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BEFORE
THE OHIO POWER SITING BOARD

In the Matter of the Application of the)
Columbus Southern Power Company)
and Ohio Power Company for a Certificate)
of Environmental Compatibility and Public)
Need for the Great Bend IGCC 345kV)
Transmission Line Project.)

Case No. 06-309-EL-BTX


**INDUSTRIAL ENERGY USERS-OHIO'S
MOTION TO INTERVENE AND MEMORANDUM IN SUPPORT**

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April 17, 2006

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**INDUSTRIAL ENERGY USERS-OHIO'S
MOTION TO INTERVENE**

Industrial Energy Users-Ohio ("IEU-Ohio") hereby respectfully moves the Ohio Power Siting Board ("Board") pursuant to Section 4906.08(A)(3), Revised Code, and Rule 4906-7-04, Ohio Administrative Code, for leave to intervene in the above-captioned matter with the full powers and rights granted, by the Board specifically, by statute or by the provisions of the Ohio Administrative Code, to intervening parties.

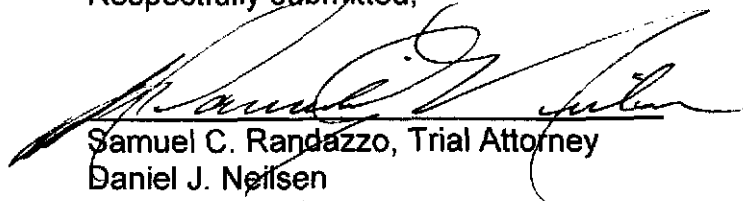
On April 10, 2006, Columbus Southern Power Company ("CSP") and Ohio Power Company ("OP") (hereinafter collectively referred to as "AEP" or "Companies") filed a Motion for Waivers of certain filing requirements associated with its forthcoming Application for Certificate of Environmental Compatibility and Public Need ("Certificate") for the Great Bend IGCC 345kV Transmission Line Project, in this proceeding. As indicated in AEP's Motion for Waivers and other related applications filed by AEP, the project for which AEP seeks certification involves the construction of transmission

facilities to meet the needs of a proposed integrated gasification combined cycle ("IGCC") electric generating station to be built by AEP in Meigs County, Ohio.

As demonstrated further in the Memorandum in Support attached hereto and incorporated herein, IEU-Ohio has a direct, real, and substantial interest in the issues and matters involved in the above-captioned proceeding, and is so situated that the disposition of this proceeding may, as a practical matter, impair or impede its ability to protect that interest.

IEU-Ohio believes that its participation in this proceeding will not cause undue delay, will not unjustly prejudice any existing party, and will contribute to the just and expeditious resolution of the issues and concerns raised in this proceeding. The interest of IEU-Ohio will not be adequately represented by other parties to the proceeding and, as such, IEU-Ohio is entitled to intervene in this proceeding with the full powers and rights granted, by the Board specifically, by statute and by the provisions of the Ohio Administrative Code, to intervening parties.

Respectfully submitted,



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MEMORANDUM IN SUPPORT

In support of this Motion to Intervene, IEU-Ohio states that it is an association of ultimate customers. A current listing of IEU-Ohio member companies is available on IEU-Ohio's website at http://www.ieu-ohio.org/public/about_ieu-ohio/members. IEU-Ohio's members purchase substantial amounts of electric and related services from the Companies, which are public utilities subject to the jurisdiction of the Public Utilities Commission of Ohio ("Commission"). IEU-Ohio's members also purchase substantial quantities of electricity and related services from the other investor-owned utilities in Ohio that are interconnected with the Companies and their affiliates.

IEU-Ohio functions, on behalf of its members, to address matters that affect price, reliability and availability of energy required to operate members' facilities in Ohio. To this end, IEU-Ohio has worked and will continue to work to produce legislative, regulatory, and market outcomes that are consistent with the state policy contained in Section 4928.02, Revised Code. As part of this effort, IEU-Ohio has been an active participant in state and federal regulatory proceedings concerning Ohio's electric

utilities, including the proceedings regarding the Companies' Electric Transition Plans ("ETP"),¹ Rate Stabilization Plan ("RSP")² and AEP's request for cost recovery of a hypothetical IGCC plant³ (hereinafter "IGCC Cost Recovery Proceeding") for which AEP seeks a Certificate of Environmental Compatibility and Public Need for the related transmission line in this proceeding.

Because this proceeding involves the construction of facilities necessary to utilize the output of the proposed IGCC facility, IEU-Ohio has an interest in the outcome of this and all related proceedings. In a recent Order issued by the Commission, the Commission found that AEP's hypothetical IGCC plant will serve to maintain reliability at the distribution level, operate to satisfy provider of last resort ("POLR") service and function as a distribution ancillary service. IGCC Order at 17-18. While this Commission finding appears to offend the requirements of Ohio law, federal law and the law of physics, the finding puts the hypothetical IGCC plant and related facilities in a role that will necessarily affect the price and reliability of electric service to AEP's customers including those that are members of IEU-Ohio. In the same Order, the Commission directed AEP to justify its construction choices, its technology choices, its timing, its financing structure and various other matters that were left open in AEP's

¹ See *In the Matter of the Application of Columbus Southern Power Company for Approval of Electric Transition Plan and Application for Receipt of Transition Revenues* and *In the Matter of the Application of Ohio Power Company for Approval of Electric Transition Plan and Application for Receipt of Transition Revenues*, Case Nos. 99-1729-EL-ETP and 99-1730-EL-ETP, Stipulation and Recommendation (May 5, 2000), approved by Finding and Order (September 28, 2000).

² *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Approval of a Post-Market Development Period Rate Stabilization Plan*, Case No. 04-169-EL-UNC, Application (February 9, 2004), approved by Opinion and Order (January 26, 2005), Applications for Rehearing pending.

³ *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Recover Costs Associated with the Construction and Ultimate Operation of an Integrated Gasification Combined Cycle Electric Generating Facility*, Case No 05-376-EL-UNC, Opinion and Order (April 10, 2006) (hereinafter "IGCC Order").

application. The Commission found that in addition to cost recovery and rate design questions, that other specific issues be addressed as follows:

- The details of how the output of the proposed facility would flow to the benefit of Ohio customers either through or despite any interconnection or pooling agreements;
- The delineation of the means, including transportation, through which Ohio coal would be used in the project;
- The multiple issues concerning the production and sale of by-products from an IGCC unit;
- The eligibility of federal, state and other funding or tax incentives to construct, operate and maintain the proposed IGCC facility;
- Alternate funding sources and an explanation of whether such alternate sources have been prudently pursued by AEP; and,
- AEP's consideration and evaluation of investors in the hypothetical IGCC facility.

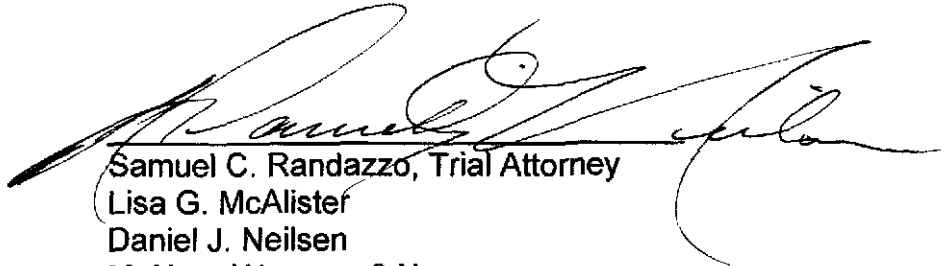
IGCC Order at 20-21.

If, as the Commission has held in the IGCC Cost Recovery Proceeding, the hypothetical IGCC plant is to serve to maintain distribution reliability in Ohio, the above subjects must, at a minimum, be addressed by the Board before it is possible to make any determination regarding the need for the proposed Great Bend IGCC 345kV Transmission Line Project. Rather than granting waivers to narrow the scope of the information that AEP presents with its application for a certificate, the Board must, in this context, insist on an application that properly and adequately addresses fundamental questions about how, if at all and for example, the output of AEP's hypothetical IGCC plant will flow to the benefit of Ohio customers.

Moreover, IEU-Ohio's status as in AEP's RSP and IGCC proceedings provide IEU-Ohio with a direct and substantial interest in the Certificate requested by AEP,

which may directly or indirectly impact the provision of electric service to IEU-Ohio members' manufacturing and other facilities. In any event, because the anticipated application in this proceeding concerns issues of disposition which will affect the price or availability of electricity to IEU-Ohio's members, IEU-Ohio has a direct and substantial interest in this proceeding. Therefore, IEU-Ohio hereby requests that the Board grant its intervention with the full powers and rights granted, by the Board specifically, by statute and by the provisions of the Ohio Administrative Code, to intervening parties.

Respectfully submitted,



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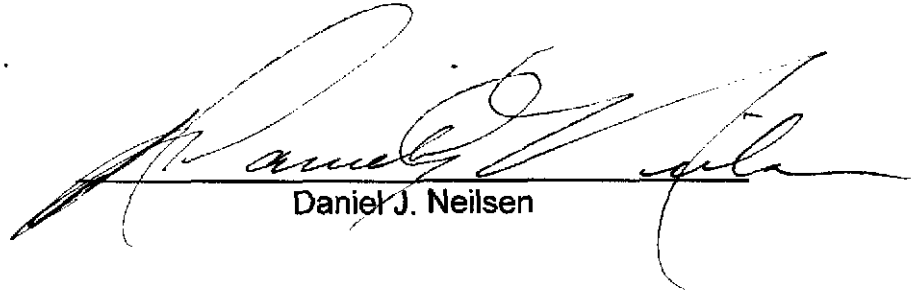
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Industrial Energy Users-Ohio's Motion to Intervene and Memorandum in Support* was served upon the following parties of record this 17th day of April 2006, via electronic transmission, hand-delivery, or ordinary U.S. mail, postage prepaid.



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