



Legal Department

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

July 12, 2018

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

Re: Application of Ohio Power Company for Authority to True-Up the Deferred Asset
Recovery Rider In Relation to the Issuance of Phase-In-Recovery Bonds in Case
No. 12-1969-EL-ATS & 18-1168-EL-RDR

Steven T. Nourse
Chief Ohio Regulatory
Counsel
(614) 716-1608 (P)
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Dear Ms. McNeal:

On behalf of Ohio Power Company ("AEP Ohio" or the "Company"), I am submitting this true-up adjustment filing. Pursuant to the Public Utilities Commission of Ohio's ("Commission") Financing Order adopted March 20, 2013, as modified on April 10, 2013, in the above-referenced Case 12-1969-EL-ATS (the "Financing Order"), AEP Ohio, as servicer of the Phase-In-Recovery Bonds, files this true-up adjustment to the Phase-In-Recovery Charges. Any capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order.

The Company has calculated the true-up adjustment in accordance with the methodology approved in the Financing Order. Attachment 1 is the Company's Deferred Asset Phase-In Recovery Rider which shows the resulting values of the Phase-In-Recovery Charge rates as a percentage of the base distribution rates. The Company has attached its work papers showing the true-up calculation as Attachment 2. Attachment 3 is the semi-annual Servicer's Certificate for the Payment date of July 2, 2018.

Pursuant to the Financing Order, the Phase-In-Recovery Charge rates shall go into effect on August 1, 2018. The Commission will have 15 days after the filing date in which to confirm the mathematical accuracy of the true-up adjustment to the Phase-In-Recovery Charges. Any mathematical correction to the true-up adjustment will be made in the next true-up adjustment filing and will not delay the effectiveness of the Phase-In-Recovery Charges requesting herein on the effective date set forth in this request.

Respectfully submitted,

/s/ Steven T. Nourse

cc: Parties of Record

OHIO POWER COMPANY

Replaces ~~5th - 6th~~ Revised Sheet No. 465-1
~~4th - 5th~~ Revised Sheet No. 465-1

P.U.C.O. NO. 20
 Deferred Asset Phase-In Rider

Effective August 1, ~~2017~~ 2018 all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Deferred Asset Phase-In Rider charge of ~~7.81~~ 7.84% of the customer's base distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission as set forth in the financing order in Case No. 12-1969-EL-ATS.

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 No. 13-2385-EL-SSO.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: ~~May 8, 2018~~ August 1, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

Effective: ~~Cycle 1 June 2018~~ August 1, 2018

OHIO POWER COMPANY

Replaces ~~5th - 6th~~ Revised Sheet No. 465-1D
~~4th - 5th~~ Revised Sheet No. 465-1D

P.U.C.O. NO. 20
 OAD - DEFERRED ASSET PHASE-IN RIDER
 (Open Access Distribution - Deferred Asset Phase-In Rider)

Effective August 1, ~~2017-2018~~ all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Deferred Asset Phase-In Rider charge of ~~7.81~~7.84% of the customer's base distribution charges under the Company's Schedules, excluding charges under any applicable Riders. This Rider shall be adjusted periodically to recover amounts authorized by the Commission as set forth in the financing order in Case No. 12-1969-EL-ATS.

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.

Filed pursuant to Order dated April 25, 2018 in Case No. 16-1852-EL-SSO

Issued: ~~May 8, 2018~~August 1, 2018

Effective: ~~Cycle 1 June 2018~~August 1, 2018

Issued by
 Julia Sloat, President
 AEP Ohio

AEP/Ohio Power Company
CALCULATION OF OH PIR RATES
Standard True-Up Adjustment for the Billing Period of August 2017 through July 2018

	A	B*	C	D	E
	Periodic Billing Requirement (PBR)	(Over)/Under Recovery	Adjusted PBR (C= A+B)	Projected Gross D Revenue	OH PIR Rate (E=C/D)
Bond Payment	\$ 49,500,925	\$ (85,253)	\$ 49,415,672	\$ 639,541,970	7.73%
Taxes	\$ 688,607	\$ 19,844	\$ 708,452	\$ 639,541,970	0.11%
					7.84%

* Over Under of Bond Payment from page 7 of Semi-Annual Servicer's Certificate filed as Attachment 3

July 2017 Through June 2018 Actuals Versus Estimates Over/(Under)

<u>Collections</u>	<u>Billed</u>	<u>Certificate Actuals</u>	
<u>June True Up</u>		1,195,469	
July	\$ 4,229,681	3,486,480	
August	\$ 4,320,080	4,534,776	
September	\$ 3,965,317	3,875,884	
October	\$ 3,884,752	4,126,559	
November	\$ 3,713,489	3,860,465	
December	\$ 4,147,702	3,411,830	
January	\$ 4,827,756	4,117,949	
February	\$ 4,306,486	4,265,767	
March	\$ 3,960,805	4,213,640	
April	\$ 3,910,396	3,809,326	
May	\$ 3,726,630	3,911,007	
June	\$ 4,135,280	4,008,040	
Total Collections	\$ 49,128,372	48,817,193	(311,180)
	<u>Tax Assessment</u>	<u>Rider Collections</u>	<u>Over/(Under)</u>
Gross Up	\$ 652,149	632,305	(19,844)

**Semi-Annual Servicer's Certificate
Ohio Power Company, as Servicer
Ohio Phase-In-Recovery Funding LLC**

Pursuant to Section 4.01(c)(ii) of the Phase-In-Recovery Property Servicing Agreement dated as of August 1, 2013 (the "Servicing Agreement"), between, OHIO POWER COMPANY, as Servicer and OHIO PHASE-IN-RECOVERY FUNDING LLC, the Servicer does hereby certify, for the January 2, 2018 Payment Date (the "Current Payment Date"), as follows:

Capitalized terms used herein have their respective meanings as set forth in the Indenture (as defined in the Servicing Agreement). References herein to certain sections and subsections are references to the respective sections of the Servicing Agreement or the Indenture, as the context indicates.

Collection Periods: Jul-2017 to Dec-2017

Payment Date: 1/2/2018

1. Collections Allocable and Aggregate Amounts Available for the Current Payment Date:

i. Remittances for the 7/17 Collection Period (1)	4,681,948.71
ii. Remittances for the 8/17 Collection Period	4,534,775.67
iii. Remittances for the 9/17 Collection Period	3,875,884.17
iv. Remittances for the 10/17 Collection Period	4,126,559.29
v. Remittances for the 11/17 Collection Period	3,860,465.15
vi. Remittances for the 12/17 Collection Period (2)	3,360,599.67
xii. Investment Earnings on Collection Account	
xiii. Investment Earnings on Capital Subaccount	6,060.50
xiv. Investment Earnings on Excess Funds Subaccount	4,287.78
xv. Investment Earnings on General Subaccount	58,340.48
xvi. General Subaccount Balance (sum of i through xv above)	24,508,921.42
xvii. Excess Funds Subaccount Balance as of Prior Payment Date	786,659.99
xviii. Capital Subaccount Balance as of Prior Payment Date	1,337,040.00
xix. Collection Account Balance (sum of xvi through xviii above)	26,632,621.41

2. Outstanding Amounts as of Prior Payment Date:

i. Tranche A-1 Outstanding Amount	0.00
ii. Tranche A-2 Outstanding Amount	94,878,311.39
iii. Aggregate Outstanding Amount of all Tranches:	94,878,311.39

Notes:

- (1) July remittances include the prior month's true-up, which settled on July 25, 2017.
(2) December remittances do not include the prior month's true-up, which will settle on January 25, 2018.

3. Required Funding/Payments as of Current Payment Date:

Principal				Principal Due	
i. Tranche A-1				0.00	
ii. Tranche A-2				22,830,567.60	
iii. For all Tranches:				22,830,567.60	

<u>Interest</u>	<u>Interest</u>	<u>Days in Interest</u>	<u>Principal</u>	<u>Interest Due</u>
<u>Tranche</u>	<u>Rate</u>	<u>Period</u>¹	<u>Balance</u>	
iv. Tranche A-1	0.958%	180	0.00	0.00
v. Tranche A-2	2.049%	180	94,878,311.39	972,028.30
vi. For all Tranches:				972,028.30

	<u>Required Level</u>	<u>Funding Required</u>
vii. Capital Subaccount	1,337,040.00	0.00
	1,337,040.00	0.00

4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture:

i. Trustee Fees and Expenses, Indemnity Amounts ²	0.00
ii. Servicing Fee	133,704.00
iii. Administration Fee	25,000.00
iv. Permitted Return	35,698.97
v. Operating Expenses ³	79,750.00
vi. Semi-Annual Interest (including any past-due for prior periods)	972,028.30

<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Interest Payment	0.00	\$0.0000
2. Tranche A-2 Interest Payment	972,028.30	\$9.4825
	<u>972,028.30</u>	
vii. Principal Due and Payable as a Result of Event of Default or on Final Maturity Date		0.00
1. Tranche A-1 Principal Payment	0.00	\$0.0000
2. Tranche A-2 Principal Payment	0.00	\$0.0000
	<u>0.00</u>	

Notes:

¹ On 30/360 day basis for initial payment date; otherwise use one-half of annual rate.

² Subject to \$100,000 annual cap

³ Subject to annual aggregate dollar cap of \$652,594, minus the expenses in clauses (i), (ii) and (iii) above

viii. Semi-Annual Principal 22,830,567.60

<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Principal Payment	0.00	\$0.0000
2. Tranche A-2 Principal Payment	22,830,567.60	\$222.7199
	<u>22,830,567.60</u>	
ix. Funding of Capital Subaccount (to required level)		1,337,040.00
x. Investment Earnings on Capital Subaccount Released to Note Issuer		0.00
xi. Deposit to Excess Funds Subaccount		1,218,832.54
xii. Released to Note Issuer upon Retirement of all Notes		0.00
xiii. Aggregate Remittances as of Current Payment Date		<u>26,632,621.41</u>

**5. Outstanding Amount and Collection Account Balance as of Current Payment Date
(after giving effect to payments to be made on such Payment Date):**

<u>Tranche</u>	
i. Tranche A-1	0.00
ii. Tranche A-2	72,047,743.79
iii. Aggregate Outstanding Amount of all Tranches	<u>72,047,743.79</u>
iv. Excess Funds Subaccount Balance	1,218,832.54
v. Capital Subaccount Balance	1,337,040.00
vi. Aggregate Collection Account Balance	<u>2,555,872.54</u>

**6. Subaccount Withdrawals as of Current Payment Date (if applicable, pursuant to Section
8.02(e) of Indenture):**

i. Excess Funds Subaccount	790,947.77
ii. Capital Subaccount	1,343,100.50
iii. Total Withdrawals	<u>2,134,048.27</u>

7. Shortfalls In Interest and Principal Payments as of Current Payment Date:

i. Semi-annual Interest	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	<u>0.00</u>
ii. Semi-annual Principal	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	<u>0.00</u>

8. Shortfalls in Payment of Permitted Return as of Current Payment Date:

i. Permitted Return 0.00

9. Shortfalls in Required Subaccount Levels as of Current Payment Date:

i. Capital Subaccount 0.00

IN WITNESS WHEREOF, the undersigned has duly executed and
delivered this Servicer's Certificate this 29th day of December, 2017.

OHIO POWER COMPANY,
as Servicer

By: 

Name: Renee V. Hawkins
Title: Assistant Treasurer

**Semi-Annual Servicer's Certificate
Ohio Power Company, as Servicer
Ohio Phase-In-Recovery Funding LLC**

Pursuant to Section 4.01(c)(ii) of the Phase-In-Recovery Property Servicing Agreement dated as of August 1, 2013 (the "Servicing Agreement"), between, OHIO POWER COMPANY, as Servicer and OHIO PHASE-IN-RECOVERY FUNDING LLC, the Servicer does hereby certify, for the July 2, 2018 Payment Date (the "Current Payment Date"), as follows:

Capitalized terms used herein have their respective meanings as set forth in the Indenture (as defined in the Servicing Agreement). References herein to certain sections and subsections are references to the respective sections of the Servicing Agreement or the Indenture, as the context indicates.

Collection Periods: Jan-2018 to Jun-2018

Payment Date: 7/2/2018

1. Collections Allocable and Aggregate Amounts Available for the Current Payment Date:

i. Remittances for the 1/18 Collection Period (1)	4,169,179.39
ii. Remittances for the 2/18 Collection Period	4,265,767.40
iii. Remittances for the 3/18 Collection Period	4,213,639.79
iv. Remittances for the 4/18 Collection Period	3,809,326.03
v. Remittances for the 5/18 Collection Period	3,911,007.43
vi. Remittances for the 6/18 Collection Period (2)	3,461,453.85
xii. Investment Earnings on Collection Account	
xiii. Investment Earnings on Capital Subaccount	8,999.47
xiv. Investment Earnings on Excess Funds Subaccount	7,843.55
xv. Investment Earnings on General Subaccount	86,666.50
xvi. General Subaccount Balance (sum of i through xv above)	23,933,883.41
xvii. Excess Funds Subaccount Balance as of Prior Payment Date	1,218,832.54
xviii. Capital Subaccount Balance as of Prior Payment Date	1,337,040.00
xix. Collection Account Balance (sum of xvi through xviii above)	26,489,755.95

2. Outstanding Amounts as of Prior Payment Date:

i. Tranche A-1 Outstanding Amount	0.00
ii. Tranche A-2 Outstanding Amount	72,047,743.79
iii. Aggregate Outstanding Amount of all Tranches:	72,047,743.79

Notes:

- (1) January remittances include the prior month's true-up, which settled on January 25, 2018.
(2) June remittances do not include the prior month's true-up, which will settle on July 25, 2018.

3. Required Funding/Payments as of Current Payment Date:

<i>Principal</i>				<i>Principal Due</i>
i. Tranche A-1				0.00
ii. Tranche A-2				24,124,939.16
iii. For all Tranches:				24,124,939.16

<i>Interest</i>	<i>Interest</i>	<i>Days in Interest</i>	<i>Principal</i>	<i>Interest Due</i>
<i>Tranche</i>	<i>Rate</i>	<i>Period¹</i>	<i>Balance</i>	
iv. Tranche A-1	0.958%	180	0.00	0.00
v. Tranche A-2	2.049%	180	72,047,743.79	738,129.14
vi. For all Tranches:				738,129.14

	<i>Required Level</i>	<i>Funding Required</i>
vii. Capital Subaccount	1,337,040.00	0.00
	1,337,040.00	0.00

4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture:

i. Trustee Fees and Expenses, Indemnity Amounts ²		0.00
ii. Servicing Fee		133,704.00
iii. Administration Fee		25,000.00
iv. Permitted Return		35,698.97
v. Operating Expenses ³		9,991.53
vi. Semi-Annual Interest (including any past-due for prior periods)		738,129.14
<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Interest Payment	0.00	\$0.0000
2. Tranche A-2 Interest Payment	738,129.14	\$7.2007
	<u>738,129.14</u>	
vii. Principal Due and Payable as a Result of Event of Default or on Final Maturity Date		0.00
1. Tranche A-1 Principal Payment	0.00	\$0.0000
2. Tranche A-2 Principal Payment	0.00	\$0.0000
	<u>0.00</u>	

Notes:

¹ On 30/360 day basis for initial payment date; otherwise use one-half of annual rate.

² Subject to \$100,000 annual cap

³ Subject to annual aggregate dollar cap of \$652,594, minus the expenses in clauses (i), (ii) and (iii) above

viii. Semi-Annual Principal

24,124,939.16

<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Principal Payment	0.00	\$0.0000
2. Tranche A-2 Principal Payment	24,124,939.16	\$235.3469
	<u>24,124,939.16</u>	
ix. Funding of Capital Subaccount (to required level)		1,337,040.00
x. Investment Earnings on Capital Subaccount Released to Note Issuer		0.00
xi. Deposit to Excess Funds Subaccount		85,253.15
xii. Released to Note Issuer upon Retirement of all Notes		0.00
xiii. Aggregate Remittances as of Current Payment Date		<u>26,489,755.95</u>

**5. Outstanding Amount and Collection Account Balance as of Current Payment Date
(after giving effect to payments to be made on such Payment Date):**

<u>Tranche</u>	
i. Tranche A-1	0.00
ii. Tranche A-2	47,922,804.63
iii. Aggregate Outstanding Amount of all Tranches	<u>47,922,804.63</u>
iv. Excess Funds Subaccount Balance	85,253.15
v. Capital Subaccount Balance	1,337,040.00
vi. Aggregate Collection Account Balance	<u>1,422,293.15</u>

6. Subaccount Withdrawals as of Current Payment Date (if applicable, pursuant to Section 8.02(e) of Indenture):

i. Excess Funds Subaccount	1,226,676.09
ii. Capital Subaccount	1,346,039.47
iii. Total Withdrawals	<u>2,572,715.56</u>

7. Shortfalls In Interest and Principal Payments as of Current Payment Date:

i. Semi-annual Interest	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	<u>0.00</u>
ii. Semi-annual Principal	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	<u>0.00</u>

8. Shortfalls in Payment of Permitted Return as of Current Payment Date:

i. Permitted Return 0.00

9. Shortfalls in Required Subaccount Levels as of Current Payment Date:

i. Capital Subaccount 0.00

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Servicer's Certificate this 29th day of June, 2018.

OHIO POWER COMPANY,
as Servicer

By: 

Name: Renee V. Hawkins

Title: Assistant Treasurer

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

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in

Case No(s). 18-1168-EL-RDR

Summary: Correspondence - Ohio Power Company submitting this true-up adjustment electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company