

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE JOINT
APPLICATION OF OHIO POWER
COMPANY AND AEP OHIO
TRANSMISSION COMPANY, INC. FOR
AFFILIATED TRANSACTIONS
AGREEMENT FOR SHARING MATERIALS,
EQUIPMENT, SUPPLIES, AND
CAPITALIZED SPARE PARTS.

CASE NO. 22-133-EL-ATR

FINDING AND ORDER

Entered in the Journal on April 5, 2023

I. SUMMARY

{¶ 1} The Commission approves the joint application of Ohio Power Company and AEP Ohio Transmission Company, Inc. for approval of an affiliated transactions agreement.

II. DISCUSSION

{¶ 2} Ohio Power Company (OPCo) and AEP Ohio Transmission Company, Inc. (OHTCo) are public utilities as defined in R.C. 4905.02, and electric light companies, as defined in R.C. 4905.03(A)(3), and are subject to the jurisdiction of this Commission.

{¶ 3} On February 24, 2022, under R.C. 4905.48, OPCo and OHTCo (collectively, Petitioners) filed a joint petition, with exhibits (Application), for authority to enter into an Affiliated Transactions Agreement for Sharing Materials, Equipment, Supplies, and Capitalized Spare Parts (Agreement).

{¶ 4} On March 9, 2022, the Ohio Consumers' Counsel (OCC) filed a motion to intervene in this proceeding. No party opposed the motion to intervene. The Commission finds that the motion to intervene is reasonable and should be granted.

{¶ 5} Petitioners represent that both companies, and other affiliates, have significant operations in the transmission of electricity and that operational efficiencies can be achieved by the loaning, rental, sharing, or sale of various materials, equipment, supplies, and

capitalized spare parts among affiliated companies. Under the Agreement, access to such assets would be at cost.

{¶ 6} Petitioners assert that the transaction is consistent with the public interest because Petitioners would be able to incur lower costs for their respective transmission facilities by maintaining a smaller inventory of transmission assets than each of the Petitioners would otherwise maintain absent the Agreement. Petitioners further represent that through their participation in the Agreement, Petitioners will recognize substantial savings, operational flexibility, and enhanced reliability of their respective electric transmission facilities in their areas of operation.

{¶ 7} Petitioners note that the Agreement includes other affiliates which are not Ohio utilities and that participation in the Agreement by Appalachian Power Company, Wheeling Power Company and AEP West Virginia Transmission Company, Inc. has been approved by the Public Service Commission of West Virginia and participation by the Appalachian Power Company has been approved by the Virginia State Corporation Commission.

{¶ 8} The Commission has reviewed the Application in this case and finds that the proposed transaction is reasonable and in the public interest. Moreover, the Commission finds that no hearing is necessary in this case. Accordingly, the Commission finds that the Application should be approved.

III. ORDER

{¶ 9} It is, therefore,

{¶ 10} ORDERED, That Petitioners' Application for approval of the Agreement between the parties be granted. It is, further,

{¶ 11} ORDERED, That the motion to intervene filed by OCC be granted. It is, further,

{¶ 12} ORDERED, That nothing in this decision shall be binding upon this Commission in any future proceeding or investigation involving justness or reasonableness of any rate, charge, rule, or regulation. It is further,

{¶ 13} ORDERED That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair
Lawrence K. Friedeman
Daniel R. Conway
Dennis P. Deters

GAP/dr

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Case No(s). 22-0133-EL-ATR

Summary: Finding & Order approving the joint application of Ohio Power Company and AEP Ohio Transmission Company, Inc. for approval of an affiliated transactions agreement. electronically filed by Ms. Mary E. Fischer on behalf of Public Utilities Commission of Ohio.