

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Alternative Energy)
Rider & Auction Cost Recovery Rider for)
Ohio Power Company.) Case No. 15-1052-EL-RDR

**COMMENTS OF AEP OHIO OPPOSING TARIFF LANGUAGE PROPOSED BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

On February 28, 2018, Ohio Power Company (“AEP Ohio” or the “Company”) filed an update to the Alternative Energy Rider (“AER”) and Auction Cost Recovery Rider (“ACRR”) to be effective with the first billing cycle of April 2018. The Company included with that filing the following additional tariff language for the AER:

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

The Company also included the following additional tariff language for the ACRR:

This Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, *et al.*

The additional tariff language proposed by the Company in this case is consistent with the language proposed in several other AEP Ohio rider cases – all of which has been coordinated with Staff *See* Case Nos. 18-96-EL-RDR (Basic Transmission Cost Recovery Rider), 17-1156-EL-RDR (gridSMART Phase 2), 14-1696-EL-RDR (Distribution Investment Rider (“DIR”)), 14-1693-EL-RDR, *et seq.* (PPA Rider), 18-440-

EL-ATA (Energy Efficiency/Peak Demand Reduction Rider), 18-441-EL-ATA (Enhanced Service Reliability Rider), 18-375-EL-RDR (Pilot Throughput Balancing Adjustment Rider), and 18-191-EL-RDR(Economic Development Rider). OCC objects to the proposed tariff language and seeks adoption of alternative tariff language.

The Company's proposed language was developed cooperatively between AEP Ohio and the Staff. And the Staff filed its report in the docket on March 12 recommending that the language be adopted because it "appropriately clarifies the Commission's authority with respect to reconciliations and adjustments to the Riders * * *." While OCC claims (at 3) that the Company's proposed tariff language is "ambiguous," the Commission itself has already approved the same language for the DIR and gridSMART Phase 2 Rider, adopting the same tariff language over OCC's objections. *See AEP Ohio gridSMART Phase 2 Rider Update*, Case No. 17-1156-EL-RDR, Finding and Order at 4-5 (Feb. 28, 2018); *AEP Ohio Distribution Investment Rider Update*, Case No. 14-1696-EL-RDR, Finding and Order at 4-5 (Feb. 21, 2018). The proposed tariff language already addresses the issue presented by the Supreme Court's decision in *In re Rev. of Alternative Energy Rider Contained in Tariffs of Ohio Edison Co.*, Slip Opinion No. 2018-Ohio-229 ("*Ohio Edison*"). In explicit terms, the tariffs render the AER and ACRR subject to reconciliation, including for audits ordered in the *ESP III* case. Hence, the Company's proposed tariff language fully resolves the issue presented by the *Ohio Edison* decision, as the Commission has previously found.

CONCLUSION

For the foregoing reasons, the Commission should adopt the Company's proposed tariff language and reject OCC's alternative tariff language.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of Ohio Power Company's *Comments* has been served upon the below-named counsel for all parties on this 23rd day of March, 2018.

/s/ Steven T. Nourse

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Summary: Comments electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company