

COMMENTS ON THE THIRD CBP STAKEHOLDER WORKSHOP
BY THE OHIO ENERGY GROUP

November 29, 2012

The Ohio Energy Group (“OEG”) submits these comments in response to the final competitive bidding process (“CBP”) stakeholder workshop held on November 27, 2012. Though the stakeholder workshops have focused primarily on the mechanics of the auction process, there are larger conceptual issues that AEP Ohio has yet to address. For example, OEG has repeatedly suggested two important revisions to address fundamental issues with AEP Ohio’s CBP: 1) the starting price for the descending clock energy-only auctions should be the forecasted Fuel Adjustment Clause rate that customers would otherwise pay in order to prevent a situation where the same utility provides the same energy to the same customers, but at a higher price; and 2) the energy-only auctions should be held separately for the Ohio Power and Columbus Southern Power rate zones because the “*price to beat*” differs significantly for each rate zone. OEG again urges AEP Ohio to adopt the proposed revisions in developing its CBP plan.