BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the Ohio Development Services Agency for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities.	)))))	Case No. 15-1046-EL-USF

OHIO PARTNERS FOR AFFORDABLE ENERGY'S RESPONSE TO THE OBJECTIONS OF OHIO POWER COMPANY

Ohio Partners for Affordable Energy ("OPAE") hereby respectfully submits to the Public Utilities Commission of Ohio ("Commission") this response to Ohio Power Company's ("Ohio Power") objections to the application of the Ohio Development Services Agency ("ODSA") to adjust the Universal Service Fund ("USF") riders of Ohio jurisdictional electric distribution utilities. Ohio Power objects that ODSA uses the "legacy distinctions" of two separate rate zones for Ohio Power Company and Columbus Southern Power Company, which are now a single electric distribution utility called Ohio Power Company. Ohio Power states that there should only be one USF rate for that single electric distribution utility. Ohio Power Memorandum in Support of its Objections at 1. Ohio Power states that the move to a single USF zone for Ohio Power is ripe for action in this filing and that it is prepared to show the impact on customers of combining the rate zones. Id. at 2.

The second block of the USF rate design for an electric distribution utility in Ohio is the 1999 Percentage of Income Payment Plan ("PIPP") rate of the then-existing vertically integrated monopoly electric utilities. For Columbus Southern Power, the 1999 PIPP rate was $0.0001830. For Ohio Power, it was $.0001681.

OPAE shares Ohio Power's objection to the use of the 1999 PIPP rates. However, Ohio Power should have explained more fully what it intends to do to address the problem. With the reference to a minimal impact, Ohio Power implies that it intends to create a new unified second block.   But the use of the 1999 PIPP rates of the two companies to create one rate for the second block bears no relation to the current costs of PIPP for the combined Ohio Power Company.   Ohio Power also does not explain how much respect it intends to accord the anachronistic1999 legacy PIPP rates of Ohio Power and Columbus Southern Power.   It does not address the far more fundamental problem of the two-tiered rate design.

The continuation of the use of the 1999 PIPP rate for the second block of the two-block rate design is unlawful and unreasonable. When the Commission addresses Ohio Power's objections, it should also consider rationalizing the USF rider rates by eliminating the two-block rate design or, at the least, the use of the 1999 PIPP rates of the vertically integrated monopoly utilities for the second block of the rate design.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Response to the Objections of Ohio Power Company was served electronically upon the following persons identified below in this case on this 13th day of July 2015.

/s/Colleen L. Mooney
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