

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Procurement of)	
Standard Service Offer Generation for)	Case No. 17-2391-EL-UNC
Customers of Ohio Power Company)	

OHIO POWER COMPANY’S MOTION TO ADJUST SSO AUCTIONS

On December 22, 2022, the Federal Energy Regulatory Commission (FERC) issued an order¹ (Order) directing PJM Interconnection L.L.C. (PJM) to propose a new schedule for PJM’s Base Residual Auction (BRA) for the 2023/2024 delivery year as well as for subsequent delivery years. On January 21, 2022, PJM submitted a compliance filing² in response to the FERC Order in which it proposed to change the date of the BRA for the 2023/2024 delivery year from its previously scheduled date of January 25, 2022 to June 8, 2022. Consequently, the results of the BRA for the 2023/2024 delivery year will not be available prior to the March 2022 SSO Auction. In this March 2022 SSO Auction, as approved by the Public Utilities Commission of Ohio (the Commission or PUCO) in Case No. 17-2391-EL-UNC, the Ohio Power Company (the Company or AEP Ohio) had been planning to procure 50 tranches of a 24-month product (with product term June 1, 2022 through May 31, 2024).

Pursuant to O.A.C. 4901-1-12, AEP Ohio, after consulting with its auction manager, hereby proposes to procure only a 12-month product (with product term June 1, 2022 through May 31, 2023) in its March 2022 SSO Auction. The Company fully reserves its right to request

¹ *Order On Voluntary Remand*, Docket Nos. EL19-58-006 and ER19-1486-003 December 22, 2021. Available at <https://www.pjm.com/-/media/documents/ferc/orders/2021/20211222-er19-1486-000-el19-58-000.ashx>.

² *Compliance Filing Concerning Certain Proposed Revised Pre-Auction Deadlines*, Docket Nos. EL19-58-009 and ER19-1486-00_(Consolidated) January 21, 2022. Available at <https://www.pjm.com/directory/etariff/FercDockets/6502/2022121-el19-58-009.pdf>.

additional modifications to the SSO auction process in the future. The attached memorandum in support more fully explains the proposal.

Respectfully submitted,

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MEMORANDUM IN SUPPORT

AEP Ohio had been planning to procure 50 tranches of a 24-month product with a contract term beginning on June 1, 2022 and ending May 31, 2024 in its March 2022 SSO Auction. While the date of PJM's BRA for the 2023/24 delivery year is not known at this time, it is anticipated to be delayed in such a way that the results of the BRA for the 2023/2024 delivery year and the capacity price applicable to the last 12 months of AEP Ohio's 24-month product will not be known prior to AEP Ohio's March 2022 SSO Auction.

This uncertainty surrounding the capacity price as a result of delays in PJM holding its BRAs is not new. The Commission has called on the electric distribution utilities (EDUs) to respond to such uncertainty in prior proceedings. Most recently, on April 22, 2021, AEP Ohio submitted a compliance filing³ in response to the Commission's Second Entry on Rehearing⁴ (Second Entry on Rehearing) which called on the EDUs to each file new auction schedules "consistent with the timeframes established by PJM for future BRAs" (Second Entry on Rehearing at page 9). As a result of this latest delay, AEP Ohio proposes a further change to its auction schedule. Specifically, AEP Ohio proposes to procure 50 tranches of a 12-month product (with product term June 1, 2022 through May 31, 2023) at its March 2022 SSO Auction instead of 50 tranches of a 24-month product (with product term June 1, 2022 through May 31, 2024). AEP Ohio would procure the remaining portion (June 1, 2023 through May 31, 2024) of the 50 tranches by evenly distributing these tranches to its November 2022 and March 2023 SSO Auctions.

³ *Second Entry on Rehearing*, Case Nos. 16-776-EL-UNC, 17-957-EL-UNC, 17-2391-EL-UNC, and 18-6000-EL-UNC February 24, 2021. Available at <https://dis.puc.state.oh.us/ViewImage.aspx?CMID=A1001001A21B24B43714C03128>.

⁴ *Second Entry on Rehearing*, Case Nos. 16-776-EL-UNC, 17-957-EL-UNC, 17-2391-EL-UNC, and 18-6000-EL-UNC February 24, 2021. Available at <https://dis.puc.state.oh.us/ViewImage.aspx?CMID=A1001001A21B24B43714C03128>.

This proposal would provide for an auction schedule that is consistent with the timeframes established by PJM for future BRAs in its compliance filing. This change would also be consistent with past directives of the Commission provided in response to delays in PJM’s BRAs.

The changes in auction schedule and product terms are summarized in the table below.

Table 1. Revisions to Auction Schedule and Product Terms

	Current		Proposed	
	Tranches	Product Term	Tranches	Product Term
<i>March 2022</i>	50	June 1, 2022 to May 31, 2024	50	June 1, 2022 to May 31, 2023
<i>November 2022</i>	25	June 1, 2023 to May 31, 2024	50	June 1, 2023 to May 31, 2024
<i>March 2023</i>	25	June 1, 2023 to May 31, 2024	50	June 1, 2023 to May 31, 2024

AEP Ohio submits that this is the simplest plan for eliminating uncertainty for bidders that participate in the upcoming March 2022 SSO Auction with respect to capacity prices. While the date for BRA for the 2023/24 delivery year is not certain, this proposal provides ample time between the new anticipated date of this BRA and the SSO Auctions in which supply for the 2023/24 delivery year would be procured.

CONCLUSION

For the foregoing reasons, AEP Ohio respectfully requests that the Commission grant the motion for the reasons stated herein. AEP Ohio also respectfully requests an expedited ruling on this motion so that the March 2022 SSO Auction can be conducted according to the announced schedule. As the auction manager expects to register bidders for participation in the auction on March 1, 2022, AEP Ohio respectfully requests a ruling prior to that date so that bidders can be timely notified of the product procured in the auction.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of Ohio Power Company's *Motion to Adjust the SSO Auction* was served by electronic mail upon the individuals listed below this 27th day of January, 2022.

/s/ Steven T. Nourse
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Summary: Motion Motion to Adjust SSO Auctions electronically filed by Mr. Steven
T. Nourse on behalf of Ohio Power Company