



Legal Department

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September 1, 2015

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

Steven T. Nourse
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Re: *In the Matter of the Fuel Adjustment Clauses for Ohio
Power Company*, Case Nos. 14-1544-EL-FAC
and 89-6007-EL-TRF

Dear Ms. McNeal:

On August 8, 2012, the Commission issued an Opinion and Order approving a modified Electric Security Plan in Case Nos. 11-346-EL-SSO, et al. (ESP II Opinion and Order) modified and adopted an Electric Security Plan for Ohio Power Company (AEP Ohio). The August 8 Opinion and Order continued AEP Ohio's Fuel Adjustment Clause (FAC) mechanism and established the Alternative Energy Rider (AER) as the mechanism by which AEP Ohio is to separately recover its prudently-incurred alternative energy compliance costs. The ESP II Opinion and Order indicated that the Company is to make quarterly filings of the AER in conjunction with quarterly filings for the FAC. On November 13, 2013, the Commission issued an Opinion and Order in Case No. 12-3254-EL-UNC (CBP Opinion and Order) that approved and modified the Company's application to establish a Competitive Bidding Process and authorized the Company to unbundle the FAC and establish the Auction Phase-In Rider (APIR) and Fixed Cost Rider (FCR) in its place running through the term of the ESP II (May 31, 2015).

On February 25, 2015, the Commission Issued an Opinion and Order adopting certain portions of AEP Ohio's Electric Security Plan in Case Nos. 13-3285-EL-SSO, et.al. The Opinion and Order provided for the implementation of a generation energy (GENE) rider, generation capacity (GENC) rider, and auction cost reconciliation rider (ACRR) and the elimination of the Company's current base generation charges, fixed cost rider (FCR), and auction phase-in rider (APIR) in addition to the FAC mechanism, following a final true-up of all costs incurred through May 2015. Therefore, the FCR and APIR in this filing only reflect the Actual period of January – May 2015 and the forecast component (FC) has been eliminated. The Order provided for continuation of the Alternative Energy Rider which has been filed under a separate docket.

With this filing, the Company submits its Final FAC filing, to become effective on Cycle 1 October 2015. Under the Commission's December 14, 2011 Finding and Order in Case No. 11-5906-EL-FAC, the adjusted FAC rates automatically become effective unless the Staff raises issues prior to the billing cycle during which the quarterly adjustments are to become effective.

Schedule 1: This schedule shows the current APIR rate by delivery voltage in Column A. The purpose of Column B was to show the forecast component (FC) rate that would be necessary to recover the estimated APIR expense for October through December of 2015 however, as discussed above the FC has been eliminated. Column C shows the reconciliation adjustment (RA) that would be necessary to collect the actual fuel under-recovery experienced from the previous quarter as calculated on Schedule 5. Column D is the sum of the FC component and the RA component.

Schedule 2: This schedule shows the Company's estimates of the fuel cost by month it is expecting to incur in the 4th quarter of 2015.

Schedule 3: This schedule shows the current FCR rate by delivery voltage in Column A. The purpose of Column B was to show the forecast component (FC) rate that would be necessary to recover the estimated FCR expense for October through December of 2015 however, as discussed above the FC has been eliminated. Column C shows the reconciliation adjustment (RA) that would be necessary to collect the actual FCR over-recovery experienced from the previous quarter. Column D is the sum of the FC component and the RA.

Schedule 4: This Schedule shows the over/under-recovery of FCR expense for the months of January through May 2015. Schedule 4 calculates the adjustment to the FCR rates that would be necessary to recover the over/under-recovery during October through December of 2015.

Schedule 5: This Schedule shows the over/under-recovery of APIR expense for the months of January through May 2015. Schedule 5 calculates the adjustment to the APIR rates that would be necessary to recover the over/under-recovery during October through December of 2015.

Regards,

/s/ Steven T. Nourse
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OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Auction Phase In Rider
October 2015 through December 2015
Summary - Proposed Auction Phase In Rider

COLUMBUS SOUTHERN POWER RATE ZONE

		A	B	C	D
		Schedule 5			
Line	Delivery Voltage	Current APIR Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components
1	Secondary	0.00000	0.00000	-0.07461	-0.07461
2	Primary	0.00000	0.00000	-0.07202	-0.07202
3	Sub/Transmission	0.00000	0.00000	-0.07059	-0.07059

OHIO POWER RATE ZONE

		A	B	C	D
		Schedule 5			
Line	Delivery Voltage	Current APIR Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components
1	Secondary	0.00000	0.00000	-0.07461	-0.07461
2	Primary	0.00000	0.00000	-0.07202	-0.07202
3	Sub/Transmission	0.00000	0.00000	-0.07059	-0.07059

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
October 2015 through December 2015
FC Component

Line	Description	Forecast Period - 4th Quarter 2015			
		October	November	December	Total
	<u>TOTAL COMPANY</u>				
1	Purchased Power (Energy)	-	-	-	\$ -
2	Energy & Capacity Value of Renewables (RECs moved to Rider AER)	-	-	-	\$ -
3	FAC for Retail Load (Total Company)	\$ -	\$ -	\$ -	\$ -
4	Retail Non-Shopping Sales - Generation Level Kwh	1,071,343,711	1,092,152,263	1,338,162,675	3,501,658,650

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly Fixed Cost Rider For Billing During
October 2015 through December 2015
Summary - Proposed Fixed Cost Rider

COLUMBUS SOUTHERN POWER RATE ZONE

		A	B	C	D
		Schedule 4			
Line	Delivery Voltage	Current FCR Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components
1	Secondary	0.00000	0.00000	-0.15553	-0.15553
2	Primary	0.00000	0.00000	-0.15012	-0.15012
3	Sub/Transmission	0.00000	0.00000	-0.14712	-0.14712

OHIO POWER RATE ZONE

		A	B	C	D
		Schedule 4			
Line	Delivery Voltage	Current FCR Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components
1	Secondary	0.00000	0.00000	-0.15553	-0.15553
2	Primary	0.00000	0.00000	-0.15012	-0.15012
3	Sub/Transmission	0.00000	0.00000	-0.14712	-0.14712

OHIO POWER COMPANY
Calculation of Fixed Cost Rider
RA Component January - May 2015

Schedule 4

Line	Description	FCR Revenue	FCR Costs	FCR (Over)/Under Recovery	Total (Over)/Under Recovery
1	Beginning Balance				\$ (13,821,461)
2	Jan-15	\$ 6,047,382	\$ 6,971,492	\$ 924,110	\$ 924,110
3	Feb-15	\$ 6,542,032	\$ 6,565,588	\$ 23,556	\$ 23,556
4	Mar-15	\$ 5,953,497	\$ 7,387,822	\$ 1,434,325	\$ 1,434,325
5	Apr-15	\$ 4,989,371	\$ 8,882,023	\$ 3,892,652	\$ 3,892,652
6	May-14	\$ 4,391,579	\$ 6,824,745	\$ 2,433,166	\$ 2,433,166
7	Ending Balance	\$ 27,923,861	\$ 36,631,670	\$ 8,707,809	\$ (5,113,652)
8	Retail Non-Shopping Sales - Generation Level kWh				3,501,658,650
9	Reconciliation Component at Generation - \$/kWh				<u>(0.0014604)</u>
10	Reconciliation Component at Generation - \$/kWh	<u>Secondary</u> (0.0014604)	<u>Primary</u> (0.0014604)	<u>Sub/Trans</u> (0.0014604)	
11	Loss Factor	1.0604	1.0235	1.0031	
12	Reconciliation Component at the Meter Level - \$/kWh	<u>-0.0015486</u>	<u>-0.0014947</u>	<u>-0.0014648</u>	
13	Tax Gross-Up	1.00435	1.00435	1.00435	
14	Reconciliation Adjustment Component - \$/kWh	<u>-0.0015553</u>	<u>-0.0015012</u>	<u>-0.0014712</u>	

OHIO POWER COMPANY
Calculation of Auction Phase-In Rider
RA Component January - May 2015

Schedule 5

Line	Description	APIR Revenue	APIR Costs	APIR (Over)/Under Recovery	Total (Over)/Under Recovery
1	Beginning Balance				\$ (27,315,383)
2	Jan-15	\$ 73,591,874	\$ 76,950,876	\$ 3,359,002	3,359,002
3	Feb-15	\$ 68,447,555	\$ 75,655,070	\$ 7,207,515	7,207,515
4	Mar-15	\$ 61,654,486	\$ 60,287,183	\$ (1,367,303)	(1,367,303)
5	Apr-15	\$ 40,869,519	\$ 42,090,371	\$ 1,220,852	1,220,852
6	May-15	\$ 40,318,512	\$ 54,760,655	\$ 14,442,143	14,442,143
7	Ending Balance	\$ 284,881,946	\$ 309,744,155	\$ 24,862,209	\$ (2,453,174)
8	Retail Non-Shopping Sales - Generation Level kWh				3,501,658,650
9	Reconciliation Component at Generation - \$/kWh				<u>(0.0007006)</u>
10	Reconciliation Component at Generation - \$/kWh	<u>Secondary</u> (0.0007006)	<u>Primary</u> (0.0007006)	<u>Sub/Trans</u> (0.0007006)	
11	Loss Factor	1.0604	1.0235	1.0031	
12	Reconciliation Component at the Meter Level - \$/kWh	<u>-0.0007429</u>	<u>-0.0007171</u>	<u>-0.0007028</u>	
13	Tax Gross-Up	1.00435	1.00435	1.00435	
14	Reconciliation Adjustment Component - \$/kWh	<u>-0.0007461</u>	<u>-0.0007202</u>	<u>-0.0007059</u>	

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Commission of Ohio Docketing Information System on

9/1/2015 3:55:30 PM

in

Case No(s). 14-1544-EL-FAC, 89-6007-EL-TRF

Summary: Application -FAC Schedules electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company