

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
GLOBE METALLURGICAL, INC. FOR
APPROVAL OF A UNIQUE ARRANGEMENT
BETWEEN OHIO POWER COMPANY AND
GLOBE METALLURGICAL, INC.

CASE NO. 15-327-EL-AEC

FINDING AND ORDER

Entered in the Journal on June 29, 2016

I. SUMMARY

{¶ 1} In this Finding and Order, the Commission grants an additional 90-day extension of the unique arrangement between Globe Metallurgical, Inc. and Ohio Power Company.

II. DISCUSSION

{¶ 2} Pursuant to R.C. 4905.31 and Ohio Adm.Code 4901:1-38-05(B), a mercantile customer of an electric utility may apply to the Commission for a unique arrangement with the electric utility.

{¶ 3} On February 13, 2015, Globe Metallurgical, Inc. (Globe) filed an application in this case for approval of an amendment to its unique arrangement with Ohio Power Company (AEP Ohio). Globe proposed to extend its contract expiration date for one year, until the end of the May 2016 billing cycle. Thereafter, on May 6, 2015, a hearing was held and a stipulation signed by Globe, AEP Ohio, and Staff was filed in this case.

{¶ 4} By Opinion and Order issued on May 13, 2015, the Commission determined that the stipulation, as modified by the Commission, was reasonable and should be adopted. Accordingly, the Commission approved the extension of Globe's unique arrangement until the end of the May 2016 billing cycle.

{¶ 5} On May 17, 2016, Globe filed an unopposed motion in this case for a one-month extension of its unique arrangement. Globe asserted that the one-month extension would provide interim support for Globe's ability to compete and contribute to Ohio's economy while the Commission considers Globe's pending application for a reasonable arrangement in Case No. 16-737-EL-AEC. Globe noted that the following provisions would continue to apply during the one-month extension of its unique arrangement:

- (a) Globe will continue to pay a fixed price of \$8.50 per MWh for distribution service and all non-bypassable transmission service, ancillary services and riders, which is the same price Globe has been paying under its existing unique arrangement;
- (b) Globe will continue to purchase energy and competitive services from a certified competitive retail electric service (CRES) provider;
- (c) The \$4 million delta revenue cap under the existing arrangement will be extended, but not increased; and,
- (d) Delta revenue amounts will be recovered by AEP Ohio through the Economic Development Cost Recovery Rider.

{¶ 6} Additionally, Globe requested expedited treatment of its motion for an extension of its existing arrangement. Globe noted that AEP Ohio did not object to a ruling on the motion without the filing of memoranda contra and that AEP Ohio did not oppose the one-month extension of Globe's existing arrangement.

{¶ 7} By Entry issued on May 25, 2016, the Commission granted Globe's motion for a one-month extension of its unique arrangement with AEP Ohio. The Commission

determined that Globe's existing arrangement should continue through June 30, 2016, while the Commission considers Globe's pending application for a unique arrangement in Case No. 16-737-EL-AEC.

{¶ 8} Thereafter, on June 28, 2016, Globe filed a second unopposed motion in this case for an extension of its unique arrangement with AEP Ohio. Globe requests a 90-day extension of its unique arrangement and asserts that the provisions of the unique arrangement, as well as the one-month extension, would continue to apply during the 90-day extension of its unique arrangement. Finally, Globe requests expedited treatment regarding its motion for a 90-day extension of its unique arrangement with AEP Ohio.

{¶ 9} The Commission finds that Globe's motion for an additional 90-day extension of Globe's unique arrangement with AEP Ohio should be granted. The Commission finds that this additional extension will provide sufficient opportunity for the parties to conduct settlement negotiations and for an appropriate procedural schedule to be established, as well as for Globe to continue to compete and contribute to Ohio's economy. Accordingly, Globe's existing unique arrangement shall continue through September 30, 2016, unless otherwise ordered by the Commission.

III. ORDER

{¶ 10} It is, therefore,

{¶ 11} ORDERED, That Globe's motion for a 90-day extension of its existing unique arrangement with AEP Ohio shall continue through September 30, 2016. It is, further,

{¶ 12} 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,

{¶ 13} ORDERED, That a copy of this Finding and Order be served upon each party of record.

Commissioners Voting: Asim Z. Haque, Chairman; Lynn Slaby; M. Beth Trombold; Thomas W. Johnson

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