | <u>0.140.04</u> | <u>0.180.06</u> | <u>0.220.08</u> |
| - Primary                       | <u>0.270570.13032</u> | <u>0.030.01</u> | <u>0.070.02</u> | <u>0.100.03</u> | <u>0.140.05</u> | <u>0.170.05</u> | <u>0.210.07</u> |
| -Subtrans/Trans                 | <u>0.265180.12772</u> | <u>0.030.01</u> | <u>0.070.02</u> | <u>0.100.03</u> | <u>0.140.05</u> | <u>0.170.06</u> | <u>0.200.06</u> |
| Backup < 100 KW Secondary       |                       | <u>0.400.39</u> |                 |                 |                 |                 |                 |
| Maintenance - Secondary         | <u>0.298000.14144</u> |                 |                 |                 |                 |                 |                 |
| - Primary                       | <u>0.286670.13515</u> |                 |                 |                 |                 |                 |                 |
| - Subtrans/Trans                | <u>0.281280.13255</u> |                 |                 |                 |                 |                 |                 |
| GS-2 and GS-3 Breakdown Service |                       | <u>0.500.39</u> |                 |                 |                 |                 |                 |

Filed pursuant to Order dated August 27, 2014 in Case No. 14-1094-EL-RDR

Issued: August 28, 2014

Effective: Cycle 1 ~~September 2014~~ February 2015

Issued by  
 Pablo Vegas, President  
 AEP Ohio

**Ohio Power Company**  
**2015 Typical Bill Comparison**  
**Ohio Power Rate Zone**

| <u>Tariff</u>     | <u>kWh</u> | <u>KW</u> | <u>Current</u> | <u>Proposed</u> | <u>\$</u><br><u>Difference</u> | <u>Difference</u> |
|-------------------|------------|-----------|----------------|-----------------|--------------------------------|-------------------|
| Residential       | 100        |           | \$29.27        | \$28.31         | -\$0.96                        | -3.3%             |
|                   | 250        |           | \$50.74        | \$48.34         | -\$2.40                        | -4.7%             |
|                   | 500        |           | \$86.54        | \$81.74         | -\$4.80                        | -5.6%             |
|                   | 750        |           | \$122.36       | \$115.15        | -\$7.21                        | -5.9%             |
|                   | 1,000      |           | \$158.14       | \$148.53        | -\$9.61                        | -6.1%             |
|                   | 1,500      |           | \$229.74       | \$215.33        | -\$14.41                       | -6.3%             |
|                   | 2,000      |           | \$301.34       | \$282.13        | -\$19.21                       | -6.4%             |
| GS-1<br>Secondary | 375        | 3         | \$73.27        | \$69.67         | -\$3.60                        | -4.9%             |
|                   | 1,000      | 3         | \$143.24       | \$133.62        | -\$9.62                        | -6.7%             |
|                   | 750        | 6         | \$115.26       | \$108.05        | -\$7.21                        | -6.3%             |
|                   | 2,000      | 6         | \$255.21       | \$235.98        | -\$19.23                       | -7.5%             |
| GS-2              | 1,500      | 12        | \$304.61       | \$278.26        | -\$26.35                       | -8.7%             |
|                   | 4,000      | 12        | \$533.77       | \$503.90        | -\$29.87                       | -5.6%             |
|                   | 6,000      | 30        | \$898.55       | \$829.51        | -\$69.04                       | -7.7%             |
|                   | 10,000     | 30        | \$1,264.89     | \$1,190.22      | -\$74.67                       | -5.9%             |
|                   | 10,000     | 40        | \$1,365.81     | \$1,270.94      | -\$94.87                       | -7.0%             |
|                   | 14,000     | 40        | \$1,732.15     | \$1,631.64      | -\$100.51                      | -5.8%             |
|                   | 12,500     | 50        | \$1,695.66     | \$1,577.07      | -\$118.59                      | -7.0%             |
|                   | 18,000     | 50        | \$2,197.67     | \$2,071.34      | -\$126.33                      | -5.8%             |
|                   | 15,000     | 75        | \$2,176.88     | \$2,004.27      | -\$172.61                      | -7.9%             |
|                   | 30,000     | 100       | \$3,794.45     | \$3,550.23      | -\$244.22                      | -6.4%             |
|                   | 36,000     | 100       | \$4,340.58     | \$4,087.91      | -\$252.67                      | -5.8%             |
|                   | 30,000     | 150       | \$4,298.97     | \$3,953.75      | -\$345.22                      | -8.0%             |
|                   | 60,000     | 300       | \$8,543.17     | \$7,852.72      | -\$690.45                      | -8.1%             |
|                   | 90,000     | 300       | \$11,273.84    | \$10,541.17     | -\$732.67                      | -6.5%             |
|                   | 100,000    | 500       | \$14,202.11    | \$13,051.37     | -\$1,150.74                    | -8.1%             |
|                   | 150,000    | 500       | \$18,753.22    | \$17,532.11     | -\$1,221.11                    | -6.5%             |
|                   | 180,000    | 500       | \$21,483.86    | \$20,220.53     | -\$1,263.33                    | -5.9%             |

**Ohio Power Company**  
**2015 Typical Bill Comparison**  
**Ohio Power Rate Zone**

| <u>Tariff</u>           | <u>kWh</u> | <u>KW</u> | <u>Current</u> | <u>Proposed</u> | <u>\$</u><br><u>Difference</u> | <u>Difference</u> |
|-------------------------|------------|-----------|----------------|-----------------|--------------------------------|-------------------|
| GS-3<br>Secondary       | 18,000     | 50        | \$2,282.14     | \$2,118.46      | -\$163.68                      | -7.2%             |
|                         | 30,000     | 75        | \$3,668.96     | \$3,419.25      | -\$249.71                      | -6.8%             |
|                         | 50,000     | 75        | \$5,489.94     | \$5,212.25      | -\$277.69                      | -5.1%             |
|                         | 36,000     | 100       | \$4,509.50     | \$4,182.14      | -\$327.36                      | -7.3%             |
|                         | 30,000     | 150       | \$4,551.74     | \$4,094.28      | -\$457.46                      | -10.1%            |
|                         | 60,000     | 150       | \$7,283.17     | \$6,783.74      | -\$499.43                      | -6.9%             |
|                         | 100,000    | 150       | \$10,925.08    | \$10,369.70     | -\$555.38                      | -5.1%             |
|                         | 120,000    | 300       | \$14,511.58    | \$13,512.73     | -\$998.85                      | -6.9%             |
|                         | 150,000    | 300       | \$17,243.03    | \$16,202.21     | -\$1,040.82                    | -6.0%             |
|                         | 200,000    | 300       | \$21,795.40    | \$20,684.64     | -\$1,110.76                    | -5.1%             |
|                         | 180,000    | 500       | \$22,328.51    | \$20,691.72     | -\$1,636.79                    | -7.3%             |
|                         | 200,000    | 500       | \$24,149.46    | \$22,484.70     | -\$1,664.76                    | -6.9%             |
|                         | 325,000    | 500       | \$35,530.43    | \$33,690.82     | -\$1,839.61                    | -5.2%             |
| GS-2<br>Primary         | 200,000    | 1,000     | \$26,860.39    | \$24,638.67     | -\$2,221.72                    | -8.3%             |
|                         | 300,000    | 1,000     | \$35,528.84    | \$33,171.26     | -\$2,357.58                    | -6.6%             |
| GS-3<br>Primary         | 360,000    | 1,000     | \$42,368.87    | \$39,212.76     | -\$3,156.11                    | -7.5%             |
|                         | 400,000    | 1,000     | \$45,837.25    | \$42,627.13     | -\$3,210.12                    | -7.0%             |
|                         | 650,000    | 1,000     | \$67,514.61    | \$63,966.92     | -\$3,547.69                    | -5.3%             |
| GS-2<br>Subtransmission | 1,500,000  | 5,000     | \$134,253.79   | \$122,706.54    | -\$11,547.25                   | -8.6%             |
| GS-3<br>Subtransmission | 2,500,000  | 5,000     | \$215,377.34   | \$198,968.84    | -\$16,408.50                   | -7.6%             |
|                         | 3,250,000  | 5,000     | \$270,229.96   | \$252,828.91    | -\$17,401.05                   | -6.4%             |
| GS-4<br>Subtransmission | 3,000,000  | 10,000    | \$271,008.54   | \$237,434.54    | -\$33,574.00                   | -12.4%            |
|                         | 5,000,000  | 10,000    | \$412,757.34   | \$376,267.34    | -\$36,490.00                   | -8.8%             |
|                         | 6,500,000  | 10,000    | \$519,068.94   | \$480,391.94    | -\$38,677.00                   | -7.5%             |
|                         | 10,000,000 | 20,000    | \$819,729.34   | \$746,749.34    | -\$72,980.00                   | -8.9%             |
|                         | 13,000,000 | 20,000    | \$1,032,352.54 | \$954,998.54    | -\$77,354.00                   | -7.5%             |
| GS-4<br>Transmission    | 25,000,000 | 50,000    | \$2,040,645.34 | \$1,858,195.34  | -\$182,450.00                  | -8.9%             |
|                         | 32,500,000 | 50,000    | \$2,572,203.34 | \$2,378,818.34  | -\$193,385.00                  | -7.5%             |

\* Typical bills assume 100% Power Factor

**Ohio Power Company**  
**2015 Typical Bill Comparison**  
**Columbus Southern Power Rate Zone**

| <u>Tariff</u>      | <u>kWh</u> | <u>KW</u> | <u>Current</u> | <u>Proposed</u> | <u>\$</u><br><u>Difference</u> | <u>Difference</u> |
|--------------------|------------|-----------|----------------|-----------------|--------------------------------|-------------------|
| <u>Residential</u> |            |           |                |                 |                                |                   |
| RR1 Annual         | 100        |           | \$29.22        | \$28.26         | -\$0.96                        | -3.3%             |
|                    | 250        |           | \$50.62        | \$48.22         | -\$2.40                        | -4.7%             |
|                    | 500        |           | \$86.32        | \$81.52         | -\$4.80                        | -5.6%             |
| RR Annual          | 750        |           | \$123.23       | \$116.02        | -\$7.21                        | -5.9%             |
|                    | 1,000      |           | \$156.48       | \$146.87        | -\$9.61                        | -6.1%             |
|                    | 1,500      |           | \$221.53       | \$207.12        | -\$14.41                       | -6.5%             |
|                    | 2,000      |           | \$286.60       | \$267.39        | -\$19.21                       | -6.7%             |
| GS-1               | 375        | 3         | \$68.15        | \$64.55         | -\$3.60                        | -5.3%             |
|                    | 1,000      | 3         | \$146.06       | \$136.44        | -\$9.62                        | -6.6%             |
|                    | 750        | 6         | \$114.89       | \$107.68        | -\$7.21                        | -6.3%             |
|                    | 2,000      | 6         | \$270.68       | \$251.45        | -\$19.23                       | -7.1%             |
| GS-2<br>Secondary  | 1,500      | 12        | \$273.95       | \$247.60        | -\$26.35                       | -9.6%             |
|                    | 4,000      | 12        | \$489.47       | \$459.60        | -\$29.87                       | -6.1%             |
|                    | 6,000      | 30        | \$839.97       | \$770.93        | -\$69.04                       | -8.2%             |
|                    | 10,000     | 30        | \$1,184.46     | \$1,109.79      | -\$74.67                       | -6.3%             |
|                    | 10,000     | 40        | \$1,283.50     | \$1,188.63      | -\$94.87                       | -7.4%             |
|                    | 14,000     | 40        | \$1,628.01     | \$1,527.50      | -\$100.51                      | -6.2%             |
|                    | 12,500     | 50        | \$1,597.86     | \$1,479.27      | -\$118.59                      | -7.4%             |
|                    | 18,000     | 50        | \$2,069.83     | \$1,943.50      | -\$126.33                      | -6.1%             |
|                    | 15,000     | 75        | \$2,060.76     | \$1,888.15      | -\$172.61                      | -8.4%             |
|                    | 30,000     | 150       | \$4,086.93     | \$3,741.71      | -\$345.22                      | -8.5%             |
|                    | 60,000     | 300       | \$8,139.33     | \$7,448.88      | -\$690.45                      | -8.5%             |
|                    | 100,000    | 500       | \$13,542.53    | \$12,391.79     | -\$1,150.74                    | -8.5%             |
| GS-2<br>Primary    | 100,000    | 1,000     | \$16,840.88    | \$14,755.02     | -\$2,085.86                    | -12.4%            |
|                    |            |           |                |                 |                                |                   |
| GS-3<br>Secondary  | 30,000     | 75        | \$3,470.95     | \$3,221.24      | -\$249.71                      | -7.2%             |
|                    | 50,000     | 75        | \$5,182.74     | \$4,905.05      | -\$277.69                      | -5.4%             |
|                    | 30,000     | 100       | \$3,760.53     | \$3,441.57      | -\$318.96                      | -8.5%             |
|                    | 36,000     | 100       | \$4,274.05     | \$3,946.69      | -\$327.36                      | -7.7%             |
|                    | 60,000     | 150       | \$6,907.35     | \$6,407.92      | -\$499.43                      | -7.2%             |
|                    | 100,000    | 150       | \$10,330.89    | \$9,775.51      | -\$555.38                      | -5.4%             |
|                    | 90,000     | 300       | \$11,212.54    | \$10,255.65     | -\$956.89                      | -8.5%             |
|                    | 120,000    | 300       | \$13,780.18    | \$12,781.33     | -\$998.85                      | -7.3%             |
|                    | 150,000    | 300       | \$16,347.85    | \$15,307.03     | -\$1,040.82                    | -6.4%             |

**Ohio Power Company**  
**2015 Typical Bill Comparison**  
**Columbus Southern Power Rate Zone**

| <u>Tariff</u> | <u>kWh</u> | <u>KW</u> | <u>Current</u> | <u>Proposed</u> | <u>\$</u><br><u>Difference</u> | <u>Difference</u> |
|---------------|------------|-----------|----------------|-----------------|--------------------------------|-------------------|
|               | 200,000    | 300       | \$20,627.26    | \$19,516.50     | -\$1,110.76                    | -5.4%             |
|               | 150,000    | 500       | \$18,664.54    | \$17,069.72     | -\$1,594.82                    | -8.5%             |
|               | 180,000    | 500       | \$21,232.18    | \$19,595.39     | -\$1,636.79                    | -7.7%             |
|               | 200,000    | 500       | \$22,943.95    | \$21,279.19     | -\$1,664.76                    | -7.3%             |
|               | 325,000    | 500       | \$33,642.51    | \$31,802.90     | -\$1,839.61                    | -5.5%             |
| GS-3          |            |           |                |                 |                                |                   |
| Primary       | 300,000    | 1,000     | \$34,752.59    | \$31,677.50     | -\$3,075.09                    | -8.9%             |
|               | 360,000    | 1,000     | \$39,636.35    | \$36,480.24     | -\$3,156.11                    | -8.0%             |
|               | 400,000    | 1,000     | \$42,892.20    | \$39,682.08     | -\$3,210.12                    | -7.5%             |
|               | 650,000    | 1,000     | \$63,241.23    | \$59,693.54     | -\$3,547.69                    | -5.6%             |
| GS-4          |            |           |                |                 |                                |                   |
|               | 1,500,000  | 5,000     | \$132,191.42   | \$115,404.42    | -\$16,787.00                   | -12.7%            |
|               | 2,500,000  | 5,000     | \$199,086.72   | \$180,841.72    | -\$18,245.00                   | -9.2%             |
|               | 3,250,000  | 5,000     | \$249,258.21   | \$229,919.71    | -\$19,338.50                   | -7.8%             |
|               | 3,000,000  | 10,000    | \$258,834.37   | \$225,260.37    | -\$33,574.00                   | -13.0%            |
|               | 5,000,000  | 10,000    | \$392,624.97   | \$356,134.97    | -\$36,490.00                   | -9.3%             |
|               | 6,500,000  | 10,000    | \$492,967.92   | \$454,290.92    | -\$38,677.00                   | -7.9%             |
|               | 6,000,000  | 20,000    | \$512,120.27   | \$444,972.27    | -\$67,148.00                   | -13.1%            |
|               | 10,000,000 | 20,000    | \$779,701.47   | \$706,721.47    | -\$72,980.00                   | -9.4%             |
|               | 13,000,000 | 20,000    | \$980,387.37   | \$903,033.37    | -\$77,354.00                   | -7.9%             |
|               | 15,000,000 | 50,000    | \$1,271,977.97 | \$1,104,107.97  | -\$167,870.00                  | -13.2%            |
|               | 25,000,000 | 50,000    | \$1,940,930.97 | \$1,758,480.97  | -\$182,450.00                  | -9.4%             |
|               | 32,500,000 | 50,000    | \$2,442,645.72 | \$2,249,260.72  | -\$193,385.00                  | -7.9%             |

\* Typical bills assume 100% Power Factor



**Ohio Power Company**  
**Transmission Cost Recovery Rider Rate Adjustment Calculations**  
February - May 2015

|                              |         | July 2014 - May<br>2015 Loss |                    | Net Marginal Loss |    |                   |    |              |
|------------------------------|---------|------------------------------|--------------------|-------------------|----|-------------------|----|--------------|
|                              |         | Adjusted                     |                    | 100% kWh          |    |                   |    |              |
|                              |         | <u>KWH Energy</u>            | <u>Energy Cost</u> |                   |    | <u>Total Cost</u> |    |              |
|                              |         | <u>SSO Demand</u>            | <u>Demand Cost</u> |                   |    |                   |    |              |
| <b>Allocation Factors</b>    |         |                              |                    |                   |    |                   |    |              |
| RS                           | 1,897.5 | \$                           | 80,656,626         | 7,292,704,967     | \$ | 15,713,297        | \$ | 94,409,224   |
| GS1                          | 76.1    |                              | 3,235,687          | 288,062,877       |    | 620,677           |    | 3,778,916    |
| GS2                          | 242.1   |                              | 10,292,949         | 920,622,659       |    | 1,983,628         |    | 12,029,061   |
| GS3                          | 217.7   |                              | 9,252,067          | 1,049,056,016     |    | 2,260,359         |    | 11,230,379   |
| GS4/IRP                      | 207.8   |                              | 8,833,773          | 1,226,669,787     |    | 2,643,056         |    | 11,147,030   |
| EHG                          | 0.8     |                              | 34,474             | 7,936,147         |    | 17,100            |    | 49,440       |
| SS/EHS                       | 1.2     |                              | 49,134             | 4,923,174         |    | 10,608            |    | 58,418       |
| OL/SL                        | 0.0     |                              | -                  | 114,681,132       |    | 247,099           |    | 216,266      |
| SBS*                         | 0.0     |                              | -                  | -                 |    | -                 |    | -            |
| Total                        | 2,643.2 | \$                           | 112,354,711        | 10,904,656,757    | \$ | 23,495,824        | \$ | 132,918,734  |
| <b>Adjustment Allocation</b> |         |                              |                    |                   |    |                   |    |              |
| RS                           |         | \$                           | (25,895,409)       | 7,292,704,967     | \$ | (5,044,871)       | \$ | (30,310,783) |
| GS1                          |         | \$                           | (1,038,841)        | 288,062,877       |    | (199,273)         | \$ | (1,213,249)  |
| GS2                          |         | \$                           | (3,304,628)        | 920,622,659       |    | (636,859)         | \$ | (3,862,020)  |
| GS3                          |         | \$                           | (2,970,445)        | 1,049,056,016     |    | (725,705)         | \$ | (3,605,597)  |
| GS4/IRP                      |         | \$                           | (2,836,149)        | 1,226,669,787     |    | (848,573)         | \$ | (3,578,837)  |
| EHG                          |         | \$                           | (11,068)           | 7,936,147         |    | (5,490)           | \$ | (15,873)     |
| SS/EHS                       |         | \$                           | (15,775)           | 4,923,174         |    | (3,406)           | \$ | (18,756)     |
| OL/SL                        |         | \$                           | -                  | 114,681,132       |    | (79,333)          | \$ | (69,434)     |
| SBS                          |         | \$                           | -                  | -                 |    | -                 | \$ | -            |
| Total                        |         | \$                           | (36,072,315)       | 10,904,656,757    | \$ | (7,543,509)       | \$ | (42,674,548) |

**Ohio Power Company**  
**Transmission Cost Recovery Rider Rate Adjustment Calculations**  
February - May 2015

**Current Rates**

| Secondary Rate |              | Primary Rate |              | Subtrans/Trans Rate |              |
|----------------|--------------|--------------|--------------|---------------------|--------------|
| Demand         | Energy       | Demand       | Energy       | Demand              | Energy       |
|                | \$ 0.0187674 |              |              |                     |              |
|                | \$ 0.0190177 |              |              |                     |              |
| \$ 3.94        | \$ 0.0027383 | \$ 3.80      | \$ 0.0026433 | \$ 3.73             | \$ 0.0025906 |
| \$ 5.60        | \$ 0.0027631 | \$ 5.41      | \$ 0.0026672 | \$ 5.30             | \$ 0.0026141 |
| \$ 5.51        | \$ 0.0028897 | \$ 5.32      | \$ 0.0027895 | \$ 5.21             | \$ 0.0027339 |
|                | \$ 0.0090312 |              |              |                     |              |
|                | \$ 0.0172021 |              |              |                     |              |
|                | \$ 0.0027338 |              |              |                     |              |

GS-2 Energy only rate  
GS-3 Energy only rate

\$ 0.0189726  
\$ 0.0156854

**Adjustment**

|         | Billing Units @ |                | Secondary |               | Primary Loss Factor | Subtransmission/Transmission Loss Factor |                | Subtrans/Trans Rate |                |
|---------|-----------------|----------------|-----------|---------------|---------------------|------------------------------------------|----------------|---------------------|----------------|
|         | Demand          | Energy         | Demand    | Energy        |                     | Demand                                   | Energy         | Demand              | Energy         |
| RS      | \$ (25,895,409) | \$ (4,415,374) | -         | 3,155,133,224 |                     |                                          |                |                     |                |
| GS1     | \$ (1,038,841)  | \$ (174,408)   | -         | 126,185,616   |                     |                                          |                |                     |                |
| GS2     | \$ (3,304,628)  | \$ (557,392)   | 1,632,885 | 396,037,065   | 0.9653              | \$ (1.95)                                | \$ (0.0013586) | \$ (1.91)           | \$ (0.0013315) |
| GS3     | \$ (2,970,445)  | \$ (635,152)   | 1,073,817 | 454,077,199   | 0.9653              | \$ (2.67)                                | \$ (0.0013503) | \$ (2.62)           | \$ (0.0013234) |
| GS4/IRP | \$ (2,836,149)  | \$ (742,688)   | 917,860   | 481,906,606   | 0.9653              | \$ (2.98)                                | \$ (0.0014876) | \$ (2.92)           | \$ (0.0014580) |
| EHG     | \$ (11,068)     | \$ (4,805)     | -         | 3,833,562     |                     |                                          |                |                     |                |
| SS/EHS  | \$ (15,775)     | \$ (2,981)     | -         | 2,199,063     |                     |                                          |                |                     |                |
| OL/SL   | \$ -            | \$ (69,434)    | -         | 47,252,024    |                     |                                          |                |                     |                |
| Total   | \$ (36,072,315) | \$ (6,602,233) | 3,624,563 | 4,666,624,359 |                     |                                          |                |                     |                |

GS-2 Energy only rate  
GS-3 Energy only rate

\$ (0.0097517)  
\$ (0.0079405)

**Total**

| Secondary Rate |              | Primary Rate |              | Subtrans/Trans Rate |              |
|----------------|--------------|--------------|--------------|---------------------|--------------|
| Demand         | Energy       | Demand       | Energy       | Demand              | Energy       |
|                | \$ 0.0091606 |              |              |                     |              |
|                | \$ 0.0094029 |              |              |                     |              |
| \$ 1.92        | \$ 0.0013309 | \$ 1.85      | \$ 0.0012847 | \$ 1.82             | \$ 0.0012591 |
| \$ 2.83        | \$ 0.0013643 | \$ 2.74      | \$ 0.0013169 | \$ 2.68             | \$ 0.0012907 |
| \$ 2.42        | \$ 0.0013486 | \$ 2.34      | \$ 0.0013019 | \$ 2.29             | \$ 0.0012759 |
|                | \$ 0.0048907 |              |              |                     |              |
|                | \$ 0.0086732 |              |              |                     |              |
|                | \$ 0.0012644 |              |              |                     |              |

GS-2 Energy only rate  
GS-3 Energy only rate

\$ 0.0092209  
\$ 0.0077449

**Ohio Power Company  
SBS Tariff Rate Design**

|                           |  |  |  | Current Rates |        |           |             |             |             | Adjustment |               | Total            |             |             |                |      |             |             |       |             |
|---------------------------|--|--|--|---------------|--------|-----------|-------------|-------------|-------------|------------|---------------|------------------|-------------|-------------|----------------|------|-------------|-------------|-------|-------------|
|                           |  |  |  | Demand        | Energy |           |             |             |             |            | Demand        | Energy           |             |             |                |      |             |             |       |             |
| GS-2                      |  |  |  |               |        |           |             | \$          | (3,304,628) | \$         | (557,392)     |                  |             |             |                |      |             |             |       |             |
| GS-3                      |  |  |  |               |        |           |             | \$          | (2,970,445) | \$         | (635,152)     |                  |             |             |                |      |             |             |       |             |
| GS-4/IRP                  |  |  |  |               |        |           |             | \$          | (2,836,149) | \$         | (742,688)     |                  |             |             |                |      |             |             |       |             |
| Total                     |  |  |  |               |        |           |             | \$          | (9,111,221) | \$         | (1,935,232)   |                  |             |             |                |      |             |             |       |             |
| Demand @ Secondary        |  |  |  |               |        |           |             | 19,038,391  |             |            |               |                  |             |             |                |      |             |             |       |             |
| Energy @ Secondary        |  |  |  |               |        |           |             |             |             |            | 1,332,020,870 |                  |             |             |                |      |             |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Forced Outage Rate        |  |  |  | 15%           |        |           |             | 15%         |             |            |               | 15%              |             |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.11      | \$0.0028029 |             | 1.0000      | \$         | (0.07)        | \$               | (0.0014529) |             | \$             | 0.04 | \$0.0013500 |             |       |             |
| Primary                   |  |  |  |               | \$     | 0.10      | \$0.0027057 |             | 0.9653      | \$         | (0.07)        | \$               | (0.0014025) |             | \$             | 0.03 | \$0.0013032 |             |       |             |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.10      | \$0.0026518 |             | 0.9461      | \$         | (0.07)        | \$               | (0.0013746) |             | \$             | 0.03 | \$0.0012772 |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Forced Outage Rate        |  |  |  | 5%            |        |           |             | 5%          |             |            |               |                  | 5%          |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.04      | \$0.0028029 |             |             | \$         | (0.02)        | \$               | (0.0014529) |             | \$             | 0.02 | \$0.0013500 |             |       |             |
| Primary                   |  |  |  |               | \$     | 0.03      | \$0.0027057 |             |             | \$         | (0.02)        | \$               | (0.0014025) |             | \$             | 0.01 | \$0.0013032 |             |       |             |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.03      | \$0.0026518 |             |             | \$         | (0.02)        | \$               | (0.0013746) |             | \$             | 0.01 | \$0.0012772 |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Forced Outage Rate        |  |  |  | 10%           |        |           |             | 10%         |             |            |               |                  | 10%         |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.07      | \$0.0028029 |             |             | \$         | (0.05)        | \$               | (0.0014529) |             | \$             | 0.02 | \$0.0013500 |             |       |             |
| Primary                   |  |  |  |               | \$     | 0.07      | \$0.0027057 |             |             | \$         | (0.05)        | \$               | (0.0014025) |             | \$             | 0.02 | \$0.0013032 |             |       |             |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.07      | \$0.0026518 |             |             | \$         | (0.05)        | \$               | (0.0013746) |             | \$             | 0.02 | \$0.0012772 |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Forced Outage Rate        |  |  |  | 20%           |        |           |             | 20%         |             |            |               |                  | 20%         |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.14      | \$0.0028029 |             |             | \$         | (0.10)        | \$               | (0.0014529) |             | \$             | 0.04 | \$0.0013500 |             |       |             |
| Primary                   |  |  |  |               | \$     | 0.14      | \$0.0027057 |             |             | \$         | (0.09)        | \$               | (0.0014025) |             | \$             | 0.05 | \$0.0013032 |             |       |             |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.14      | \$0.0026518 |             |             | \$         | (0.09)        | \$               | (0.0013746) |             | \$             | 0.05 | \$0.0012772 |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Forced Outage Rate        |  |  |  | 25%           |        |           |             | 25%         |             |            |               |                  | 25%         |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.18      | \$0.0028029 |             |             | \$         | (0.12)        | \$               | (0.0014529) |             | \$             | 0.06 | \$0.0013500 |             |       |             |
| Primary                   |  |  |  |               | \$     | 0.17      | \$0.0027057 |             |             | \$         | (0.12)        | \$               | (0.0014025) |             | \$             | 0.05 | \$0.0013032 |             |       |             |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.17      | \$0.0026518 |             |             | \$         | (0.11)        | \$               | (0.0013746) |             | \$             | 0.06 | \$0.0012772 |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Forced Outage Rate        |  |  |  | 30%           |        |           |             | 30%         |             |            |               |                  | 30%         |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.22      | \$0.0028029 |             |             | \$         | (0.14)        | \$               | (0.0014529) |             | \$             | 0.08 | \$0.0013500 |             |       |             |
| Primary                   |  |  |  |               | \$     | 0.21      | \$0.0027057 |             |             | \$         | (0.14)        | \$               | (0.0014025) |             | \$             | 0.07 | \$0.0013032 |             |       |             |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.20      | \$0.0026518 |             |             | \$         | (0.14)        | \$               | (0.0013746) |             | \$             | 0.06 | \$0.0012772 |             |       |             |
| <b>Maintenance Energy</b> |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| at 15% Forced Outage Rate |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.11      |             |             |             | \$         | (0.07)        |                  |             | \$          |                | 0.04 |             |             |       |             |
| Primary                   |  |  |  |               | \$     | 0.10      |             |             |             | \$         | (0.07)        |                  |             | \$          |                | 0.03 |             |             |       |             |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.10      |             |             |             | \$         | (0.07)        |                  |             | \$          |                | 0.03 |             |             |       |             |
| Hours at 85% Load Factor  |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| 621                       |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Demand Components per KWH |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Secondary                 |  |  |  |               | \$     | 0.0001771 | \$0.0028029 | \$0.0029800 | Total       |            | \$            | (0.0001127)      | \$          | (0.0014529) | \$ (0.0015656) | \$   | 0.0000644   | \$0.0013500 | Total | \$0.0014144 |
| Primary                   |  |  |  |               | \$     | 0.0001610 | \$0.0027057 | \$0.0028667 |             |            | \$            | (0.0001127)      | \$          | (0.0014025) | \$ (0.0015152) | \$   | 0.0000483   | \$0.0013032 |       | \$0.0013515 |
| Subtrans/Transmission     |  |  |  |               | \$     | 0.0001610 | \$0.0026518 | \$0.0028128 |             |            | \$            | (0.0001127)      | \$          | (0.0013746) | \$ (0.0014873) | \$   | 0.0000483   | \$0.0012772 |       | \$0.0013255 |
| <b>Less than 100 KW*</b>  |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Residential & GS-1        |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| GS-2                      |  |  |  |               |        |           |             |             |             |            |               |                  |             |             |                |      |             |             |       |             |
| Forced Outage Adjustment  |  |  |  | 15%           |        |           |             | 15%         |             |            | \$            | (26,934,250.804) |             |             |                |      |             |             |       |             |
| Demand                    |  |  |  |               |        |           |             |             |             |            | \$            | (3,304,628)      |             |             |                |      |             |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            | \$            | (4,535,832)      |             |             |                |      | 15%         |             |       |             |
|                           |  |  |  |               |        |           |             |             |             |            | \$            | 41,167,292       |             |             |                |      |             |             |       |             |
|                           |  |  |  |               | \$     | 0.50      |             |             |             |            | \$            | (0.11)           |             |             |                | \$   | 0.39        |             |       |             |

\* Also Breakdown Service Charge for CSP Rate Zone

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

**Commission of Ohio Docketing Information System on**

**1/15/2015 5:24:20 PM**

**in**

**Case No(s). 14-1094-EL-RDR**

Summary: Correspondence -to docketing Transmission Cost Recovery Rider electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company