

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
THE FUEL ADJUSTMENT CLAUSES FOR
COLUMBUS SOUTHERN POWER COMPANY
AND OHIO POWER COMPANY AND
RELATED MATTERS.

CASE No. 11-5906-EL-FAC

IN THE MATTER OF THE FUEL ADJUSTMENT
CLAUSES FOR COLUMBUS SOUTHERN
POWER COMPANY AND OHIO POWER
COMPANY.

CASE No. 12-3133-EL-FAC

IN THE MATTER OF THE FUEL ADJUSTMENT
CLAUSES FOR OHIO POWER COMPANY.

CASE No. 13-572-EL-FAC

IN THE MATTER OF THE FUEL ADJUSTMENT
CLAUSES FOR OHIO POWER COMPANY.

CASE No. 13-1286-EL-FAC

IN THE MATTER OF THE FUEL ADJUSTMENT
CLAUSES FOR OHIO POWER COMPANY.

CASE No. 13-1892-EL-FAC

ENTRY

Entered in the Journal on August 29, 2016

{¶ 1} Ohio Power Company d/b/a AEP Ohio (AEP Ohio or the Company)¹ is an electric light company as defined in R.C. 4905.03 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.

¹ On March 7, 2012, the Commission approved and confirmed the merger of Columbus Southern Power Company into Ohio Power Company. *In re Ohio Power Co. and Columbus Southern Power Co.*, Case No. 10-2376-EL-UNC, Entry (Mar. 7, 2012).

{¶ 3} On August 8, 2012, the Commission issued its Opinion and Order in Case No. 11-346-EL-SSO, et al., which approved, with certain modifications, AEP Ohio's application for an ESP, in accordance with R.C. 4928.143. *In re Columbus Southern Power Co. and Ohio Power Co.*, Case No. 11-346-EL-SSO, et al. (*ESP 2 Case*), Opinion and Order (Aug. 8, 2012). Among other provisions of the ESP, the Commission approved AEP Ohio's fuel adjustment clause (FAC) mechanism under which the Company is intended to recover prudently incurred fuel and fuel-related costs. *ESP 2 Case* at 18. In addition, a new alternative energy rider (AER) was established to enable AEP Ohio to recover alternative energy costs, which were previously recovered through the FAC. Annual audits are to be performed of AEP Ohio's fuel costs, fuel management practices, and alternative energy costs.

{¶ 4} By Entry issued in the above-captioned cases (FAC Cases) on December 4, 2013, the Commission selected Energy Ventures Analysis, Inc. (EVA) to perform the annual audit of AEP Ohio's fuel and alternative energy costs for the 2012, 2013, and 2014 audit periods. On May 9, 2014, in Case No. 13-1892-EL-FAC, EVA filed its report regarding the management/performance and financial audits of AEP Ohio's FAC and AER for 2012 and 2013.

{¶ 5} By Entry issued in the FAC Cases on May 21, 2014, the Commission selected Baker Tilly Virchow Krause, LLP (Baker Tilly) to investigate AEP Ohio's alleged double recovery of certain capacity-related costs, and to recommend to the Commission a course of action based on the auditor's findings. On October 6, 2014, Baker Tilly filed, in the FAC Cases, its audit report addressing AEP Ohio's recovery of certain capacity-related costs.

{¶ 6} By Entry dated January 9, 2015, a procedural schedule was established for the FAC Cases. Subsequently, the procedural schedule, with the exception of the intervention deadline of January 16, 2015, was suspended.

{¶ 7} On November 30, 2015, EVA filed, in the FAC Cases, its report regarding the management/performance and financial audits of AEP Ohio's FAC and AER for 2014.

{¶ 8} At this time, the attorney examiner finds that the FAC Cases should be consolidated and that the following procedural schedule should be established, in order to assist the Commission in its review of the audit reports filed by EVA and Baker Tilly:

- (a) Discovery requests, except for notices of deposition, should be served by December 9, 2016.
- (b) Testimony on behalf of AEP Ohio should be filed by December 20, 2016.
- (c) Testimony on behalf of intervenors should be filed by January 3, 2017.
- (d) Testimony on behalf of Staff should be filed by January 10, 2017.
- (e) A prehearing conference shall take place on January 17, 2017, at 10:00 a.m., at the offices of the Commission, Hearing Room 11-A, 180 East Broad Street, Columbus Ohio 43215-3793.
- (f) An evidentiary hearing shall commence on January 24, 2017, at 10:00 a.m., at the offices of the Commission, Hearing Room 11-A, 180 East Broad Street, Columbus, Ohio 43215-3793.

{¶ 9} It is, therefore,

{¶ 10} ORDERED, That the procedural schedule set forth in Paragraph 8 be adopted.
It is, further,

{¶ 11} 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

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Case No(s). 11-5906-EL-FAC, 12-3133-EL-FAC, 13-0572-EL-FAC, 13-1286-EL-FAC, 13-1892-EL-FAC

Summary: Attorney Examiner Entry setting the procedural schedule indicated in Paragraph 8. - electronically filed by Sandra Coffey on behalf of Sarah Parrot, Attorney Examiner, Public Utilities Commission of Ohio