

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application Seeking )  
Approval of Ohio Power Company's )  
Proposal to Enter into an Affiliate Power ) Case No. 14-1693-EL-RDR  
Purchase Agreement for Inclusion in the )  
Power Purchase Agreement Rider. )

In the Matter of the Application of Ohio )  
Power Company for Approval of Certain ) Case No. 14-1694-EL-AAM  
Accounting Authority. )

ENTRY

The attorney examiner finds:

- (1) Ohio Power Company d/b/a AEP Ohio (AEP Ohio or the Company) is an electric distribution utility as defined in R.C. 4928.01(A)(6) and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.
- (2) R.C. 4928.141 provides that an electric distribution utility shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including a firm supply of electric generation services. The SSO may be either a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143.
- (3) In Case No. 13-2385-EL-SSO, et al., the Commission modified and approved AEP Ohio's application for an ESP for the period beginning June 1, 2015, through May 31, 2018, pursuant to R.C. 4928.143. *In re Ohio Power Co.*, Case No. 13-2385-EL-SSO, et al. (*ESP 3 Case*), Opinion and Order (Feb. 25, 2015), Second Entry on Rehearing (May 28, 2015). Among other matters, the Commission concluded that AEP Ohio's proposed power purchase agreement (PPA) rider, which would flow through to customers the net impact of the Company's contractual entitlement associated with the Ohio

Valley Electric Corporation (OVEC), satisfies the requirements of R.C. 4928.143(B)(2)(d) and, therefore, is a permissible provision of an ESP. The Commission stated, however, that it was not persuaded, based on the evidence of record, that AEP Ohio's PPA rider proposal would provide customers with sufficient benefit from the rider's financial hedging mechanism or any other benefit that is commensurate with the rider's potential cost. Noting that a properly conceived PPA rider proposal may provide significant customer benefits, the Commission authorized AEP Ohio to establish a placeholder PPA rider, at an initial rate of zero, for the term of the ESP, with the Company being required to justify any future request for cost recovery. Finally, the Commission determined that all of the implementation details with respect to the placeholder PPA rider would be determined in a future proceeding, following the filing of a proposal by AEP Ohio that addresses a number of specific factors, which the Commission will consider, but not be bound by, in its evaluation of the Company's filing. In addition, the Commission indicated that AEP Ohio's PPA rider proposal must address several other issues specified by the Commission. *ESP 3 Case*, Opinion and Order (Feb. 25, 2015) at 20-22, 25-26.

- (4) On October 3, 2014, in the above-captioned proceedings, AEP Ohio filed an application seeking approval of a proposal to enter into a new affiliate PPA with AEP Generation Resources, Inc. (AEPGR).
- (5) Following the issuance of the Commission's Opinion and Order in the *ESP 3 Case*, AEP Ohio filed, on May 15, 2015, an amended application and supporting testimony, again seeking approval of a new affiliate PPA with AEPGR and also requesting authority to include the net impacts of both the affiliate PPA and the Company's OVEC contractual entitlement in the placeholder PPA rider approved in the *ESP 3 Case*. AEP Ohio explains that the amended application supersedes and replaces the Company's original application filed on October 3, 2014. AEP Ohio further explains that the primary purposes of the amended application are to include the OVEC contractual entitlement

in the pending PPA rider proposal, along with the proposed affiliate PPA with AEPGR; address the factors and requirements set forth by the Commission in the *ESP 3 Case*; and update the Company's supporting testimony to reflect a current analysis of the amended proposal.

- (6) By Entry dated August 7, 2015, a procedural schedule was established, which included a deadline of September 18, 2015, for the filing of Staff's testimony.
- (7) On September 18, 2015, Staff filed a motion to extend the deadline for the filing of its testimony. Staff proposes to file its testimony when it becomes available.
- (8) The attorney examiner finds that Staff's motion for an extension of the deadline for the filing of its testimony is reasonable and should be granted.

It is, therefore,

ORDERED, That Staff's motion for an extension of the deadline for the filing of its testimony be granted. It is, further,

ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

s/Sarah Parrot

By: Sarah J. Parrot  
Attorney Examiner

JRJ/sc

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**in**

**Case No(s). 14-1693-EL-RDR, 14-1694-EL-AAM**

Summary: Attorney Examiner Entry granting Staff's motion for extension of the deadline for filing of its testimony. - electronically filed by Sandra Coffey on behalf of Sarah Parrot, Attorney Examiner, Public Utilities Commission of Ohio