



Legal Department

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

May 30, 2019

Tanowa Troupe  
Docketing Division Chief  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus Ohio 43215-3793

*Re: In the Matter of the Alternative Energy Rider and  
Auction Cost Recovery Rider for Ohio Power Company,  
Case No. 15-1052-EL-RDR*

**Steven T. Nourse**  
VP – Legal  
Regulatory Services  
(614) 716-1608 (P)  
(614) 716-2014 (F)  
stnourse@aep.com

Dear Ms. Troupe:

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). The Opinion and Order provided for the implementation of an auction cost reconciliation rider (ACRR) and the elimination of the Company's current auction phase-in rider (APIR) and fixed cost rider (FCR) in addition to the FAC mechanism, following a final true-up of all costs incurred through May 2015. The Opinion and Order also provided for continuation of the Alternative Energy Rider (AER).

On June 1, 2015, the Company filed its Application to initiate this proceeding for purposes of filing quarterly updates to the ACRR and AER. Under the Opinion and Order, the adjusted AER and ACRR rates become effective unless the Staff raises issues prior to the billing cycle during which the quarterly adjustments are to become effective.

On April 25, 2018, the Commission Issued an Opinion and Order adopting the Stipulation in AEP Ohio's Electric Security Plan in Case Nos. 16-1852-EL-SSO, et.al (Opinion and Order). The Stipulation removed the Commission and OCC assessment fees from the ACRR collection.

Accordingly, the Company submits its 3<sup>rd</sup> Quarter ACRR and AER for July through August of 2019, to become effective with the first billing cycle of July (June 28, 2019).

**Schedule 1:** Shows calculation of the ACRR.

**Schedule 2:** This schedule shows the current AER rate by delivery voltage in Column A. Column B shows the forecast component (FC) rate that would be necessary to recover the estimated REC expense for the 3<sup>rd</sup> quarter of 2019. Column C shows the reconciliation adjustment (RA) that would be necessary to recover the actual REC over/under-recovery experienced from the previous quarter. Column D is the sum of the FC component and the RA component.

**Schedule 3:** This schedule shows the Company's estimates of the REC cost by month it is expecting to incur in the 3<sup>rd</sup> quarter of 2019. Schedule 3 calculates the rates by voltage that would be necessary to recover the forecast costs.

**Schedule 4:** This schedule shows the over/under-recovery of REC expense for the months of January, February and March of 2019. Schedule 4 calculates the adjustment to the AER rates that would be necessary to recover the over/under-recovery during the 3<sup>rd</sup> quarter of 2019. Also, shown and included in the total AER cost is an amount representing the revenue requirement associated with solar panels installed by the Company to help meet the renewable energy requirements of SB221, as well as other renewable energy costs.

**Schedule 5:** This schedule shows the redline tariff for the ACRR.

**Schedule 6:** This schedule shows the redline tariff for the AER.

Thank you for your attention to this matter.

Respectfully Submitted,

*/s/ Steven T. Nourse*

cc: Parties of Record

## Schedule 1

**AEP Ohio Proposed Auction Cost Recovery Rider  
July Through September 2019**

<u>Line</u>	<u>Auction Costs</u>	<u>AEP Ohio</u>
1	Incremental Auction Costs	\$ 59,658
2	Paid to Auction Winners	\$ 174,978,603
3	Billed to SSO Customers	\$ (177,191,197)
4	Previous Quarter (Over)/Under	\$ 408,359
5=1+2+3+4	(Over)/Under Collection	\$ (1,744,579)
6		
7	Gross-Up Factor	100.261%
8		
9=5*7	Total Revenue Requirement	\$ (1,749,126)
10		
11	Forecast kWh (Jul - Sep 2019)	3,295,653,086
12		
13=9/11	Auction Cost Recovery Rider \$/kWh	<u>\$ (0.0005307)</u>

## Schedule 2

**OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY**  
**Calculation of Quarterly AER For Billing During**  
**July Through September 2019**  
**Summary - Proposed AER Rate**

**COLUMBUS SOUTHERN POWER RATE ZONE**

Line	Delivery Voltage	A	B	C	D
		Schedule 3		Schedule 4	
		Current AER Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components
1	Secondary	0.15599	0.18368	0.02012	0.20380
2	Primary	0.15057	0.17730	0.01942	0.19672
3	Sub/Transmission	0.14755	0.17375	0.01903	0.19278

**OHIO POWER RATE ZONE**

Line	Delivery Voltage	A	B	C	D
		Schedule 3		Schedule 4	
		Current AER Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components
1	Secondary	0.15599	0.18368	0.02012	0.20380
2	Primary	0.15057	0.17730	0.01942	0.19672
3	Sub/Transmission	0.14755	0.17375	0.01903	0.19278

**OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY**  
**Calculation of Quarterly AER For Billing During**  
**July Through September 2019**  
**FC Component**

Line	Description	Forecast Period - 2nd Quarter 2019			
		July	August	September	Total
	<b><u>TOTAL COMPANY</u></b>				
1	Renewable Energy Credits	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 6,000,000
2	Retail Non-Shopping Sales - Generation Level Kwh	1,156,668,902	1,188,996,725	1,118,065,767	3,463,731,394
3	FC Component of AER Rate At Generation Level - Cents/kWh				0.17322
		<b>Secondary</b>	<b>Primary</b>	<b>Sub/Trans</b>	
4	FC Component of AER Rate At Generation Level	0.17322	0.17322	0.17322	
5	Loss Factor	1.0604	1.0235	1.0031	
6	FC at the Meter Level - Cents/kWh	Line 4 x Line 5	0.18368	0.1773	0.17375

Line 4 x Line 5

**OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY**  
**Calculation of Quarterly AER For Billing During**  
**July Through September 2019**  
**RA Component**

Line	Month	Renewable Revenue	Renewable Cost	AER (Over)/Under Recovery	
1	Beginning Balance			\$ (2,887,330)	
2	Jan-19	\$ 1,216,907	\$ 2,175,526	958,619.06	
3	Feb-19	\$ 994,553	\$ 2,276,479	1,281,925.82	
4	Mar-19	\$ 987,270	\$ 2,291,233	1,303,963.15	
5	Ending Balance	\$ 3,198,730	\$ 6,743,238	\$ 657,178	
6	Total (Over)/Under Recovery Balance			\$ 657,178	
7	Loss Adjusted Retail Sales Billing Period - kWh			3,463,731,394	
8	RA Component at Generation - Cents/kWh			0.01897	
9			Secondary	Primary	Sub/Trans
10	RA Component of FAC Rate At Generation Level		0.01897	0.01897	0.01897
11	Loss Factor		1.0604	1.0235	1.0031
12	RA at the Meter Level - Cents/kWh	Line 10 x Line 11	0.02012	0.01942	0.01903

P.U.C.O. NO. 20

AUCTION COST RECONCILIATION RIDER

Effective Cycle 1 ~~April~~July 2019, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Auction Cost Reconciliation Rider rate of ~~(0.05625)~~(0.05307)¢/KWH. This Rider shall be adjusted periodically to recover amounts authorized by the Commission. 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: ~~March~~May 13~~10~~4, 2019

Issued by  
Rajagopalan Raja Sundararajan, President  
AEP Ohio

Effective: Cycle 1 ~~April~~July 2019

P.U.C.O. NO. 20

## ALTERNATIVE ENERGY RIDER

Ohio Power Rate Zone

Effective Cycle 1 ~~April~~July 2019, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge</u> (¢/kWh)
Secondary	<del>0.155990.20380</del>
Primary	<del>0.150570.19672</del>
Subtransmission/Transmission	<del>0.147550.19278</del>

Columbus Southern Power Rate Zone

Effective Cycle 1 ~~April~~July 2019, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Alternative Energy Rider charge per kWh as follows:

<u>Delivery Voltage</u>	<u>Charge</u> (¢/kWh)
Secondary	<del>0.155990.20380</del>
Primary	<del>0.150570.19672</del>
Subtransmission/Transmission	<del>0.147550.19278</del>

This Rider shall be adjusted periodically to recover amounts authorized by the Commission. 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.

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

Issued: ~~March~~May 1301, 2019

Effective: Cycle 1 ~~April~~July 2019

Issued by  
Rajagopalan Raja Sundararajan, President  
 AEP Ohio



**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**5/30/2019 4:10:59 PM**

**in**

**Case No(s). 15-1052-EL-RDR**

Summary: Correspondence -Ohio Power Company submits its 3rd Quarter ACRR and AER for July through August 2019 electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company