

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE GENERATION
ENERGY AND GENERATION CAPACITY
RIDERS OF OHIO POWER COMPANY.

CASE No. 17-1160-EL-RDR

FINDING AND ORDER

Entered in the Journal on May 24, 2017

I. SUMMARY

{¶ 1} The Commission approves the proposed tariffs filed by Ohio Power Company d/b/a AEP Ohio to update its generation energy and generation capacity riders.

II. DISCUSSION

{¶ 2} 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.

{¶ 3} 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.

{¶ 4} In Case No. 13-2385-EL-SSO, et al., the Commission modified and approved, pursuant to R.C. 4928.143, AEP Ohio's application for an ESP, including a competitive auction-based SSO format, as well as a competitive bid procurement process for the Company's auctions, for the period of June 1, 2015, through May 31, 2018. *In re Ohio Power Co.*, Case No. 13-2385-EL-SSO, et al. (ESP Case), Opinion and Order (Feb. 25, 2015) at 31. The Commission also approved AEP Ohio's proposed generation energy (GENE) rider and generation capacity (GENC) rider, with the rider rates to be updated

on an annual basis, in order to reflect the results of the competitive bid auctions for the delivery year. *ESP Case* at 34.

{¶ 5} On March 29, 2017, the Commission authorized AEP Ohio to file tariffs that incorporate the rate resulting from the Company's most recent competitive auction, which was held on March 28, 2017, to procure generation supply for SSO customers. *In re Ohio Power Co.*, Case No. 15-792-EL-UNC, Finding and Order (Mar. 29, 2017).

{¶ 6} R.C. 4928.54 and 4928.544 require the director of development services to aggregate percentage of income payment plan (PIPP) program customers for the purpose of establishing a competitive procurement process for the supply of competitive retail electric service for those customers, which shall be an auction. Additionally, pursuant to the written request by the director of development services, the Commission shall design, manage, and supervise the competitive procurement process.

{¶ 7} On March 2, 2016, in Case No. 16-247-EL-UNC, the Commission adopted a competitive request for proposal auction process to procure generation supply to serve the PIPP load. *In re Implementation of Sections 4928.54 and 4928.544 of the Revised Code*, Case No. 16-247-EL-UNC, Finding and Order (Mar. 2, 2016).

{¶ 8} On April 26, 2017, in Case No. 16-1031-EL-UNC, the Commission authorized AEP Ohio to file tariffs that incorporate the rate resulting from the competitive auction held on April 25, 2017, to procure generation supply for PIPP customers. *In re Ohio Power Co.*, Case No. 16-1031-EL-UNC (*PIPP Auction Case*), Finding and Order (Apr. 26, 2017).

{¶ 9} On May 1, 2017, in the above-captioned case, AEP Ohio filed the annual update of its GENE and GENC riders for the delivery period of June 1, 2017, through May 31, 2018. AEP Ohio notes that its proposed tariffs also incorporate the results of the recent PIPP auction. AEP Ohio requests that the new rates take effect on June 1, 2017. AEP Ohio also filed, on May 1, 2017, a motion for protective order, requesting that the

winning auction price for the recent PIPP auction be treated as confidential, consistent with the Commission's findings in the *PIPP Auction Case*.

{¶ 10} On May 10, 2017, Staff filed its review and recommendations in response to AEP Ohio's annual update filing. Following its review, Staff recommends that the proposed tariffs be approved effective June 1, 2017.

{¶ 11} No other comments or motions for intervention were filed in this case.

{¶ 12} Upon review of AEP Ohio's annual update of its GENE and GENC rider rates and Staff's recommendations, the Commission finds that the proposed tariffs filed by the Company do not appear to be unjust or unreasonable and should be approved. Accordingly, the Commission authorizes AEP Ohio to file revised tariffs to implement the updated GENE and GENC rider rates. The Commission also finds that it is unnecessary to hold a hearing in this matter. Finally, with respect to AEP Ohio's motion for protective order, we find that the motion should be denied as moot, given that the winning PIPP auction price is no longer subject to protective treatment, consistent with our directives in the *PIPP Auction Case*.

III. ORDER

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That the proposed tariffs filed by AEP Ohio be approved. It is, further,

{¶ 15} ORDERED, That AEP Ohio be authorized to file tariffs, in final form, consistent with this Finding and Order. AEP Ohio shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 16} ORDERED, That the effective date of the new tariffs shall be June 1, 2017. It is, further,

{¶ 17} ORDERED, That AEP Ohio shall notify all affected customers via a bill message or bill insert within 30 days of the effective date of the tariffs. A copy of the customer notice shall be submitted to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division, at least ten days prior to its distribution to customers. It is, further,

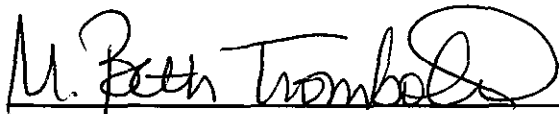
{¶ 18} ORDERED, That AEP Ohio's motion for protective order be denied as moot. It is, further,

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

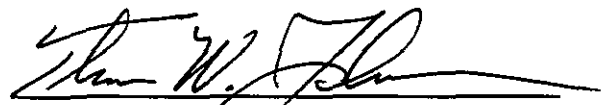
{¶ 20} ORDERED, That a copy of this Finding and Order be served on all interested persons and parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

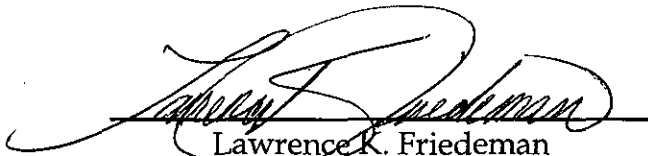
Asim Z. Haque, Chairman



M. Beth Trombold



Thomas W. Johnson



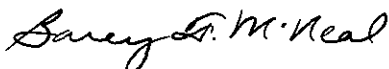
Lawrence K. Friedeman



Daniel R. Conway

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Barcy F. McNeal
Secretary