



An AEP Company

BOUNDLESS ENERGY™

Legal Department

American Electric Power
1 Riverside Plaza
Columbus, OH 43215-2373
AEP.com

May 1, 2017

Barcy F. McNeal
Docketing Division Chief
Public Utilities Commission of Ohio
180 East Broad Street
Columbus Ohio 43215-3793

*Re: In the Matter the Generation Energy and Generation
Capacity riders for Ohio Power Company, Case No. 17-
1160-EL-RDR.*

Steven T. Nourse
Senior Counsel –
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Dear Ms. McNeal:

On February 25, 2015, the Commission Issued an Opinion and Order adopting certain portions of AEP Ohio's Electric Security Plan in Case Nos. 13-2385-EL-SSO, et.al (Opinion and Order). Among other things, the Opinion and Order approved the establishment of the Generation Energy (GENE) and Generation Capacity Riders (GENC). The Company filed its revised compliance tariffs on May 18, 2015 and rates for the GENE and GENC became effective on June 1, 2015 for the delivery period of June 2015 through May 2016.

Under the Opinion and Order, the Commission adopted the Company's request to update the GENE and GENC annually to reflect the results of competitive bid auction for the delivery year. Any over or under recoveries related to these riders are reconciled through the Auction cost recovery rider (ACRR).

On March 2, 2016 the Commission in its Opinion and Order in Case No. 16-0247-EL-UNC found that percentage of income payment plan (PIPP) load will be separated from future competitive requests for proposal (RFP) auctions and auctioned separately in PIPP only RFP auctions for 12 month periods.

Accordingly, the Company submits its Annual GENE and GENC update for the delivery period of June 2017 through May 2018. The results of the separate PIPP auction mentioned above are included in this filing. The Company requests that the new rates become effective June 1, 2017.

Respectfully Submitted,

/s/ Steven T. Nourse

Calculation of Blended Competitive Bid Price

<u>Non-PIPP Load</u>				
Delivery Period:	June 2017 - May 2018			
<u>Line</u>	<u>Procurement Date</u>	<u>No. of Tranches</u>	<u>Delivery Period</u>	<u>Clearing Price</u>
1	Apr-15	16	June 2015 - May 2018	\$ 55.58 /MWh
2	May-15	16	June 2015 - May 2018	\$ 56.35 /MWh
3	Nov-15	17	June 2016 - May 2018	\$ 48.29 /MWh
4	Mar-16	17	June 2016 - May 2018	\$ 46.24 /MWh
5	Nov-16	17	June 2017 - May 2018	\$ 49.78 /MWh
6	Mar-17	17	June 2017 - May 2018	\$ 51.16 /MWh
7	Total	100		
8	Blended Competitive Bid Price			\$ 51.14 /MWh

<u>PIPP Load - SSO Auction</u>				
Delivery Period:	June 2017 - May 2018			
<u>Line</u>	<u>Procurement Date</u>	<u>No. of Tranches</u>	<u>Delivery Period</u>	<u>Clearing Price</u>
1	Apr-15	16	June 2015 - May 2018	\$ 55.58 /MWh
2	May-15	16	June 2015 - May 2018	\$ 56.35 /MWh
3	Nov-15	17	June 2017 - May 2018	\$ 48.29 /MWh
4	Mar-16		June 2017 - May 2018	/MWh
5	Nov-16		June 2017 - May 2018	/MWh
6	Mar-17		June 2017 - May 2018	/MWh
7	Total	49		
8	Blended Competitive Bid Price			\$ 53.30 /MWh

<u>PIPP Load - PIPP Auction</u>				
Delivery Period:	June 2017 - May 2018			
<u>Line</u>	<u>Procurement Date</u>	<u>No. of Tranches</u>	<u>Delivery Period</u>	<u>Clearing Price</u>
1	Apr-15		June 2015 - May 2018	/MWh
2	May-15		June 2015 - May 2018	/MWh
3	Nov-15		June 2017 - May 2018	/MWh
4	Mar-16		June 2017 - May 2018	/MWh
5	Nov-16		June 2017 - May 2018	/MWh
6	Apr-17	51	June 2017 - May 2018	/MWh
7	Total	51		
8	Blended Competitive Bid Price			/MWh

Calculation of Capacity Revenue Requirement in \$/MWh

<u>Line</u>	<u>Description</u>	<u>2017/2018</u>			
		<u>Secondary</u>	<u>Primary</u>	<u>Sub/Tran</u>	<u>Total</u>
1	SSO Load - 5 CP at Meter	2,339	30	43	2,411 MW
2	Transmission and Distribution Losses	1.0932	1.0552	1.0341	
3	5 CP at Generator (1) x (2)	2,557	31	44	2,632 MW
4	Days in Period				365
5	MW-days (3) x (4)				960,818
6	Final Zonal Capacity Price*				\$170.85 /MW-day
7	Capacity Revenue Requirement (5) x (6)				\$ 164,152,014

<u>Line</u>	<u>Description</u>	<u>Secondary</u>	<u>Primary</u>	<u>Sub/Tran</u>	<u>Total</u>
8	Energy at Meter (MWh)	11,104,298	180,437	545,110	11,829,845
9	Transmission and Distribution Losses **	1.0604	1.0235	1.0031	
10	Energy for PJM Settlement (MWh) (8) x (9)	11,775,042	184,685	546,787	12,506,515
11	Capacity Revenue Requirement (\$/MWh) (7) / (10)				\$ 13.13

* Final Zonal Capacity Price consists of:

RPM Auction Clearing Price	\$153.61 /MW-day
Final Zonal Scaling Factor	1.01414
Forecast Pool Requirement	1.0967

** Loss Factors reduced by 3% for marginal loss deration

Calculation of Generation Capacity Rider Rates

<u>Line</u>	<u>Description</u>	<u>Total</u>	<u>Residential</u>	<u>GS Non Demand Secondary</u>	<u>GS Secondary</u>	<u>GS Primary</u>	<u>GS Sub/Tran</u>	<u>Lighting</u>
1	SSO Load - 5 CP at Meter	2,411	1,954	66	319	30	43	-
2	Transmission and Distribution Losses		1.0932	1.0932	1.0932	1.0552	1.0341	1.0932
3	5 CP at Generator (1) x (2)	2,632	2,136	72	349	31	44	-
4	2016/2017 Capacity Revenue Requirement on (3)	\$ 164,152,014	133,182,363	4,491,086	21,768,949	1,947,711	2,761,905	-
5	Energy at the Meter (MWh)	11,829,845	9,012,138	327,335	1,659,842	180,437	545,110	104,983
6	2016/2017 Capacity Rate (\$/MWh) (4) / (5)		\$ 14.78	\$ 13.72	\$ 13.12	\$ 10.79	\$ 5.07	\$ -
7	Tax Gross-up*		1.00435	1.00435	1.00435	1.00435	1.00435	1.00435
8	2016/2017 Rider GENC (\$/MWh) (6) x (7)		\$ 14.84	\$ 13.78	\$ 13.17	\$ 10.84	\$ 5.09	\$ -
9	Generation Capacity Rider Rate (¢/kWh)		1.48400	1.37800	1.31700	1.08400	0.50900	0.00000

* Tax Gross-up includes: CAT Tax, PUCO and OCC Assessments

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Generation Capacity Rider Design for Time-of-Day Rates

CSP Rate Zone - RLM

Description	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	Billing	June 2017 - May 2018			
				Residential Service Generation Capacity Rider	Billing	Generation Capacity Rider	Billing
Winter Season							
First 750 kWh per Month	277,398	\$ 0.024344	\$ 6,753	\$ 0.014840	\$ 4,117	\$ 0.0205850	\$ 5,710
Next 150 kWh per kW Over 5 kW per Month	1,090,206	\$ 0.013174	\$ 14,363	\$ 0.014840	\$ 16,179	\$ 0.0111399	\$ 12,145
All Additional kWh per Month	1,381,854	\$ 0.015407	\$ 21,291	\$ 0.014840	\$ 20,507	\$ 0.0130282	\$ 18,003
Summer Season							
First 750 kWh per Month	126,228	\$ 0.024344	\$ 3,073	\$ 0.014840	\$ 1,873	\$ 0.0205850	\$ 2,598
Next 150 kWh per kW Over 5 kW per Month	454,573	\$ 0.023126	\$ 10,512	\$ 0.014840	\$ 6,746	\$ 0.0195546	\$ 8,889
All Additional kWh per Month	600,445	\$ 0.021638	\$ 12,992	\$ 0.014840	\$ 8,911	\$ 0.0182968	\$ 10,986
Total			\$ 68,984		\$ 58,332		\$ 58,332

CSP Rate Zone - RS-ES / RS-TOD

Description	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	Billing	June 2017 - May 2018			
				Residential Service Generation Capacity Rider	Billing	Generation Capacity Rider	Billing
On-Peak kWh	30,565	\$ 0.030371	\$ 928	\$ 0.014840	\$ 454	\$ 0.0256811	\$ 785
Off-Peak kWh	54,955	\$ 0.010419	\$ 573	\$ 0.014840	\$ 816	\$ 0.0088104	\$ 484
Total			\$ 1,501		\$ 1,269		\$ 1,269

CSP Rate Zone - Experimental RS-TOD2

Description	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	Billing	June 2017 - May 2018			
				Residential Service Generation Capacity Rider	Billing	Generation Capacity Rider	Billing
High Cost Hours	1,589,576	\$ 0.175869	\$ 279,557	\$ 0.014840	\$ 23,589	\$ 0.1487116	\$ 236,388
Low Cost Hours	18,387,409	\$ 0.003864	\$ 71,040	\$ 0.014840	\$ 272,869	\$ 0.0032669	\$ 60,070
Total			\$ 350,597		\$ 296,458		\$ 296,458

CSP Rate Zone - RS-CPP

Description	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	Billing	June 2017 - May 2018			
				Residential Service Generation Capacity Rider	Billing	Generation Capacity Rider	Billing
Winter Season							
First 800 kWh	6,400	\$ 0.016017	\$ 103	\$ 0.014840	\$ 95	\$ 0.0135437	\$ 87
Over 800 kWh	2,172	\$ -	\$ -	\$ 0.014840	\$ 32	\$ -	\$ -
Critical Peak Hours	28	\$ 0.387317	\$ 11	\$ 0.014840	\$ 0	\$ 0.3275087	\$ 9
Summer Season							
Low Cost Hours	2,289	\$ 0.003873	\$ 9	\$ 0.014840	\$ 34	\$ 0.0032751	\$ 7
Medium Cost Hours	1,082	\$ 0.012144	\$ 13	\$ 0.014840	\$ 16	\$ 0.0102687	\$ 11
High Cost Hours	892	\$ 0.024824	\$ 22	\$ 0.014840	\$ 13	\$ 0.0209908	\$ 19
Critical Peak Hours	184	\$ 0.387317	\$ 71	\$ 0.014840	\$ 3	\$ 0.3275087	\$ 60
Total			\$ 229		\$ 194		\$ 194

CSP Rate Zone - RS-RTP

Description	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	Billing	June 2017 - May 2018			
				Residential Service Generation Capacity Rider	Billing	Generation Capacity Rider	Billing
Fixed Energy Charge	14,595	\$ 21.35	\$ 256	\$ 0.014840	\$ 217	\$ 18.05	\$ 217
Total			\$ 256		\$ 217		\$ 217

Generation Capacity Rider Design for Time-of-Day Rates

CSP Rate Zone - GS-2-LMTOD / GS-2-TOD

<u>Description</u>	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	<u>Billing</u>	June 2017 - May 2018			
				General Service Non Demand Generation Capacity Rider	<u>Billing</u>	Generation Capacity Rider	<u>Billing</u>
On-Peak kWh	1,973,797	\$ 0.038071	\$ 75,144	\$ 0.013780	\$ 27,199	\$ 0.0412434	\$ 81,406
Off-Peak kWh	3,974,408	\$ 0.000130	\$ 517	\$ 0.013780	\$ 54,767	\$ 0.0001409	\$ 560
Total			\$ 75,661		\$ 81,966		\$ 81,966

OP Rate Zone - RS-ES / RS-TOD

<u>Description</u>	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	<u>Billing</u>	June 2017 - May 2018			
				Residential Service Generation Capacity Rider	<u>Billing</u>	Generation Capacity Rider	<u>Billing</u>
On-Peak kWh	2,046,613	\$ 0.036343	\$ 74,380	\$ 0.014840	\$ 30,372	\$ 0.0307310	\$ 62,894
Off-Peak kWh	5,102,322	\$ 0.010012	\$ 51,084	\$ 0.014840	\$ 75,718	\$ 0.0084659	\$ 43,196
Total			\$ 125,464		\$ 106,090		\$ 106,090

OP Rate Zone - RDMS

OP Rate Zone - RDMS				June 2017 - May 2018			
(No Data, Use RS-ES / RS-TOD Scaling)	Generation Capacity Rider Rate Design Usage	Jan-May 2015 Generation Capacity Rider		Residential Service Generation Capacity Rider		Generation Capacity Rider	
	<u>(kWh)</u>	<u>Rates</u>	<u>Billing</u>	<u>Billing</u>	<u>Billing</u>	<u>Billing</u>	<u>Billing</u>
<u>Description</u>							
Winter Season							
kWh > 400 times billing demand	-	\$ 0.020158	\$ -	\$ 0.014840	\$ -	\$ 0.0170449	\$ -
First 500 on-peak kWh	-	\$ 0.025186	\$ -	\$ 0.014840	\$ -	\$ 0.0212968	\$ -
Over 500 on-peak kWh	-	\$ 0.018756	\$ -	\$ 0.014840	\$ -	\$ 0.0158601	\$ -
All Additional kWh per Month	-	\$ 0.005710	\$ -	\$ 0.014840	\$ -	\$ 0.0048281	\$ -
Total			\$ -		\$ -		\$ -

OP Rate Zone - GS-1-ES

<u>Description</u>	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	<u>Billing</u>	June 2017 - May 2018			
				General Service Non Demand Generation Capacity Rider	<u>Billing</u>	Generation Capacity Rider	<u>Billing</u>
On-Peak kWh	95,196	\$ 0.026019	\$ 2,477	\$ 0.013780	\$ 1,312	\$ 0.0281870	\$ 2,683
Off-Peak kWh	179,823	\$ 0.005680	\$ 1,021	\$ 0.013780	\$ 2,478	\$ 0.0061531	\$ 1,106
Total			\$ 3,498		\$ 3,790		\$ 3,790

OP Rate Zone - GS-2-ES / GS-TOD

<u>Description</u>	Generation Capacity Rider Rate Design Usage (kWh)	Jan-May 2015 Generation Capacity Rider Rates	<u>Billing</u>	June 2017 - May 2018			
				General Service Non Demand Generation Capacity Rider	<u>Billing</u>	Generation Capacity Rider	<u>Billing</u>
On-Peak kWh	18,875,479	\$ 0.020841	\$ 393,380	\$ 0.013780	\$ 260,104	\$ 0.0225775	\$ 426,161
Off-Peak kWh	27,663,099	\$ 0.007179	\$ 198,591	\$ 0.013780	\$ 381,198	\$ 0.0077771	\$ 215,139
Total			\$ 591,971		\$ 641,302		\$ 641,300

Calculation of Generation Energy Rider Rates

				2017/2018 - non PIPP		2017/2018 - PIPP		
						SSO	PIPP	Weighted
Blended Competitive Bid Price				\$	51.14 /MWh	\$	53.30	/MWh
Capacity Revenue Requirement				\$	13.13 /MWh	\$	13.13	/MWh
Residual Energy Price				\$	38.01 /MWh	\$	40.17	/MWh
						Tranches: 49 51		
Tax Gross-up*				1.00435		Generation Energy Rider Rate		
Rate Schedule	Season	Factors		RIDER GENE***	Generation Energy Rider Rate (¢/kWh)	RIDER GENE***	Generation Energy Rider Rate (¢/kWh)	
		Loss**	Season					
Residential	Summer	1.0604	1.00	\$ 40.48	4.048			
	Winter	1.0604	1.00	\$ 40.48	4.048			
PIPP Residential	Summer	1.0604	1.00					
	Winter	1.0604	1.00					
GS Non Demand Secondary	Summer	1.0604	1.00	\$ 40.48	4.048			
	Winter	1.0604	1.00	\$ 40.48	4.048			
GS Secondary	Summer	1.0604	1.00	\$ 40.48	4.048			
	Winter	1.0604	1.00	\$ 40.48	4.048			
GS Primary	Summer	1.0235	1.00	\$ 39.07	3.907			
	Winter	1.0235	1.00	\$ 39.07	3.907			
GS Sub/Tran	Summer	1.0031	1.00	\$ 38.29	3.829			
	Winter	1.0031	1.00	\$ 38.29	3.829			
Lighting	Summer	1.0604	1.00	\$ 40.48	4.048			
	Winter	1.0604	1.00	\$ 40.48	4.048			

* Tax Gross-up includes: Commercial Activities Tax and PUCO and OCC Assessments

** Loss Factors reduced by 3% for marginal loss deration

*** Residual Energy Price x Tax Gross-up x Loss Factor x Seasonal Factor

ATTACHMENT 1

P.U.C.O. NO. 20

GENERATION ENERGY RIDER

Effective June 1, 201~~6~~7, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Energy charge as follows:

Schedule	Summer (Jun-Sep) ¢/KWH	Winter (Oct-May) ¢/KWH
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	4.666004 <u>4.04800</u>	4.666004 <u>4.04800</u>
PIPP Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, , , , and RDMS		
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	4.666004 <u>4.04800</u>	4.666004 <u>4.04800</u>
Demand Metered Secondary GS-2 GS-3 EHG	4.666004 <u>4.04800</u>	4.666004 <u>4.04800</u>
Demand Metered Primary GS-2 GS-3 GS-4	4.504003 <u>3.90700</u>	4.504003 <u>3.90700</u>
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	4.414003 <u>3.82900</u>	4.414003 <u>3.82900</u>
Lighting AL SL	4.666004 <u>4.04800</u>	4.666004 <u>4.04800</u>

Filed pursuant to Orders dated May 25, 2015 in Case No. 16-1084-EL-RDR and May 11, 2016 in Case No. 16-1031-EL-UNC

Issued: May 1~~2~~, 201~~6~~7

Issued by
 Julia Sloat, President
 AEP Ohio

Effective: June 1, 201~~6~~7

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 201~~6~~7, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Columbus Southern Power Rate Zone

Rate		c/kWh or \$/Month
RR, RR-1		1.02700 1.48400
RLM	<u>Winter Rate</u> First 750 KWH Next 150 KWH All Other KWH <u>Summer Rate</u> First 750 KWH Next 150 KWH All Other KWH	1.42458 2.05850 0.77093 1.11399 0.90161 1.30282 1.42458 2.05850 1.35327 1.95546 1.26623 1.82968
RS-ES, RS-TOD	On Peak KWH Off-Peak KWH	1.77725 2.56811 0.60972 0.88104
RS-TOD2	Low Cost Hours High Cost Hours	0.22609 0.32669 10.29157 14.87116
Schedule CPP	<u>Winter Rate</u> First 800 KWH Over 800 KWH Critical Peak Hours <u>Summer Rate</u> Low Cost Hours Medium Cost Hours High Cost Hours Critical Peak Hours	0.93729 1.35437 0.00000 22.66519 32.75087 0.22665 0.32751 0.71064 1.02687 1.45266 2.09908 22.66519 32.75087
RS-RTP	Per Month	12.4918 0.05
GS-1, GS-1 TOD		0.76300 1.37800
GS-2-TOD, GS-2 LMTOD	On-Peak Hours Off-Peak Hours	2.28365 4.12434 0.00789 0.01409
Demand Metered Secondary GS-2 GS-3		0.82000 1.31700
Demand Metered Primary GS-2 GS-3		0.64100 1.08400
Demand Metered Subtransmission/Transmission GS-4		0.41900 0.50900

Seasonal Periods

The winter period shall be the billing months of October through May and the summer period shall be the billing months of June through September.

Filed pursuant to Orders dated May 25, 2015 in Case No. 16-1084-EL-RDR and May 11, 2016 in Case No. 16-1031-EL-UNC

Issued: May 12, 201~~6~~7

Effective: June 1, 201~~6~~7

Issued by
Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2016, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Ohio Power Rate Zone

Rate		c/kWh or \$/Month
RS		1.02700 1.48400
RDMS	KWH > 400 times billing demand	1.17959 1.70449
	First 500 on-peak KWH	1.47384 2.12968
	All Over 500 on-peak KWH	1.09760 1.58601
	All additional KWH	0.33413 0.48281
RS-ES, RS-TOD	On Peak KWH	2.12673 3.07310
	Off-Peak KWH	0.58588 0.84659
GS-1, EHS, SS, GS-2 Recreational Lighting		0.76300 1.37800
GS-1 ES	On-Peak Hours	1.56072 2.81870
	Off-Peak Hours	0.34070 0.61531
GS-TOD, GS-2-ES	On-Peak Hours	1.25012 2.25775
	Off-Peak Hours	0.43062 0.77771
Demand Metered Secondary GS-2 GS-3 EHG		0.82000 1.31700
Demand Metered Primary GS-2 GS-3 GS-4		0.64100 1.08400
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4		0.41900 0.50900

Filed pursuant to Orders dated May 25, 2015 in Case No. 16-1084-EL-RDR and May 11, 2016 in Case No. 16-1031-EL-UNC

Issued: May 12, 2016

Issued by
 Julia Sloat, President
 AEP Ohio

Effective: June 1, 2016

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in

Case No(s). 17-1160-EL-RDR

Summary: Application -annual Generation Energy (GENE)and Generation Capacity Riders (GENC) electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company