

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of )  
Ohio Power Company to Update Its ) Case No. 14-1094-EL-RDR  
Transmission Cost Recovery Rider Rates. )

In the Matter of the Application of Ohio )  
Power Company to Reconcile Its ) Case No. 15-2051-EL-RDR  
Transmission Cost Recovery Rider Rates. )

FINDING AND ORDER

The Commission 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 of June 1, 2015, through May 31, 2018, which included approval of the Company's proposal to eliminate the transmission cost recovery rider (TCRR) and implement a new basic transmission cost recovery rider. *In re Ohio Power Co.*, Case No. 13-2385-EL-SSO, et al. (*ESP 3 Case*), Opinion and Order (Feb. 25, 2015) at 67-68, Second Entry on Rehearing (May 28, 2015) at 31-32, 34. The Commission noted that any remaining over/under recovery balance associated with the TCRR, to be eliminated effective June 1,

2015, will be addressed in Case No. 14-1094-EL-RDR, consistent with the Commission's decisions in that proceeding. *In re Ohio Power Co.*, Case No. 14-1094-EL-RDR (*TCRR Update Case*), Finding and Order (Aug. 27, 2014) at 3, Finding and Order (Jan. 28, 2015) at 3.

- (4) On April 11, 2016, AEP Ohio filed correspondence, in the *ESP 3 Case* and Case No. 15-2051-EL-RDR, noting that the Company expects to recover the remaining TCRR under-recovery balance, which was \$1,327,933 as of March 2016, at the end of the April 2016 billing month. AEP Ohio, therefore, states that, unless otherwise ordered by the Commission, the Company will terminate collection of the TCRR from customers effective with the first billing cycle of May 2016. AEP Ohio further states that, after termination of collection, the Company intends to include any remaining TCRR balance in its next auction cost reconciliation rider (ACRR) filing for final reconciliation with customers. AEP Ohio also notes that this proposed approach was developed in conjunction with Staff.
- (5) The Commission finds that AEP Ohio's proposal to terminate collection of the TCRR, effective with the first billing cycle of May 2016, is consistent with the Commission's prior directives in the *ESP 3 Case* and the *TCRR Update Case* and should, therefore, be approved. AEP Ohio's request to include, following termination of collection, any remaining TCRR balance in its next ACRR filing for final reconciliation with customers should also be approved. Finally, we note that all TCRR costs and recoveries remain subject to an audit and reconciliation.

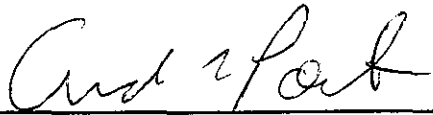
It is, therefore,

ORDERED, That AEP Ohio's request to terminate collection of the TCRR and recover any remaining balance in its next ACRR filing be approved. It is, further,

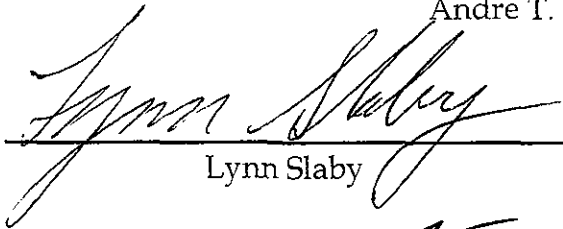
ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties of record.

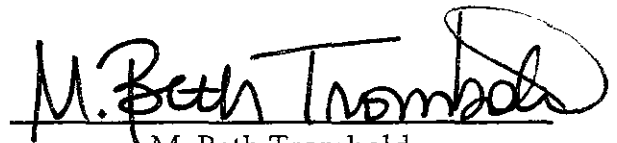
THE PUBLIC UTILITIES COMMISSION OF OHIO



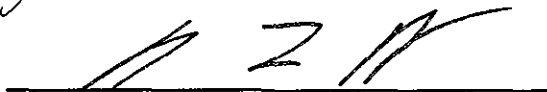
Andre T. Porter, Chairman



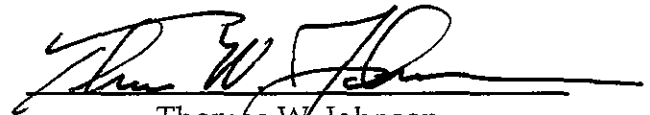
Lynn Slaby



M. Beth Trombold



Asim Z. Haque



Thomas W. Johnson

SJP/sc

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APR 27 2016



Barcy F. McNeal  
Secretary