



Legal Department

July 21, 2016

The Honorable Richard M. Bulgrin  
Attorney Examiner  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus Ohio 43215-3793

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*Re: In the Matter of the Application of Ohio Power  
Company to Initiate Phase 2 of its gridSMART Project  
and to Establish the gridSMART Phase 2 Rider, Case  
No. 13-1939-EL-RDR*

Dear Examiner Bulgrin:

On behalf of Ohio Power Company (AEP Ohio or the Company) and the other Signatory Parties, on April 7, 2016, I filed a Stipulation and Recommendation (Stipulation) for the Commission's consideration in resolving this case. On April 20, 2016, testimony supporting the Stipulation was filed. Subsequently, the Company updated its bill impact estimate included with Andrea Moore's testimony, and on May 10, 2016, I filed a letter on this docket enclosing revised schedules.

Another necessary adjustment has been discovered in the bill impact estimate included with Andrea Moore's testimony, and I have enclosed updated schedules. The update only changes the first page of the exhibit because the bill impacts for year one remain unchanged. The reason for the change is based on updating the depreciation rate for the thirty year life assets to the Commission approved rates from Case No. 11-351-EL-AIR. The Company has provided the workpapers to Exhibit AEM-1 to the parties through discovery, specifically OCC-INT-3-67 Attachment 1. This discovery response will be supplemented and served to the parties at the same time of this letter.

Thank you for your attention to this matter.

Respectfully Submitted,

/s/ Steven T. Nourse

cc: Parties of Record

**GridSMART Phase 2  
AMI, VVO, DACR**

Average Monthly Rate Impact \$			Operating Benefits		Average Monthly (Including Reduction of Operating Benefits)	
	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential
Year 1	0.34	1.40	(0.01)	(0.07)	0.33	1.33
Year 2	0.57	2.32	(0.07)	(0.27)	0.50	2.05
Year 3	1.10	4.49	(0.06)	(0.27)	1.04	4.22
Year 4	1.64	6.68	TBD	TBD	TBD	TBD
Year 5	2.07	8.44	TBD	TBD	TBD	TBD
Year 6	2.36	9.61	TBD	TBD	TBD	TBD
Year 7	2.48	10.08	TBD	TBD	TBD	TBD

Bill Impacts do not include an estimate for operating benefits from year 4 forward. These benefits will be determined per paragraph 6 of the stipulation.

**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 13-1939-EL-RDR**

Summary: Correspondence -updated schedules electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company