

**BEFORE THE  
PUBLIC UTILITIES COMMISSION OF OHIO**

<b>In the Matter of the Application of</b>	)	
<b>Ohio Power Company for</b>	)	<b>Case No. 22-1140-EL-ATA</b>
<b>Authority to New or Amended Rate</b>	)	
<b>Schedules and Tariffs</b>	)	

<b>In the Matter of the Application of</b>	)	
<b>Ohio Power Company for Approval</b>	)	<b>Case No. 22-1141-EL-AAM</b>
<b>to Change Accounting Methods.</b>	)	

**Application Not for an Increase in Rates**

Ohio Power Company (AEP Ohio) submits this Application pursuant to RC 4909.18 and it is consistent with the Commission's September 7, 2022 Entry in Case No. 00-2317-EL-GAG (Entry). Consistent with RC 4905.13 and 4928.20, the Company also requests accounting authority to defer costs associated with this new tariff provision and related matters. Although the Company is submitting this proposed tariff (Exhibit A) as directed by the Entry, it fully reserves the right to pursue any additional or different tariff, accounting mechanism or remedy as part of any other proceeding in the future. Upon approval of this Application the Companies will file a sufficient number of copies of their revised tariff sheets, as directed by the Commission.

General Assembly's design for the situation of an aggregation program dropping customers back to the SSO is to only allow it if the standby service charge was paid throughout the term of the aggregation program. RC 4928.20(I). If the aggregator decided not to pay the insurance premium (standby charge), it should not be entitled to utilize the safety net coverage of the SSO. Rather, those customers prematurely dropped by the aggregator, who did not get the benefit promised by the aggregation, are supposed

to pay then-current market prices based on a separate procurement outside of the existing SSO supply; that separate market procurement is to occur for a minimum of two years.

RC 4928.20(I).

The General Assembly's designed system is balanced and insulates the SSO customers (and suppliers) from having to pay for an external risk. Under RC 4928.20(I), the standby charge would presumably be remitted to SSO suppliers in exchange for taking on the risk of aggregation customers returning to the SSO and would likely offset the premium that would otherwise be reflected in SSO rates (as is currently being experienced under the system that does not follow the RC 4928.20(I) regime). Under the current system, however, SSO customers (and suppliers) may be paying for that external risk in the form of higher prices.

The proposed tariff incorporates limited solutions that are consistent with RC 4928.20(I) and are currently feasible to implement in the absence of a standby charge: (1) a 12-month stay out of new opt-out aggregations for that aggregator (this uses the statutory stay concept and helps avoid the questionable practice of gaming of dropping and re-enrolling customers back and forth from the SSO to the aggregation program based on the aggregator's financial position), (2) notice to the Commission and the EDU of the planned drop of customers back to the SSO in order to help implement the stay (this is a practical measure to help all involved parties implement and monitor the situation), and (3) an accounting deferral of costs incurred by the Company to implement these provisions, in order to facilitate cost recovery (as provided for in RC 4928.20(I)). While the proposed tariff (as directed by the Entry) and accounting authority does not fully implement the General Assembly's design in the structure and requirements of RC

4928.20 for this situation, it is a step in the right direction that should be taken at this time. But because additional steps should also be considered and taken to address the situation, the Company reserves the right to propose any additional or different tariff, accounting mechanism or remedy as part of any other proceeding in the future.

Accordingly, the Company requests approval of the enclosed tariff and the proposed accounting authority for deferral of compliance costs.

Respectfully Submitted,

/s// Steven T. Nourse

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## EXHIBIT A

### **New language to add at the end of Section 27 of the Company's Terms and Conditions**

A Governmental Aggregator must provide 10 days written notice to the Company if it plans to return a group of customers from the Aggregation Program to the Standard Service Offer prior to the scheduled expiration of the Aggregation Program, which notice shall also be docketed at the same time in the EL-GAG docket before the Public Utilities Commission of Ohio created for that Aggregation Program. The notice shall specify the reason for returning such customers to the Standard Service Offer prior to the scheduled expiration of the Aggregation Program.

If more than 5,000 customers are returned to the Standard Service Offer by a Governmental Aggregator from an opt-out aggregation program before the end of the aggregation term, the Governmental Aggregator may not offer an opt-out aggregation program for a minimum stay of at least twelve months following that return. This stay shall extend to May 31<sup>st</sup> following the end of the minimum stay period or to a later date as may be ordered by the Public Utilities Commission of Ohio.

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**Case No(s). 22-1140-EL-ATA, 22-1141-EL-AAM**

Summary: Application Application Not for an Increase Rates electronically filed by  
Mr. Steven T. Nourse on behalf of Ohio Power Company