

PIPP FAQs

Current as of 26 September 2016 (updated as needed on a daily basis)

Revised FAQs are marked **Revised!** Below

PIPP-1: What percentage of the load of PIPP customers is included in the May 2016 PIPP auction?

A: 17% of the load of PIPP customers is available for bid for the June 1, 2016 to May 31, 2017 period in the current auction in May. Please refer to [PIPP Rules](#) under the PIPP RFP section of the [CBP website](#) for more information.

PIPP-2: Are all bidders required to provide financial guarantees to participate in the PIPP RFP or are financial guarantees required only from bidders that do not qualify for any unsecured credit line under the terms of the Master PIPP Supply Agreement? If so, when are the financial guarantees due under the RFP Process?

A: Regardless of the result of the creditworthiness evaluation, all bidders in the PIPP RFP must provide financial guarantees in an amount equal to the independent credit requirement due under the PIPP Agreement in the form of cash or a letter of credit in the standard format attached to the PIPP Agreement. Such cash or pre-bid letter of credit is due as part of the Registration Materials by 12 PM (noon) EPT on Tuesday, May 3, 2016.

PIPP-3: Has a timeline or RFP been issued for AEP Ohio's PIPP customers?

A: The schedule for AEP PIPP RFP was posted as the [PIPP RFP Calendar](#) under the PIPP RFP section of the [CBP website](#) on April 12, 2016.

PIPP-4: What is the independent credit requirement amount due by 12 noon on Tuesday May 3rd?

A: The estimate MW-measure of PIPP Load for the upcoming auction under the PIPP RFP is 60.69 MW. Hence the ICR required is \$910,350. This is the amount of the letter of credit or cash that is due with the Registration Materials on May 3.

PIPP-5: Where can I find NSPL and PLC data for PIPP customers?

A: PLC and NSPL data related to PIPP customers are available on the Data Room page of the [CBP website](#). Data related to PIPP customers is also posted to the [PIPP RFP page](#).

PIPP FAQs

Revised! PIPP-6: With reference to the data that is posted on the [PIPP RFP Page](#), why is monthly data reported in the PLC/NSPL file prior to June 2016 consistently smaller than the sum of the hourly data for the same month in the hourly energy data file?

A: The monthly data reported in the PLC/NSPL file is actual billed usage for the PIPP customers (at the meter - without losses). The hourly load data in the hourly energy data file is at generation (with losses applied), consistent with the CRES and SSO hourly load data that is published in the data room.

Revised! PIPP-7: Why was there a significant decrease in the number of PIPP customers between August 2015 and October 2015?

A: PIPP customers are required to re-verify their household income at least once a year.

Based on re-verification related information that AEP Ohio provided to the Ohio Development Services Agency, Office of Community Assistance (“ODSA”) starting in mid-2015, the ODSA sent a notice to PIPP Customers requesting for a re-verification of income information (“Re-verification Notice”). A primary reason for the drop in number of PIPP customers between August and October 2015 is due to the ODSA removing from PIPP customers who were no longer eligible or who did not respond within the 60-day period requested in the Re-verification Notice. At this time, there remains about 4,500 accounts in PIPP that have not been verified, which could continue to be eligible for PIPP or may be removed in the future. ODSA is aware of this and AEP Ohio does not have additional information on timing at this time.

Revised! PIPP-8: Prior to June 2016, monthly PLC values for PIPP customers are estimated using a standard 2.8kW factor to the customer counts. How is the 2.8kW calculated and how is it used to derive the PLC values?

A: In general, PIPP customers use more energy than the average residential customer. The 2.8kW value was based on the average PLC of active PIPP customers as of 1/28/16. The "PLC* in MW per day" is calculated as the product of the number of customers and an assumed 2.8kW average PLC for each PIPP Customer.

Revised! PIPP-9: Does the hourly load data posted on the PIPP RFP page correspond to the loads for settlement purposes?

A: The hourly PIPP load reported on the PIPP RFP page of the CBP website is load plus losses but prior to the deration for marginal loss factors. Settlement loads must be derived from these data by applying marginal loss deration factors.

PIPP FAQs

PIPP-10: What is the value of the Seasonal Billing Factor discussed in the PIPP Agreement?

A: The Seasonal Billing Factor as referenced in the PIPP Agreement is **1**. This is the reason Attachment B is marked "[RESERVED]" in the PIPP Agreement.