

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
OHIO POWER COMPANY FOR AN UPDATE
TO ITS ENVIRONMENTAL COMMITMENT.

CASE NO. 21-978-EL-UNC

ENTRY

Entered in the Journal on September 23, 2021

{¶ 1} In this Entry, the attorney examiner finds that all interested parties should file any written comments regarding the pending application by September 30, 2021.

{¶ 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 AEP Ohio's application for an ESP for the period beginning June 1, 2015, through May 31, 2018, pursuant to R.C. 4928.143. *In re Ohio Power Co.*, Case No. 13-2385-EL-SSO, et al. (*ESP 3 Case*), Opinion and Order (Feb. 25, 2015), Second Entry on Rehearing (May 28, 2015), Fourth Entry on Rehearing (Nov. 3, 2016), Seventh Entry on Rehearing (Apr. 5, 2017). Among other matters, the Commission authorized AEP Ohio to establish a placeholder Power Purchase Agreement (PPA) Rider and required the Company to justify any future request for cost recovery in a separate proceeding. *ESP 3 Case*, Opinion and Order (Feb. 25, 2015) at 20-22, 25-26.

{¶ 5} Subsequently, in Case No. 14-1693-EL-RDR, et al., the Commission modified and approved a stipulation and recommendation (Stipulation) pertaining to AEP Ohio's proposal to populate the placeholder PPA Rider approved in the *ESP 3 Case*. *In re Ohio Power Co.*, Case No. 14-1693-EL-RDR, et al. (*PPA Rider Case*), Opinion and Order (Mar. 31, 2016), Second Entry on Rehearing (Nov. 3, 2016), Fifth Entry on Rehearing (Apr. 5, 2017). With respect to AEP Ohio's quarterly PPA Rider filings, the Commission directed that, if Staff raises no issues prior to the billing cycle during which the quarterly adjustments are to become effective, the adjusted PPA Rider rates shall become effective for that billing cycle. The Commission also noted that the PPA Rider remains subject to adjustment during the annual audit and reconciliation. *PPA Rider Case*, Opinion and Order (Mar. 31, 2016) at 89-90.

{¶ 6} On September 21, 2021, AEP Ohio filed an application on behalf of its affiliate, AEP Generation Resources (AEPGR) to update its environmental commitment previously made in the December 14, 2015 Stipulation in the *PPA Rider Case*. AEP Ohio references the Sierra Club/AEPGR Agreement (Agreement), which it explains was referenced in the Stipulation and admitted into the evidentiary record in the *PPA Rider Case*. AEP Ohio explains that the Agreement memorialized certain commitments to pursue retiring, co-firing, or conversion of specified PPA units. AEP Ohio also notes that the Commission has already determined that it will not enforce the terms of the Agreement. *PPA Rider Case*, Opinion and Order (Mar. 31, 2016) at 51. AEP Ohio notes that AEPGR and Sierra Club entered into an amendment to the original Agreement on September 14, 2021. The amendment replaced AEPGR's commitment to retire, refuel, or repower PPA Unit 1 by 2030 with a commitment to retire either PPA Unit 1 or PPA Unit 3 by 2028. AEP Ohio also notes that Unit 3 is a larger (620 MW) unit than Unit 1 (590 MW), thus the potential for swapping Unit 3 for Unit 1 has the opportunity for an environmental benefit. In its application, AEP Ohio asks that the Commission either find that Commission approval is not needed for the commitment to be amended or for the Commission to adopt the amended commitment.

{¶ 7} At this time, the attorney examiner finds it appropriate to set a comment period in this proceeding. Accordingly, all interested parties should file any written comments regarding AEP Ohio's pending application in this matter by September 30, 2021.

{¶ 8} It is, therefore,

{¶ 9} ORDERED, That all interested parties file comments as directed in Paragraph 7. It is, further,

{¶ 10} ORDERED, That a copy of this Entry be served upon all parties and interested persons of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Gregory A. Price

By: Gregory A. Price
Attorney Examiner

SJP/hac

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Case No(s). 21-0978-EL-UNC

Summary: Attorney Examiner Entry ordering that all interested parties file comments as directed in Paragraph 7 electronically filed by Heather A. Chilcote on behalf of Gregory A. Price, Attorney Examiner, Public Utilities Commission of Ohio