



An AEP Company

BOUNDLESS ENERGY™

Legal Department

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August 31, 2021

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
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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.

On November 21, 2019, the Commission Issued an Opinion and Order in Case No. 19-2031-EL-UNC that established January 1, 2019 as the effective date for baseline reductions to exclude the load and energy usage of mercantile customers as required by Amended Substitute House Bill No. 6 of the 133rd Ohio General Assembly. In accordance with the Order, the Company will eliminate the AER for any customer that self-assess the kilowatt hour tax rider.

On November 25, 2020, the Company filed a proposal in Case No. 20-1745-EL-RDR to revise its AER rates. On December 21, 2020, the Staff issued its review and recommendations in Case No. 15-1052-EL-RDR that addressed the Company's filing in Case No. 20-1745-EL-RDR. Staff recommended that AEP Ohio's current AER rates remain in effect until such time as the Commission issues a final decision in Case No. 20-1745-EL-RDR. On December 22, 2020, in Case No. 15-1052-EL-RDR, in order to afford Staff sufficient time to review AEP Ohio's proposal in Case No. 20-1745-EL-RDR, the attorney examiner determined that the Company's current AER rates should remain in effect, until otherwise ordered by the Commission. In compliance with the aforementioned determination, the Company is submitting its quarterly AER filing as traditionally calculated (Schedules 2 and 3); however, the actual AER tariff rates will remain unchanged. For that reason, no redlined tariff is included.

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 4th quarter of 2021. 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 4th quarter of 2021. This estimate is based on the total contractual obligation of its legacy renewable energy purchase agreement (REPA) as permitted through House Bill 6. 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 April, May and June of 2021. Schedule 4 calculates the adjustment to the AER rates that would be necessary to recover the over/under-recovery during the 4th quarter of 2021. 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
October Through December 2021**

<u>Line</u>	<u>Auction Costs</u>	<u>AEP Ohio</u>
1	Incremental Auction Costs	\$ 415,469
2	Paid to Auction Winners	\$ 106,627,690
3	Billed to SSO Customers	\$ (112,784,879)
4	Previous Quarter (Over)/Under	\$ 2,971,263
5=1+2+3+4	(Over)/Under Collection	\$ (2,770,457)
6		
7	Gross-Up Factor	100.261%
8		
9=5*7	Total Revenue Requirement	\$ (2,777,679)
10		
11	Forecast kWh (Jul-Sep 2021)	2,698,296,692
12		
13=9/11	Auction Cost Recovery Rider \$/kWh	<u>\$ (0.0010294)</u>

Schedule 2

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly AER For Billing During
October Through December 2021
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	0.12993	0.34700	-0.00670	0.34030
2	Primary	0.12541	0.33493	-0.00647	0.32846
3	Sub/Transmission	0.12290	0.32824	-0.00634	0.32190

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	0.12993	0.34700	-0.00670	0.34030
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OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly AER For Billing During
October Through December 2021
FC Component

Line	Description	Forecast Period - 2021			
		October	November	December	Total
	<u>TOTAL COMPANY</u>				
1	Renewable Energy Credits	\$ 3,093,310	\$ 3,093,310	\$ 3,093,310	\$ 9,279,929
2	Retail Non-Shopping Sales - Generation Level Kwh	879,815,759	851,803,564	1,104,290,500	2,835,909,823
3	FC Component of AER Rate At Generation Level - Cents/kWh				0.32723
		Secondary	Primary	Sub/Trans	
4	FC Component of AER Rate At Generation Level	0.32723	0.32723	0.32723	
5	Loss Factor	1.0604	1.0235	1.0031	
6	FC at the Meter Level - Cents/kWh	0.347	0.33493	0.32824	
	Line 4 x Line 5				

Line 4 x Line 5

OHIO POWER COMPANY and COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly AER For Billing During
October Through December 2021
RA Component

Line	Month	Renewable Revenue	Renewable Cost	AER (Over)/Under Recovery	
1	Beginning Balance			\$ 1,932,037	
2	Apr-21	\$ 3,132,225	\$ 2,866,553	(265,671.83)	
3	May-21	\$ 2,858,278	\$ 2,455,994	(402,284.62)	
4	Jun-21	\$ 3,546,792	\$ 2,103,408	(1,443,384.97)	
5	Ending Balance	\$ 9,537,295	\$ 7,425,954	\$ (179,305)	
6	Total (Over)/Under Recovery Balance			\$ (179,305)	
7	Loss Adjusted Retail Sales Billing Period - kWh			2,835,909,823	
8	RA Component at Generation - Cents/kWh			-0.00632	
9			Secondary	Primary	Sub/Trans
10	RA Component of FAC Rate At Generation Level		(0.00632)	(0.00632)	(0.00632)
11	Loss Factor		1.0604	1.0235	1.0031
12	RA at the Meter Level - Cents/kWh	Line 10 x Line 11	-0.00670	-0.00647	-0.00634

P.U.C.O. NO. 20

AUCTION COST RECONCILIATION RIDER

Effective Cycle 1 ~~July~~October 2021, 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 ~~0.04160~~(0.10294)¢/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: ~~May~~August ~~28~~31, 2021

Effective: Cycle 1 ~~July~~October 2021

Issued by
~~Rajagopalan Sundararajan~~Marc Reitter, President
AEP Ohio

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

Summary: Correspondence - Ohio Power Company Submits Its 4th Quarter 2021 AER and ACRR Update electronically filed by Mr. Steven T. Nourse on behalf of Ohio Power Company