



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

June 26, 2015

Honorable Greta See
Honorable Sarah Parrot
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Steven T. Nourse
Senior Counsel –
Regulatory Services
(614) 716-1608 (P)
(614) 716-2014 (F)
stnourse@aep.com

Re: *In the Matter of the Application of Ohio Power Company*, Case Nos.
13-2385-EL-SSO, 13-2386-EL-AAM, and 89-6007-EL-TRF

Dear Attorney Examiners See and Parrot:

On February 25, 2015, the Commission issued an Opinion and Order in Case Nos. 13-2385-EL-SSO et al. (Opinion and Order) that modified and approved the Electric Security Plan proposed by Ohio Power Company (dba AEP Ohio). On May 28, 2015, the Commission issued its Entry on Rehearing in this case. On that same date, the Commission issued an Entry regarding the Company's compliance tariff filing, indicating that the Company should file a new proposal for the interruptible service (IRP) tariff by June 26, 2015.

AEP Ohio plans to file an application for rehearing on June 29, 2015 regarding, among other things, the Entry on Rehearing rulings concerning the IRP tariff. In addition, there are certain aspects of the Entry on Rehearing that are unclear and the Company is seeking clarification of those items as part of its rehearing application. Given the overlapping timeline of this compliance tariff deadline and the rehearing process, the Company is enclosing three versions of the proposed IRP tariff to try and address three known contingencies.

The first option reflects the Company's primary rehearing position (that it should not be forced to serve as a CSP) along with confirmation of the requested clarifications (primarily that the customer would be responsible for any non-performance obligations or costs). More specifically, version one reflects use of a Curtailment Service Provider (CSP) to participate in PJM's full, annual emergency or pre-emergency demand response program, with the customer passing through to the Company auction revenue and any emergency or pre-emergency energy revenues (which the Company, in turn, would use to offset the costs of the IRP

credit in the EE/PDR Rider). This approach, as further explained in the Company's rehearing application, allows AEP Ohio to avoid serving as a CSP (which goes beyond its role as a wires Company) and enables the participating customer to fully participate in the economic and ancillary programs without restriction. This preferred approach would also avoid the Company being responsible for any non-performance obligations caused by the customer, which could relate to future periods when the IRP tariff may not even be in place.

The second option reflects a denial of the Company's primary rehearing request but confirmation of the requested clarifications. More specifically, the Company would serve as the CSP for the full, annual emergency or pre-emergency demand response program. But because AEP Ohio is not equipped to serve as a CSP for economic energy and ancillary services, the customer would be prevented from participating in those aspects of the program (because PJM rules do not permit the use of multiple CSPs under these circumstances). This shortcoming leads to the third option.

The third option reflects a denial of the Company's primary rehearing request but confirmation of the requested clarifications along with an alternative position set forth in the rehearing application. More specifically, the Company would serve as the CSP for the capacity only, annual emergency or pre-emergency demand response program. This option would allow the customer to utilize a third-party CSP to participate in the energy and ancillary services programs (because PJM rules do permit the use of multiple CSPs under these circumstances). But this option has the potential to reduce the revenues that would be received to offset the cost of the IRP credit due to differences in PJM compensation for energy reductions under the capacity only program instead of the full program.

Please advise if you have any questions or concerns regarding the compliance tariffs. The Company stands ready to work with Staff and the Commission to finalize this tariff.

Best Regards,

//s/Steven T. Nourse

cc: Parties of Record

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Letter, Compliance Tariffs and
Workpapers was served by electronic mail upon individuals listed below this 26th
day of June 2015.

//s/Steven T. Nourse

Steven T. Nourse

Barb.Bossart@puc.state.oh.us;
BarthRoyer@aol.com;
Bojko@carpenterlipps.com;
campbell@whitt-sturtevant.com;
cloucas@ohiopartners.org;
cmooney@ohiopartners.org;
Cynthia.brady@constellation.com;
david.fein@exeloncorp.com;
dclark1@aep.com;
dboehm@BKLawfirm.com;
dborchers@bricker.com;
dconway@porterwright.com;
dwilliamson@spilmanlaw.com;
devin.parram@puc.state.oh.us;
doris.mccarter@puc.state.oh.us;
Elizabeth.Watts@duke-energy.com;
fdarr@mwncmh.com;
Gary.A.Jeffries@dom.com;
gpoulos@enernoc.com;
Greta.see@puc.state.oh.us;
glpetrucci@vorys.com;
haydenm@firstenergycorp.com;
mhpetricoff@vorys.com;
tsiwo@bricker.com;
jfinnigan@edf.org;
jkylarcohn@BKLawfirm.com;
jmcdermott@firstenergycorp.com;

joliker@mwncmh.com;
joseph.clark@directenergy.com;
Joseph.serio@occ.ohio.gov;
judi.sobecki@aes.com;
Katie.Johnson@puc.state.oh.us;
katie.stenman@puc.state.oh.us;
schmidt@sppgrp.com;
lfriedeman@igsenergy.com;
lhawrot@spilmanlaw.com;
mfleisher@elpc.org;
mjsatterwhite@aep.com;
Maureen.grady@occ.ohio.gov;
mjsettineri@vorys.com;
msmalz@ohiopovertylaw.org;
mkurtz@BKLawfirm.com;
mpritchard@mwncmh.com;
myurick@taftlaw.com;
plee@oslsa.org;
Philip.Sineneng@ThompsonHine.com;
hussey@carpenterlipps.com;
ricks@ohanet.org;
rkelter@elpc.org;
Rocco.D'Ascenzo@duke-energy.com;
sam@mwncmh.com;
swilliams@nrdc.org;
Sarah.Parrot@puc.state.oh.us;

sasloan@aep.com;
scasto@firstenergycorp.com;
Stephen.Chriss@walmart.com;
stnourse@aep.com;
tammy.turkenton@puc.state.oh.us;
tdougherty@theOEC.org;
tobrien@bricker.com;
vparisi@igsenergy.com;
Werner.margard@puc.state.oh.us;
whitt@whitt-sturtevant.com;
William.wright@puc.state.oh.us;

OPTION 1

P.U.C.O. NO. 20

RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)Availability of Service

Service pursuant to this rider is available to customers that were receiving the interruptible credit as of May 31, 2015 and have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this rider, contracts and agreements offered by the Company will be limited to 75,000 KW in the Columbus Southern Power Rate Zone and 450,000 KW in the Ohio Power Rate Zone. ~~Loads of new customers locating within the Company's service area or load expansions by existing customers may be offered interruptible service as part of an economic development or competitive response incentive. Such interruptible service shall not be counted toward the limitation on total interruptible power contract capacity, as specified above, and will not result in a change to the limitation on total interruptible power contract capacity.~~

Although the customer may receive interruption notifications either directly from PJM or from their third-party curtailment service provider (CSP), ~~The Company will~~ communicate interruption information to the customer, ~~monitors customer load and receives customer replacement electricity decisions through its Customer Communications System or a successor system.~~ All costs associated with providing the initial, required Customer Communications System will be borne by the customer.

Enrollment, Registration and Participation in PJM Demand Response Programs

To participate in this rider, the customer must register with PJM, either directly or through a third-party CSP, as a full, annual emergency or pre-emergency demand response resource with a 30-minute notification time and offer such capability into the PJM reliability pricing model auctions for each PJM planning/delivery year (June 1 through May 31).

Participation in this rider does not preclude the customer from also participating in other PJM demand response programs, such as the economic and ancillary service programs, either directly or through a third-party CSP.

Interruption Conditions

The Company reserves the right to interrupt, in its sole discretion, service under this rider at any time to comply with PJM requirements for full, annual emergency demand response resources. ~~Such interruptions shall be designated as Discretionary Interruptions and shall not exceed 200 hours of interruption during any year. For the purposes of this provision, a year shall be defined as a consecutive twelve (12) month period commencing on May 1 and ending on April 30. Discretionary Interruptions will be called simultaneously for all customers served under this rider.~~

~~In addition to the annual limitation as specified above, the hours of Discretionary Interruption shall be limited as follows:~~

- ~~1. A Discretionary Interruption, beginning and ending as specified in the Interruption Notice provision below, shall constitute one (1) event.~~

Filed pursuant to Order dated August 8, 2012 in Case No. 11-346-EL-SSO

Issued: August 16, 2012

Effective: Cycle 1 September 2012

Issued by
Pablo Vegas, President
AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)

- ~~2. A Discretionary Interruption event shall not be less than three (3) consecutive hours, unless there are less than three (3) hours of Discretionary Interruption remaining for the year.~~
- ~~3. There shall not be more than 12 hours of Discretionary Interruption per day.~~
- ~~4. During the calendar months of March through November, there shall not be more than one (1) Discretionary Interruption event per day.~~

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P.U.C.O. NO. 20

RIDER IRP-D
(Interruptible Power ~~Discretionary~~)Interruption Conditions (Cont'd)

5. ~~During the calendar months of December, January and February, there shall not be more than two (2) Discretionary Interruption events per day. Any such Discretionary Interruption events shall be separated by not less than three (3) consecutive hours without Discretionary Interruption.~~

~~Emergency Interruptions pursuant to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities, shall not count toward the total hours of interruption specified above or toward the five (5) limits specified above.~~

Interruption Notice

~~The Company will endeavor to provide the customer as much advance notice as possible of a Discretionary Interruption. Such notice shall specify the starting and ending hour of the Discretionary Interruption. Discretionary Interruptions shall begin and end on the clock hour. The Company shall provide notice to the customer a minimum of 100 minutes prior to the commencement of a Discretionary Interruption. After such notice, the customer will be required to interrupt service within 100 minutes if so requested by the Company. In emergency situations, the customer will be required to interrupt service immediately.~~

Failure to Comply With A Request For Interruption

1. ~~If the customer fails to interrupt load as requested by the Company for a Discretionary Interruption, the customer will be required to pay for the entire uninterrupted energy for the duration of the Discretionary Interruption at two (2) times the Replacement Electricity price offered by the Company. The uninterrupted energy will be calculated for each 30-minute period during the Discretionary Interruption as one-half of the difference between the 30-minute integrated demand and the sum of the customer's contract capacities under any schedule where service is not interrupted.~~

- 2.1. ~~If the customer fails to interrupt load in accordance with this rider, as requested by the Company for an Emergency Interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each Emergency Interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the demand credit as specified in this rider.~~

3. ~~If the customer fails to interrupt load as requested by the Company during an Emergency Interruption, the Company further reserves the right to:~~

- a) ~~Interrupt the customer's entire load.~~

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RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)Failure to Comply With A Request For Interruption (Cont'd)

- b) ~~Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.~~

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements under the applicable standard service rate schedule. In no event will the amount of interruptible capacity contracted for be less than 1,000 KW at any delivery point. ~~The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.~~

Contracts under this rider shall ~~be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company for a period of not less than one (1) PJM delivery year (June 1 through May 31) and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.~~

~~A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.~~

~~While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.~~

~~The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:~~

- ~~1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.~~
- ~~2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.~~

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P.U.C.O. NO. 20

RIDER IRP-D
(Interruptible Power ~~Discretionary~~)Firm Service Designation

The customer must designate a firm service contract capacity for such service.

Replacement Electricity

~~When a Discretionary Interruption is called pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to supply replacement electricity in order for the customer to avoid an interruption. The customer will be required to specify an hourly KW capacity, in multiples of 1,000 KW, of such replacement electricity 65 minutes in advance of the commencement of each hour of the Discretionary Interruption.~~

~~The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:~~

- ~~1. The customer agrees to pay the price offered by the Company. Such price shall be provided by the Company 100 minutes in advance of the commencement of each hour of the Discretionary Interruption.~~
- ~~2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.~~
- ~~3. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this rider regarding interruption.~~
- ~~4. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.~~
- ~~5. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.~~
- ~~6. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.~~

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P.U.C.O. NO. 20

RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)

~~7. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity available for, but not used by the customer at a rate of 2.5¢ per KWH, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.~~

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

~~Generation~~ Demand Credit (\$ per KW)

Delivery Voltage	OPCO	CSP
	Rate Zone	Rate Zone
Secondary	(8.21)	(8.21)
Primary	(8.21)	(8.21)
Subtransmission	(8.21)	(8.21)
Transmission	(8.21)	(8.21)

The Demand Credit shall apply to the customer's monthly interruptible demand. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the standard service rate schedule under which the customer receives service and the customer designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible service contract capacity.

~~Since the customer and not the Company will be compensated by PJM, the customer must agree as part of its service contract under this rider to remit to the Company the PJM capacity auction revenue and any energy payments received from PJM for emergency or pre-emergency events.~~

Special Terms and Conditions

~~By participating in this rider, the customer is agreeing to commit its demand response capabilities hereunder to the Company for integration in the Company's energy efficiency and peak demand reduction programs. In delivery years when there are no emergency or pre-emergency events, the customer agrees to provide the Company the results of any interruption tests performed in accordance with the PJM tariff as evidence of the customer's ability to interrupt. Failure to provide this testing information or failure to adequately perform during such a test shall be considered a failure to interrupt under this rider.~~

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

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Effective: Cycle 1 September 2012

OPTION 2

P.U.C.O. NO. 20

RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)Availability of Service

Service pursuant to this rider is available to customers that were receiving the interruptible credit as of May 31, 2015 and have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this rider, contracts and agreements offered by the Company will be limited to 75,000 KW in the Columbus Southern Power Rate Zone and 450,000 KW in the Ohio Power Rate Zone. ~~Loads of new customers locating within the Company's service area or load expansions by existing customers may be offered interruptible service as part of an economic development or competitive response incentive. Such interruptible service shall not be counted toward the limitation on total interruptible power contract capacity, as specified above, and will not result in a change to the limitation on total interruptible power contract capacity.~~

The Company will communicate~~s~~ interruption information to the customer, ~~monitors customer load and receives customer replacement electricity decisions~~, through its Customer Communications System or a successor system. All costs associated with providing the initial, required Customer Communications System will be borne by the customer.

Enrollment, Registration and Participation in PJM Demand Response Programs

To participate in this rider, the customer must allow the Company to register the customer with PJM as a full, annual emergency or pre-emergency demand response resource with a 30-minute notification time and offer such capability into the PJM reliability pricing model auctions for each PJM planning/delivery year (June 1 through May 31).

Under PJM's current rules, participation in this rider does preclude the customer from also participating in other PJM demand response programs, such as the economic and ancillary service programs, either directly or through a third party curtailment service provider (CSP).

Interruption Conditions

The Company reserves the right to interrupt, in its sole discretion, service under this rider at any time to comply with PJM requirements for full, annual emergency or pre-emergency demand response resources. ~~Such interruptions shall be designated as Discretionary Interruptions and shall not exceed 200 hours of interruption during any year. For the purposes of this provision, a year shall be defined as a consecutive twelve (12) month period commencing on May 1 and ending on April 30. Discretionary Interruptions will be called simultaneously for all customers served under this rider.~~

~~In addition to the annual limitation as specified above, the hours of Discretionary Interruption shall be limited as follows:~~

- ~~1. A Discretionary Interruption, beginning and ending as specified in the Interruption Notice provision below, shall constitute one (1) event.~~

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P.U.C.O. NO. 20

RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)

- ~~2. A Discretionary Interruption event shall not be less than three (3) consecutive hours, unless there are less than three (3) hours of Discretionary Interruption remaining for the year.~~
- ~~3. There shall not be more than 12 hours of Discretionary Interruption per day.~~
- ~~4. During the calendar months of March through November, there shall not be more than one (1) Discretionary Interruption event per day.~~

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P.U.C.O. NO. 20

RIDER IRP-D
(Interruptible Power-Discretionary)Interruption Conditions (Cont'd)

5. ~~During the calendar months of December, January and February, there shall not be more than two (2) Discretionary Interruption events per day. Any such Discretionary Interruption events shall be separated by not less than three (3) consecutive hours without Discretionary Interruption.~~

~~Emergency Interruptions pursuant to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities, shall not count toward the total hours of interruption specified above or toward the five (5) limits specified above.~~

Interruption Notice

~~The Company will endeavor to provide the customer as much advance notice as possible of a Discretionary Interruption. Such notice shall specify the starting and ending hour of the Discretionary Interruption. Discretionary Interruptions shall begin and end on the clock hour. The Company shall provide notice to the customer a minimum of 100 minutes prior to the commencement of a Discretionary Interruption. After such notice, the customer will be required to interrupt service within 100 minutes if so requested by the Company. In emergency situations, the customer will be required to interrupt service immediately.~~

Failure to Comply With A Request For Interruption

1. ~~If the customer fails to interrupt load as requested by the Company for a Discretionary Interruption, the customer will be required to pay for the entire uninterrupted energy for the duration of the Discretionary Interruption at two (2) times the Replacement Electricity price offered by the Company. The uninterrupted energy will be calculated for each 30-minute period during the Discretionary Interruption as one-half of the difference between the 30-minute integrated demand and the sum of the customer's contract capacities under any schedule where service is not interrupted.~~

1. If the customer fails to interrupt load in accordance with this rider, as requested by the Company for an Emergency Interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each Emergency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the demand credit as specified in this rider.

2. Any costs incurred by the Company due to customer non-performance or unavailability, including but not limited to charges from PJM or incremental costs of purchasing replacement capacity in an incremental auction shall be the customer's responsibility. The monthly demand credit of \$8.21 per kW will be suspended until any such costs are paid by the customer to the Company.

3. ~~If the customer fails to interrupt load as requested by the Company during an Emergency Interruption, the Company further reserves the right to:~~

a) ~~Interrupt the customer's entire load.~~

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P.U.C.O. NO. 20

RIDER IRP-D
(Interruptible Power—Discretionary)Failure to Comply With A Request For Interruption (Cont'd)

- b) ~~Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.~~

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements under the applicable standard service rate schedule. In no event will the amount of interruptible capacity contracted for be less than 1,000 KW at any delivery point. ~~The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.~~

Contracts under this rider shall ~~be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1 year's written notice to the other of the intention to discontinue service from the Company through any PJM delivery year (June 1 through May 31) in which the Company has bid the customer's interruptible resources.~~

~~A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.~~

~~While the customer will be required to provide at least 1 year's notice to discontinue service from the Company, the customer will be required to provide 5 year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.~~

~~The customer may transfer to firm service with less than 5 year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:~~

- ~~1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.~~
- ~~2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.~~

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RIDER IRP-D
(Interruptible Power ~~Discretionary~~)Firm Service Designation

The customer must designate a firm service contract capacity for such service.

Replacement Electricity

~~When a Discretionary Interruption is called pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to supply replacement electricity in order for the customer to avoid an interruption. The customer will be required to specify an hourly KW capacity, in multiples of 1,000 KW, of such replacement electricity 65 minutes in advance of the commencement of each hour of the Discretionary Interruption.~~

~~The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:~~

- ~~1. The customer agrees to pay the price offered by the Company. Such price shall be provided by the Company 100 minutes in advance of the commencement of each hour of the Discretionary Interruption.~~
- ~~2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.~~
- ~~3. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this rider regarding interruption.~~
- ~~4. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.~~
- ~~5. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.~~
- ~~6. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.~~

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Pablo Vegas, President
AEP Ohio

P.U.C.O. NO. 20

RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)

~~7. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity available for, but not used by the customer at a rate of 2.5¢ per KWH, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.~~

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

~~Generation~~ Demand Credit (\$ per KW)

Delivery Voltage	OPCO	CSP
	Rate Zone	Rate Zone
Secondary	(8.21)	(8.21)
Primary	(8.21)	(8.21)
Subtransmission	(8.21)	(8.21)
Transmission	(8.21)	(8.21)

The Demand Credit shall apply to the customer's monthly interruptible demand. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the standard service rate schedule under which the customer receives service and the customer designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible service contract capacity.

Special Terms and Conditions

By participating in this rider, the customer is agreeing to commit its demand response capabilities hereunder to the Company for integration in the Company's energy efficiency and peak demand reduction programs. In delivery years when there are no emergency or pre-emergency events, the customer shall be subject to interruption tests performed in accordance with the PJM tariff as evidence of the customer's ability to interrupt. Failure to adequately perform during such a test shall be considered a failure to interrupt under this rider.

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

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OPTION 3

P.U.C.O. NO. 20

RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)Availability of Service

Service pursuant to this rider is available to customers that were receiving the interruptible credit as of May 31, 2015 and have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this rider, contracts and agreements offered by the Company will be limited to 75,000 KW in the Columbus Southern Power Rate Zone and 450,000 KW in the Ohio Power Rate Zone. ~~Loads of new customers locating within the Company's service area or load expansions by existing customers may be offered interruptible service as part of an economic development or competitive response incentive. Such interruptible service shall not be counted toward the limitation on total interruptible power contract capacity, as specified above, and will not result in a change to the limitation on total interruptible power contract capacity.~~

The Company will communicate~~s~~ interruption information to the customer, ~~monitors customer load and receives customer replacement electricity decisions, t~~ through its Customer Communications System or a successor system. All costs associated with providing the initial, required Customer Communications System will be borne by the customer.

Enrollment, Registration and Participation in PJM Demand Response Programs

To participate in this rider, the customer must allow the Company to register the customer with PJM as a capacity only, annual emergency or pre-emergency demand response resource with a 30-minute notification time and offer such capability into the PJM reliability pricing model auctions for each PJM planning/delivery year (June 1 through May 31).

Under PJM's current rules, participation in this rider does not preclude the customer from also participating in other PJM demand response programs, such as the economic and ancillary service programs, either directly or through a third party curtailment service provider (CSP).

Interruption Conditions

The Company reserves the right to interrupt, in its sole discretion, service under this rider at any time to comply with PJM requirements for capacity only, annual emergency or pre-emergency demand response resources. ~~Such interruptions shall be designated as Discretionary Interruptions and shall not exceed 200 hours of interruption during any year. For the purposes of this provision, a year shall be defined as a consecutive twelve (12) month period commencing on May 1 and ending on April 30. Discretionary Interruptions will be called simultaneously for all customers served under this rider.~~

~~In addition to the annual limitation as specified above, the hours of Discretionary Interruption shall be limited as follows:~~

- ~~1. A Discretionary Interruption, beginning and ending as specified in the Interruption Notice provision below, shall constitute one (1) event.~~

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(Interruptible Power-~~Discretionary~~)

- ~~2. A Discretionary Interruption event shall not be less than three (3) consecutive hours, unless there are less than three (3) hours of Discretionary Interruption remaining for the year.~~
- ~~3. There shall not be more than 12 hours of Discretionary Interruption per day.~~
- ~~4. During the calendar months of March through November, there shall not be more than one (1) Discretionary Interruption event per day.~~

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RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)Interruption Conditions (Cont'd)

5. ~~During the calendar months of December, January and February, there shall not be more than two (2) Discretionary Interruption events per day. Any such Discretionary Interruption events shall be separated by not less than three (3) consecutive hours without Discretionary Interruption.~~

~~Emergency Interruptions pursuant to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities, shall not count toward the total hours of interruption specified above or toward the five (5) limits specified above.~~

Interruption Notice

~~The Company will endeavor to provide the customer as much advance notice as possible of a Discretionary Interruption. Such notice shall specify the starting and ending hour of the Discretionary Interruption. Discretionary Interruptions shall begin and end on the clock hour. The Company shall provide notice to the customer a minimum of 100 minutes prior to the commencement of a Discretionary Interruption. After such notice, the customer will be required to interrupt service within 100 minutes if so requested by the Company. In emergency situations, the customer will be required to interrupt service immediately.~~

Failure to Comply With A Request For Interruption

1. ~~If the customer fails to interrupt load as requested by the Company for a Discretionary Interruption, the customer will be required to pay for the entire uninterrupted energy for the duration of the Discretionary Interruption at two (2) times the Replacement Electricity price offered by the Company. The uninterrupted energy will be calculated for each 30-minute period during the Discretionary Interruption as one-half of the difference between the 30-minute integrated demand and the sum of the customer's contract capacities under any schedule where service is not interrupted.~~

1. If the customer fails to interrupt load in accordance with this rider, as requested by the Company for an Emergency Interruption, the customer will be required to refund all rate discounts received under this rider during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each Emergency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the demand credit as specified in this rider.

2. Any costs incurred by the Company due to customer non-performance or unavailability, including but not limited to charges from PJM or incremental costs of purchasing replacement capacity in an incremental auction shall be the customer's responsibility. The monthly demand credit of \$8.21 per kW will be suspended until any such costs are paid by the customer to the Company.

3. ~~If the customer fails to interrupt load as requested by the Company during an Emergency Interruption, the Company further reserves the right to:~~

~~a) Interrupt the customer's entire load.~~

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RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)Failure to Comply With A Request For Interruption (Cont'd)

- b) ~~Discontinue service to the customer under this rider if the customer fails to interrupt load twice during any 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this rider, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.~~

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements under the applicable standard service rate schedule. In no event will the amount of interruptible capacity contracted for be less than 1,000 KW at any delivery point. ~~The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.~~

Contracts under this rider shall ~~be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1 year's written notice to the other of the intention to discontinue service from the Company through any PJM delivery year (June 1 through May 31) in which the Company has bid the customer's interruptible resources.~~

~~A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.~~

~~While the customer will be required to provide at least 1 year's notice to discontinue service from the Company, the customer will be required to provide 5 year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.~~

~~The customer may transfer to firm service with less than 5 year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:~~

- ~~1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.~~
- ~~2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.~~

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RIDER IRP-~~D~~
(Interruptible Power-~~Discretionary~~)

Firm Service Designation

The customer must designate a firm service contract capacity for such service.

Replacement Electricity

~~When a Discretionary Interruption is called pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to supply replacement electricity in order for the customer to avoid an interruption. The customer will be required to specify an hourly KW capacity, in multiples of 1,000 KW, of such replacement electricity 65 minutes in advance of the commencement of each hour of the Discretionary Interruption.~~

~~The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:~~

- ~~1. The customer agrees to pay the price offered by the Company. Such price shall be provided by the Company 100 minutes in advance of the commencement of each hour of the Discretionary Interruption.~~
- ~~2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.~~
- ~~3. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this rider regarding interruption.~~
- ~~4. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.~~
- ~~5. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP Emergency Operating Plan, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.~~
- ~~6. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.~~

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~~7. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity available for, but not used by the customer at a rate of 2.5¢ per KWH, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.~~

Monthly Rate

In addition to the monthly charges for service under the applicable standard service rate schedule under which the customer receives service, the customer shall receive a Demand Credit for monthly interruptible demand as follows:

~~Generation~~ Demand Credit (\$ per KW)

Delivery Voltage	OPCO	CSP
	Rate Zone	Rate Zone
Secondary	(8.21)	(8.21)
Primary	(8.21)	(8.21)
Subtransmission	(8.21)	(8.21)
Transmission	(8.21)	(8.21)

The Demand Credit shall apply to the customer's monthly interruptible demand. Monthly interruptible demand shall be the difference between the monthly billing demand determined in accordance with the standard service rate schedule under which the customer receives service and the customer designated firm service contract capacity. In no event shall the customer's monthly interruptible demand be greater than the customer's interruptible service contract capacity.

~~Since the customer and not the Company will be compensated by PJM for energy reduced during interruptions, the customer must agree as part of its service contract under this rider to remit to the Company any energy payments received from PJM for emergency or pre-emergency events.~~

Special Terms and Conditions

~~By participating in this rider, the customer is agreeing to commit its demand response capabilities hereunder to the Company for integration in the Company's energy efficiency and peak demand reduction programs. In delivery years when there are no emergency or pre-emergency events, the customer shall be subject to interruption tests performed in accordance with the PJM tariff as evidence of the customer's ability to interrupt. Failure to adequately perform during such a test shall be considered a failure to interrupt under this rider.~~

This rider is subject to the Company's Terms and Conditions of Service and all provisions of the rate schedule under which the customer takes service.

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Summary: Tariff -Compliance Tariffs (IRP) electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company