

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of:

The Commission : Case No. 03-2570-EL-UNC  
 Consideration of the :  
 Settlement Agreement :  
 Between the Staff of the :  
 Public Utilities :  
 Commission of Ohio and :  
 Columbus Southern Power :  
 Company and Ohio Power :  
 Company.

The Self-Complaint of : Case No. 06-222-EL-SLF  
 Columbus Southern Power :  
 Company and Ohio Power :  
 Company Concerning the :  
 Implementation of Programs :  
 to Enhance their Currently :  
 Reasonable Level of :  
 Distribution Service :  
 Reliability.

PUBLIC HEARING

before Ms. Greta See, Hearing Examiner, at the John  
 Gilbert Reese Center, 1209 University Avenue, Newark,  
 Ohio, Columbus, Ohio, called at 6:00 p.m. on  
 Wednesday, January 31, 2007.

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## 1 APPEARANCES:

2 American Electric Power  
3 By Marvin I. Resnik  
4 and Mr. Steven T. Nourse  
5 One Riverside Plaza  
6 Columbus, Ohio 43215-2373

7 On behalf of Columbus Southern Power  
8 and Ohio Power

9 Janine L. Migden-Ostrander  
10 Ohio Consumers' Counsel  
11 By Mr. Jeffrey L. Small  
12 West Broad Street, Suite 1800  
13 Columbus, Ohio 43215-3485

14 On behalf of the Residential  
15 Consumers of the State of Ohio.

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1 Wednesday Evening Session,

2 January 31, 2007.

3 - - -

4 THE HEARING EXAMINER: Ladies and  
5 gentlemen, let's get started with the hearing. The  
6 Public Utilities Commission of Ohio as assigned for  
7 hearing at this time and place Case No. 06-22-EL-SLF,  
8 in the Matter of the Self-complaint of Columbus  
9 Southern Power Company and Ohio Power Company  
10 regarding the Implementation of Programs to Enhance  
11 Distribution Service Reliability.

12 My name is Greta See, attorney-examiner  
13 with the Public Utilities Commission, and I will be  
14 conducting tonight's hearing. When you arrived, you  
15 were likely met by two individuals with our Service  
16 Monitoring Enforcement Division. They asked you at  
17 that time if you wanted to offer testimony and made  
18 some other literature available to you from the  
19 Commission.

20 I'd like to note there are also  
21 representatives from our Office of Public Affairs.  
22 There are representatives from Columbus Southern  
23 Power and Ohio Power Company. They're available here  
24 tonight to address other questions and service issues

1 and concerns that you may have, and they can address  
2 that after the hearing. I'll ask counsel for the  
3 company to point those individuals out to you.

4 There are also representatives here from  
5 the Office of Ohio Consumers' Counsel who are also  
6 available to answer your questions and concerns of  
7 service issues, and I will ask counsel for OCC to  
8 point those individuals out.

9 I'll note that Ohio Consumers' Counsel,  
10 along with several other interested parties, are  
11 intervenors in the case. What that means, they will  
12 be reviewing the case and offering testimony at the  
13 Commission's evidentiary hearing that begins on  
14 February 27 in Columbus, Ohio.

15 As you may already know, we're holding  
16 local public hearings. We have had five of those  
17 hearings throughout the state of Ohio in Lima,  
18 Canton, Athens, Marietta, Zanesville, as well  
19 tonight's hearing here in Newark.

20 I would also note that Ohio Consumers'  
21 Counsel, which I may refer to as OCC, has a motion  
22 pending for an additional local public hearing in the  
23 Columbus metropolitan area.

24 The purpose of tonight's public hearing

1 is to give the public an opportunity to comment on  
2 the plan, on AEP's plan for enhanced distribution  
3 service reliability. We will not be hearing from the  
4 company, the staff, OCC or any other intervenor  
5 tonight. The other intervenors will have an  
6 opportunity to present testimony and cross-examine  
7 other parties' witnesses at the hearing in Columbus.

8 As I mentioned before, when you came into  
9 the hearing you were likely met by two individuals  
10 and asked if you wanted to offer testimony tonight.  
11 I'll use that sheet as the order we will take  
12 testimony. If for some reason you didn't sign up  
13 that you wanted to offer testimony and as we go along  
14 you change your mind, I will offer another  
15 opportunity for anyone at end to offer testimony;  
16 otherwise, you can step outside and put your name on  
17 the sheet at any point.

18 As you step forward, I will ask you to  
19 raise your right hand and swear or affirm that the  
20 information you're offering is true. I will ask you  
21 to state and spell your name for the court reporter  
22 and provide us with your address.

23 If you have a written statement, I'd ask  
24 that you please provide it to the court reporter.

1 It's helpful when she's reviewing the transcript and  
2 finalizing it.

3 As I've already mentioned, there's a  
4 court reporter here. She's taking down everything  
5 that's said tonight. It becomes part of the record  
6 for the Commission to review in their consideration  
7 of this application.

8 Are there any questions about the  
9 process?

10 (No response.)

11 THE HEARING EXAMINER: At this time I'd  
12 like to take appearances of the company and OCC.

13 On behalf of AEP Ohio.

14 MR. RESNICK: Thank you, your Honor.  
15 Appearing on behalf of Columbus Southern Power and  
16 Ohio Power Company, my name is Marvin Resnik, address  
17 is One Riverside Plaza, Columbus, Ohio 43215.

18 And I would just note that with me is  
19 Mr. Dias. So that if there some questions, you may  
20 ask Mr. Dias, that's the man.

21 THE HEARING EXAMINER: On behalf of Ohio  
22 Consumers' Counsel.

23 MR. SMALL: On behalf of the residential  
24 customers of Columbus Southern Power and Ohio Power

1 Company, Janine Migden-Ostrander, Consumers'  
2 Columbus, I am Jeffrey L. Small, trial counsel for  
3 the OCC. The Office of Ohio Consumers' Counsel is 10  
4 West Broad Street, Columbus, Ohio 43215.

5 Thank you, your Honor.

6 THE HEARING EXAMINER: The first witness  
7 is Dave Winkle.

8 State and spell your full name and  
9 address.

10 MR. WINKLE: David Winkle, W-I-N-K-L-E,  
11 5066 Wesleyan Church Road, Granville, Ohio.

12 - - -

13 DAVID WINKLE

14 being first duly affirmed, as prescribed by law, was  
15 examined and testified as follows:

16 DIRECT TESTIMONY

17 MR. WINKLE: First of all, thanks for  
18 offering this opportunity tonight. I kind of grew up  
19 in the utility business. My father worked for a  
20 utility company in western Ohio for 38 years. He  
21 retired as the district manager. I worked for that  
22 company every summer, and I want everybody to  
23 understand that when the power was off, if it was  
24 just one farmer or an entire small town, it was the

1 end of the world. It was absolutely the end of the  
2 world, and that had to be restored immediately.

3 I moved to Columbus. I was a Columbus  
4 and Southern customer from 1972 to 1986, and I felt  
5 the same type of passion from that company. My  
6 electric was off one hour in those 15 years that we  
7 lived there, and that includes the blizzard of  
8 '77-'78.

9 I moved in 1987 out on Wesleyan Church  
10 Road, and my power was out 40 hours in the first six  
11 months. The tree trimming that I saw every summer  
12 when I worked as a summer student, I saw none of  
13 that. I saw none of the maintenance activities that  
14 I lived every day and every year with my father and  
15 my employment in the summer for this company. I saw  
16 very little of that.

17 And I guess I always told people: If we  
18 had a tornado, that would not be good, but the worst  
19 thing that could ever happen to us would be an ice  
20 storm, and sure enough it happened. We were off four  
21 and a half days, and, you know, it's just my opinion  
22 that had some of the maintenance been performed for  
23 the past 15 years that Ohio Power, American Electric  
24 Power underspent their maintenance budget, perhaps we



1 wouldn't have had all these outages.

2 Another thing I'd like to point out to  
3 folks that are here tonight, this is a bit off the  
4 subject, but the rate stabilization plan that the  
5 PUCO granted American Electric Power, they granted  
6 that at the end -- they granted in 2005 and it became  
7 effective on January 1, 2006. I was aware that my  
8 electric rate would go up, so I did some things to  
9 conserve my electricity. In 2005 I used 26,117  
10 kilowatt-hours and in 2006 I only used 25,178. I  
11 paid \$1,617 for electric power in 2005, and, get  
12 this, I paid \$2,072 in 2006 and used less  
13 electricity.

14 Now, looking at the PUCO's website, it  
15 states: The three-year rate stabilization period,  
16 January 1, 2006, December 31, 2008, generation rates  
17 will increase three percent each year if you're a  
18 Columbus Southern Power customer, 7 percent each year  
19 if you're an Ohio Power Company. Well, guess what?  
20 Mine went up 28 percent the first year.

21 Now, something that's comical, on the  
22 PUCO site it says: If you would like to avoid these  
23 charges, then you should choose a competitive  
24 electric supplier. Now, we're talking a monopoly.

1 Further down on the PUCO site it says: No  
2 competitive retail electric service providers are  
3 currently enrolling customers in Ohio.

4 So the message I would like to state  
5 tonight is, we've got a company that forgot about  
6 their customers, which they're more interested in  
7 their stockholders, and some of us are probably  
8 stockholders, but they've forgotten about their  
9 customers. They have underspent maintenance, and  
10 we're suffering.

11 One thing that really hurts me, I have a  
12 geothermal system. I put in a geothermal system when  
13 my heat pump or pump finally gave out thinking I  
14 would really conserve energy. My power is on and  
15 off, on and off. It will go on for a period of time  
16 and then out for one or two or three seconds and then  
17 back on. Well, the compressor, it is so hard on the  
18 compressor on the fridge, on the freezer, on your  
19 heat pump, and that has really played havoc with my  
20 equipment at my house.

21 I don't mean to ramble, but we can  
22 certainly do a much better job. I would like to see  
23 American Electric Power make the customer number one,  
24 and I think if they do that, if they treat us all

1 like customers, then their bottom line will certainly  
2 improve.

3 Thank you.

4 THE HEARING EXAMINER: Thank you,  
5 Mr. Winkle.

6 David Groth.

7 Please state and spell your full name.

8 MR. GROTH: My name is David Groth,  
9 G-R-O-T-H, service director for the city of  
10 Worthington, 380 Highland Avenue, Worthington, 43085.

11 - - -

12 DAVID GROTH

13 being first duly affirmed, as prescribed by law, was  
14 examined and testified as follows:

15 DIRECT TESTIMONY

16 MR. GROTH: First, I would like to  
17 provide a letter to the PUCO chair from city manager  
18 David Elder that discusses Worthington's concerns  
19 with AEP's reliability issues.

20 THE HEARING EXAMINER: This is going in  
21 the correspondence file and on record with the case.

22 MR. GROTH: Thank you. My purpose is not  
23 to support or refute a request for a rate increase.  
24 My purpose it to highlight the information we

1 provided in the letter as is necessary for  
2 improvements for service and reliability in the city  
3 of Worthington.

4 This, unfortunately, comes with a very  
5 short story. In 2003, with the assistance of the  
6 PUCO, the city of Worthington met with AEP to discuss  
7 service reliability, primarily resulting from severe  
8 storms that rolled through the Columbus area in July  
9 of that year. What resulted was a fairly extensive  
10 mitigation program put together by AEP that included  
11 equipment replacements and line clearing to correct  
12 outage issues in our community.

13 I'd like to thank AEP's willingness to  
14 discuss and react to these issues and note that  
15 system reliability improved significantly after that  
16 mitigation process.

17 The city of Worthington has continued to  
18 stay in close communication with AEP since then, but  
19 we are concerned that reliability over the last 12 to  
20 18 months has begun to fail and that other issues,  
21 particularly regarding the number of momentary  
22 outages and service responses for other  
23 infrastructure issues, like street lighting, are  
24 still in need of improvement.

1 We encourage the AEP to continue their  
2 efforts at improving service reliability, reducing  
3 the number of momentary outages, and improve service  
4 response and notification regarding street repairs  
5 and other infrastructure issues.

6 Thank you.

7 THE HEARING EXAMINER: Thank you,  
8 Mr. Groth.

9 Thomas Schell.

10 State and spell your last name for the  
11 record.

12 MR. SCHELL: Thomas J. Schell,  
13 S-C-H-E-L-L. My address is 1680 Newberry Road,  
14 Newark, Ohio.

15 - - -

16 THOMAS SCHELL

17 being first duly affirmed, as prescribed by law, was  
18 examined and testified as follows:

19 DIRECT TESTIMONY

20 MR. SCHELL: I don't have a prepared  
21 statement. I'm going to go over what is listed as  
22 some questions here.

23 I've been a resident of Newark for 20  
24 some years, worked for city of Newark for about that

1 many. I have had many, many power outages, mini ones  
2 as well as long ones in the two residences I've lived  
3 in in the city. Some of them have caused me some  
4 financial loss, especially the ice storm. It used to  
5 be every time the wind blew, the trees would go down  
6 on Horns Hill, and having been a previous parks  
7 department employee, I was one that went up and cut  
8 them up and helped move them. I'm aware that is some  
9 of the problem. I tried to do what I could to  
10 alleviate that for Ohio Power myself.

11 Also the ice storm was a terrible,  
12 terrible, terrible problem there that cost me  
13 thousands of dollars on that one, and asking about a  
14 small increase in the electric bill, I'm three months  
15 away from retiring, and that's going to hurt me  
16 pretty bad on a fixed income.

17 One real question I have, and it's pretty  
18 strong, is I can't recall exactly how many years ago  
19 in the city of Heath there used to be, I believe it  
20 was AEP at the time, they had a maintenance station  
21 out there, quite a few employees, and I know since  
22 that left the area, the number of power outages, both  
23 mini and long, has dramatically increased.

24 I don't understand the reason for

1 taking -- I understand from one of the linesman I  
2 spoke to they moved to Lancaster, and I don't  
3 understand why AEP would move some maintenance  
4 facilities away from this area since it seems to be  
5 such a strong problem here with power outages.

6 That's just about all.

7 THE HEARING EXAMINER: Thank you,  
8 Mr. Schell.

9 Belinda Rohdes.

10 Please state and spell your name for the  
11 record and give your address.

12 MS. ROHDES: Melinda Rohdes, R-O-H-D-E-S,  
13 3946 Darcy Drive, Zanesville.

14 - - -

15 MELINDA ROHDES

16 being first duly affirmed, as prescribed by law, was  
17 examined and testified as follows:

18 DIRECT TESTIMONY

19 MS. ROHDES: I apologize. I was unable  
20 to attend the Zanesville conference.

21 I'd like to share a little history. I  
22 came from the Perrysburg area, which is suburb of  
23 Toledo, and I have never experienced any kind of  
24 outages such as I have experienced in this area from

1 brownouts to intermittent service to all out fishing  
2 for the flashlight, which occurred about a week and a  
3 half ago because it was blowing hard and it was  
4 raining, which is the typical scenario.

5 My husband was at work, and I found  
6 myself in a very dark room, which was very  
7 distressing, but it was the typical situation for us.

8 I found out from a neighbor that it's  
9 the, quote, unquote, transformer that runs beside --  
10 I'm sorry. I intended to prepare notes but I wasn't  
11 able to. It's the transformer that runs between the  
12 house that's across the street and down between the  
13 two rows of homes, and this transformer is the  
14 culprit. They have put a little tent over it, but it  
15 doesn't seem to do much good, but the transformer is  
16 always the same transformer.

17 We do our slash and hack of anything  
18 that's green and has a leaf on it, but that doesn't  
19 do any good either. I do think that being a gardener  
20 and a trimmer that the artful cultivation of trees is  
21 a beautiful thing. I think that the methodology of  
22 the way the AEP trimmers trim is just plain butchery.  
23 I also feel when a company whose lifeblood is  
24 dependent upon local residents is unable to employ



1 excellent, as an aside, tree trimmers, I think that  
2 speaks very poorly of that company as well. So much  
3 for the trees.

4 Again, using my experience and the power  
5 surges and things, I have as many -- what are those  
6 little things you put on equipment?

7 PARTICIPANT: Surge protectors.

8 MS. ROHDES: Thank you, surge protectors.  
9 I have as many surge protectors. I lost a microwave.  
10 The earlier spokesman talked about a loss of  
11 appliances. I lost a microwave because the display  
12 went out on it due to a surge, not out-and-out loss  
13 of power. That would be a blessing, if the power  
14 just went out and stayed out, but when it goes out  
15 and comes on, goes out and comes on, then just  
16 finally goes out, it's those surges that kill your  
17 appliances. So the surge protectors are everywhere  
18 in the house.

19 I know I really don't know what I'm  
20 talking about on this, but when I -- where I came  
21 from, we had underground units. Part of my  
22 subdivision has the underground units, and I know it  
23 might be expensive, but when we talk about all this  
24 maintenance that's been spent and all these things

1 they want to do, I think a pound of prevention is  
2 worth, you know, a lot of expense, is more practical.

3 So in some areas, especially in the area  
4 where they have got the worthless transformer, why  
5 isn't it being considered buried utilities, even in  
6 existing neighbors. I'm not talking about city  
7 neighborhoods where we have tons of sidewalks and  
8 such. Why can't we go ahead and look at long-lived,  
9 worthwhile types of maintenance things?

10 That's what I'd like to say, about think  
11 smarter and thinking outside the box and stop just  
12 chopping down trees and looking at the more obvious,  
13 which squirrels in our neighborhood really get the  
14 rap on all the problems, but I don't believe the  
15 squirrels are a real culprit.

16 Thank you very much.

17 THE HEARING EXAMINER: Thank you.

18 Tracey Anderson.

19 State your name and address for the  
20 record, please.

21 MS. ANDERSON: My name is Tracey  
22 Anderson. T-R-A-C-E-Y, A-N-D-E-R-S-O-N. I live at  
23 833 Craig Parkway, Newark, Ohio.

24 - - -

1 TRACEY ANDERSON

2 being first duly affirmed, as prescribed by law, was  
3 examined and testified as follows:

4 MS. ANDERSON: I hadn't planned on  
5 testifying, but I was looking at some of the  
6 literature that was being handed out front when I  
7 came in, and there's some questions on here that I  
8 thought, you know, really, when I started thinking  
9 about questions, these really hit home with the way I  
10 feel.

11 I don't have a big speech or anything  
12 like that ready, so just bear with me if you would,  
13 please. There's a question on here about: Do you  
14 experience many brief interruptions, like flickering  
15 so on and so forth? Yeah, all the time, and it gets  
16 very irritating.

17 And it amazes me, because a little  
18 background to this, I lived out in the country for  
19 several years in the middle of nowhere, completely,  
20 and if our power went out or anything, it was out for  
21 maybe an hour, an hour and a half. You would call.  
22 "Yep, we'll be right there," and they were. And I  
23 felt no fear or anything because I knew I'd have  
24 power. We weren't going to lose any meat. We

1 weren't going to lose this or that. It was going to  
2 be taken care of.

3 Since I moved back into Newark, of  
4 course, we have had an ice storm and that's what God  
5 put out. But I staying with my mother at the time.  
6 She lost everything. She was out five, six days, I  
7 can't really remember, but she lost everything.

8 Now, she's a widow. She's still working  
9 but, you know, this was rough. She has an older  
10 home, you know. We ended up with pipes rupturing,  
11 this and that. We were both at a loss. I didn't  
12 know what to do. She didn't know what to do. We  
13 started making phone calls, which just added up and  
14 added and added and added, so it's an irritation.  
15 That goes along with the lengthy outages.

16 Also during that time I was working for a  
17 home health company. A lot of the other employees  
18 couldn't get in. I made it into work. Somebody had  
19 to be there because we have patients on oxygen. We  
20 had patients that completely rely on the electric  
21 because they may not be able to have a backup  
22 generator or a backup power for oxygen or feeding  
23 pump or anything else.

24 Here, again, I had patients that were

1 without electric for five, six, seven days. And we  
2 made sure that they were taken care of. If they  
3 didn't have family, we made sure we got ahold of  
4 family that could transport them somewhere where they  
5 would have care.

6 Why? What took so long? And the thing  
7 that I found even funnier was my mother lives right  
8 in the middle of Newark. It was so funny. It was  
9 like a pinwheel effect. We saw the power come on  
10 from the outside in, from the outer circuits of  
11 Newark to the center of Newark where my mom lives. I  
12 think her stoplight at the corner was the last one to  
13 come on in Newark. It was amazing.

14 But how come when you live out in the  
15 middle of nowhere they can get to you toot suite.  
16 You are out an hour, an hour and a half, but in the  
17 middle of Newark it's seven days? Why? And they  
18 want more now? Why? What improvements have we seen  
19 from the last time? I haven't seen any.

20 Like Mr. Winkle said, he's cut way down,  
21 I have neighbors in my neighborhood that are older.  
22 They're on fixed incomes. You see no lights on in  
23 the house at all at night, maybe a TV, maybe a blue  
24 light coming from the family room. That's because

1 they can't afford it. It's ridiculous the way the  
2 utilities have gone up, and now they want to jack  
3 this up more? Please.

4 One more little thing, and then I will  
5 let people with more knowledge take over. There's a  
6 streetlight up in the neighborhood where my mother  
7 lives. There are streetlights out everywhere, but  
8 this particular light has been called in several  
9 times, the pole number and everything. One  
10 streetlight on a street that doesn't have a lot of  
11 lighting can't be fixed? Why? I'll give the guy 20  
12 bucks to come out and fix it, but I don't want to pay  
13 AEP a lot more money for services that aren't there.

14 Thank you.

15 THE HEARING EXAMINER: Thank you  
16 Ms. Anderson.

17 MR. RESNICK: Can I get the street your  
18 mother is on?

19 MS. ANDERSON: That would be Merchant  
20 Street, 11th and Granville, up in that area.

21 MR. RESNICK: Thank you.

22 THE HEARING EXAMINER: Patty Dalton.

23 State and spell your name and give your  
24 address for the record, please.

1 MS. DALTON: Patty Dalton, deputy city  
2 manager, city of Upper Arlington, and the address is  
3 3600 Tremont Road. My last name is D-A-L-T-O-N.

4 - - -

5 PATTY DALTON

6 being first duly affirmed, as prescribed by law, was  
7 examined and testified as follows:

8 DIRECT TESTIMONY

9 MS. DALTON: Thank you. I'm here to  
10 speak on economic development activities and how  
11 unreliable the electricity impacts our efforts to  
12 conduct economic development in the city of Upper  
13 Arlington. You may know our community is built out.  
14 It's an inner ring suburb. We have primarily  
15 residential land in the city. Five percent of our  
16 land is owned commercial yet the highest source of  
17 revenue that the city receives is from income taxes,  
18 and that's from those who work in the city.

19 As a built-out community, we have a  
20 number of barriers to development. It's much more  
21 challenging to build in existing developed space than  
22 it is to build in a green field, and so any barriers  
23 present a challenge to us.

24 I have found in the past several years

1 that electricity and the electricity reliability is  
2 one of the barriers that we're facing. I conducted a  
3 survey of local businesses from July 2005 to  
4 July 2006. It was an overall satisfaction survey,  
5 but in the survey I did inquire about other utilities  
6 and services provided in the city of Upper Arlington  
7 to businesses. The electricity received the highest  
8 rate of dissatisfaction in poor responses on the  
9 survey.

10 I will say that I have been in contact  
11 with AEP. I have had meetings with them, and they  
12 have made investments in improvements in some of  
13 these areas. I just would encourage that investment  
14 not stop and would like to go on record to state we  
15 still have issues with reliability.

16 I want to read just for the record a  
17 response I received from one of my businesses once  
18 they realized I was trying to track electricity  
19 reliability. This is from a high end law firm,  
20 consulting law firm.

21 "Patty, just an FYI. The power went out  
22 today at about 3:30, perfectly sunny Thursday, off  
23 for about 45 minutes. Came back on. We restarted  
24 our servers. We relogged on, and power went out



1 again for about another 30 minutes. Had to send  
2 everyone home. Our busiest time of the year."

3 Another comment from a business that was  
4 just this first week of January. "Please remove me  
5 from your e-mail list about electricity service. We  
6 moved our offices to Hillard and we have had no power  
7 problems ever since."

8 And then one of the things I've heard  
9 from AEP about the difficulty in providing reliable  
10 power service is the line clearance, and admittedly,  
11 we have gorgeous trees in our community, and they  
12 have stepped up line clearing over the last several  
13 years after we became a little more vocal about our  
14 service challenges in the community, but I have a few  
15 comments from our city forester about the line  
16 clearing efforts.

17 He cited that it might be more beneficial  
18 in the long run if AEP were more proactive about  
19 removing trees, not just limbs, trees. We get calls  
20 every year from residents highly upset about the  
21 method of trimming as very harsh, very severe, and I  
22 see that it's that way because it's delayed and  
23 deferred, and then when it does occur, it's got to be  
24 extreme. So everyone would better off if they were

1 able to remove trees rather than prune, and that he's  
2 aware of some other companies who actually remove  
3 trees and then provide saplings that aren't as  
4 aggressive in growth so that there is some green, I  
5 guess, in the community.

6 He said he has asked AEP to remove trees  
7 instead of pruning them, but cooperation on such  
8 projects has diminished in recent years as AEP  
9 personnel that is changed. We just don't have the  
10 same open communication and cooperation that we used  
11 to enjoy.

12 I would say from a residential standpoint  
13 I think we have issues with reliability there as  
14 well. It's just my knowledge base is more about the  
15 business community. So I just encourage continued  
16 investment and knowledge, that we do still have  
17 issues.

18 MR. SMALL: You mentioned meetings with  
19 AEP.

20 MS. DALTON: Yes.

21 MR. SMALL: When did those takes place?

22 MS. DALTON: My most recent was last  
23 summer, 2006. It was in relation to a specific  
24 business district in the community where I knew we

1 were having continued reliability issues.

2 MR. SMALL: Were there other meetings at  
3 other times?

4 MS. DALTON: We did actually -- our city  
5 council requested a presentation from AEP probably  
6 within the last two or three years because we were  
7 having major issues within the community. We were  
8 being told it was a result of trees and animals on  
9 our lines. However, when I requested the  
10 interruption reports, I found that the incidents  
11 weren't necessarily tied to mother nature. There  
12 were other causes, and as a result, AEP did make some  
13 equipment improvements there, and that really did  
14 improve one of our areas that was suffering.

15 MR. SMALL: How long have you been in  
16 this position?

17 MS. DALTON: Seven years.

18 MR. SMALL: Did you know about meetings  
19 with AEP if they took place specifically?

20 MS. DALTON: Probably so.

21 MR. SMALL: Thank you.

22 THE HEARING EXAMINER: Dale Arnold.

23 - - -

24

1 DALE ARNOLD

2 being first duly affirmed, as prescribed by law, was  
3 examined and testified as follows:

4 DIRECT TESTIMONY

5 THE HEARING EXAMINER: State your name,  
6 spell, it and please give us your address.

7 MR. ARNOLD: My name is Dale, D-A-L-E,  
8 Arnold, A-R-N-O-L-D. I'm a resident of Newark, and I  
9 live at 611 Hudson Avenue.

10 And before I proceed, I have a question  
11 for Mr. Small.

12 THE HEARING EXAMINER: Mr. Small is  
13 counsel for OCC.

14 MR. ARNOLD: That's correct.

15 THE HEARING EXAMINER: The question will  
16 go on the record.

17 MR. ARNOLD: You said there was an  
18 evidentiary hearing on February 27. The question is,  
19 do I still have time to file a motion to intervene in  
20 the case?

21 THE HEARING EXAMINER: I think your  
22 question is more directed towards me.

23 MR. ARNOLD: I'm sorry.

24 THE HEARING EXAMINER: The process, as I

1 said before, includes an evidentiary hearing. You  
2 may file comments with the Public Utilities  
3 Commission by sending them to our docketing division  
4 to become a part of the total record in the case and  
5 the correspondence file.

6 MR. ARNOLD: Am I'm still allowed to file  
7 a motion to intervene?

8 THE HEARING EXAMINER: Motions to  
9 intervene have not been closed out.

10 MR. ARNOLD: If I understand correctly, I  
11 have until five days before the 27th to file the  
12 motion to intervene?

13 THE HEARING EXAMINER: According to  
14 Commission rules.

15 MR. ARNOLD: Thank you very much, and  
16 please pardon me for the correction for Mr. Small.

17 Consequently, I will file a motion to  
18 intervene in that case at that time.

19 THE HEARING EXAMINER: Do you still want  
20 to offer testimony tonight?

21 MR. ARNOLD: No, I do not.

22 THE HEARING EXAMINER: Thank you.

23 MR. ARNOLD: You're welcome.

24 THE HEARING EXAMINER: Betty Tibbs.

1                   Please state your name and spell it and  
2                   give us your address.

3                   MS. TIBBS: My name is Betty C. Tibbs,  
4                   T-I-B-B-S, 544 Maple Avenue, Newark, Ohio.

5                   THE HEARING EXAMINER: Go ahead with your  
6                   testimony.

7                   - - -

8                   BETTY C. TIBBS

9                   being first duly affirmed, as prescribed by law, was  
10                  examined and testified as follows:

11                  DIRECT TESTIMONY

12                  MS. TIBBS: First, I wrote, I called the  
13                  Ohio counsel. This is about five years ago. I told  
14                  them what I wanted about five years ago. I called  
15                  Ohio counsel and told them I thought there was a  
16                  problem, and it still is, and they told me to get a  
17                  petition, get it signed, take it to my council, and  
18                  present it to them.

19                  And I did. And when I got there, they  
20                  said: Oh, we as a city, we can't do anything about  
21                  this, not with the electric company.

22                  I said: You mean to tell me a utility  
23                  can come into a city and we can't do anything?

24                  They said: No.

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So I said: All right.

Then I asked if they couldn't, would they have a representative from AEP and Columbia Gas come and talk, and they did. They had two men to come to council and we scheduled, and I went down and we had a meeting, and both utilities said, no, they couldn't do it.

Now what I wanted, what I asked them to do was to give us a postage paid envelope. And my reasoning was they have taken the offices away for both utilities here, but we're interested in AEP tonight, and there are two places where you can pay your bill, and they charge. They have a fee for it. One is Kroger and the other one is Little Bear, 78 cents to pay for it. 65 cents for Columbia Gas. And Little Bear charges a dollar and a half if you pay your cable there.

I called Kroger, and they said 78 cents AEP, 65 cents for Columbia Gas, and, no, they don't take cable because they have a bank in the store and you can pay those kind of utilities, so on and so forth over there.

Now, Wind Stream, that's our telephone

1 company, that's free. So that's what I've tried to  
2 do in these years, and people have said to me when I  
3 asked them to sign a petition, they said: Oh, if we  
4 sign the petition, perhaps AEP will raise our rates.

5 I said: Well, they could raise the rates  
6 and not give us even the stamped envelope.

7 But I did take it down there, and I did  
8 present it. I also went to the Commissioiners, and I  
9 tried to touch base with every one here in the city  
10 and the county, and the county also said there was  
11 nothing much they could do.

12 But what I'm trying to do, they said go  
13 on line and pay your bill or a put a stamp on and  
14 just send it to them, and then all I said: There are  
15 people that have no banking account, no checking, or  
16 savings either, and they would have to buy a money  
17 order and then the stamp.

18 And then they said: Well, they have  
19 these places. But that's 78 cents, the postage for  
20 two stamps and all.

21 So that's what I would like to ask, and I  
22 know that we have all been without electricity at  
23 some times in our life but we're at the place where  
24 we really don't want to do without it. And I know



1 that we've got to pay for these things, but I would  
2 like for them to give us a little consideration about  
3 even just putting the postage, paid postage envelope.

4 Thank you.

5 THE HEARING EXAMINER: Thank you.

6 Phillip Tibbs.

7 Please state your name and tell us your  
8 address.

9 MR. TIBBS: Phillip Tibbs, 544 Maple  
10 Avenue, Newark.

11 - - -

12 PHILLIP TIBBS

13 being first duly affirmed, as prescribed by law, was  
14 examined and testified as follows:

15 DIRECT TESTIMONY

16 MR. TIBBS: Madam commissioner, other  
17 members, my name is Philip Tibbs, and I do reside  
18 here in this county, and I would like to address some  
19 of what has been stated from the OCC and then in  
20 regard to what the Public Utilities Commission office  
21 has done with the community needs for the power that  
22 we have to have in this particular aspect.

23 We, as a community and as a region and as  
24 a nation have grown very accustomed in the 120 plus

1 years since the reliable invention of electricity and  
2 having it to be generated and the subsequent adoption  
3 within our particular communities of being able to  
4 function with electricity.

5 We've all experienced the temporary  
6 outages without electricity, and the reliability  
7 factors for AEP are then called into question with  
8 some of the particular reports that in April of 2006,  
9 citing one of your particular notations there, that  
10 the PUCO had shown that AEP had not lived up to the  
11 terms of this particular settlement nor the  
12 agreements over the last two years.

13 In the last two calendar years in this  
14 particular region the ice storms and other particular  
15 natural phenomena had left thousands of people in the  
16 region without electricity for days if not weeks upon  
17 end.

18 We live in a particular latitude now of  
19 the 40th parallel here in this particular region  
20 that we cannot go without electricity for any  
21 extended amount of time. And due to climate changes  
22 or if this is actually being looked upon and that now  
23 more and more evidence is being said and the point of  
24 even a Republican senator from the state of Arizona

1 emphatically determining yesterday, the senator from  
2 Arizona, McCain, that there is no more debate on  
3 global warming.

4           Some of the particular generating  
5 materials for us to be able to have electricity, be  
6 it the Conesville plant, that AEP relies on a  
7 particular type of coal in order to fire the boilers  
8 and the turbines to actually go so we can be provided  
9 with electricity.

10           And my particular interest in this is  
11 that could there be, at least in some of these  
12 aspects of rate increases would look into if we're  
13 going to be asked to do this, the alternative fuels  
14 that would be able to then look towards plants like  
15 Conesville or other generating that would be here in  
16 the state of Ohio.

17           But at the same time is what the OCC has  
18 actually objected to, and that there are questions  
19 being brought to AEP as to if they have not lived up  
20 to their particular settlements, and if they're  
21 asking for rate increases which have already been at  
22 least built into their charges to the consumers, why  
23 would we then want to enable this publicly controlled  
24 and publicly traded utility any further without

1     having some promise of that we're going to be left  
2     with lower rates, that would we would then also look  
3     into the possibilities of alternative fuels because  
4     we have to get to this point of the understanding  
5     that the ecosphere is in such a particular state that  
6     while we all are even sitting in this particular  
7     auditorium and having the benefit of electric power,  
8     there's a turbine spinning someplace that is actually  
9     fired by some bituminous coal or low sulfur coal  
10    which is contributing at some particular point to  
11    some aspects of climate change.

12                 So I would ask that the OCC stringently  
13    ask and also follow in that particular direction  
14    towards AEP, which would if these are going to be  
15    granted, which I would hope they actually wouldn't be  
16    without the stipulations that this region and this --  
17    we living in this particular hemisphere need to take  
18    a full accounting and responsibility for us to be  
19    able to still have electricity but to use it wisely  
20    and also to have it to the point of more reliability  
21    in this particular region.

22                 Thank you.

23                 THE HEARING EXAMINER: Thank you,  
24    Mr. Tibbs.

1 Gary Ullom.

2 Please state your name, spell it and give  
3 us your address.

4 MR. ULLOM: Gary Lee Ullom, U-L-L-O-M,  
5 and I live at 56 B South Westmore Avenue in Newark,  
6 43055.

7 - - -

8 GARY ULLOM

9 being first duly affirmed, as prescribed by law, was  
10 examined and testified as follows:

11 DIRECT TESTIMONY

12 MR. ULLOM: I have heard a lot of good  
13 testimony here tonight, essentially, making a lots of  
14 sense. I got one thing to say to AEP. I got a  
15 couple things to say, but all of them aren't really  
16 nice.

17 Preventive maintenance, if they had done  
18 preventive maintenance years ago, and this is  
19 something that the corporate world has really failed  
20 to do lately because the bottom line doesn't allow  
21 it, we wouldn't have had these problems with this ice  
22 storm of power outages.

23 When I first moved here in '83 from  
24 California I was in the military and came back to

1 Ohio, and I lived out on a farm out on the north end  
2 of Newark, our electrical infrastructure at that time  
3 was very antiquated so when we were out without power  
4 for several days, luckily we had a spring and  
5 kerosene lanterns, free oil and free gas to survive;  
6 otherwise, we would have been in really bad state.

7           During this last ice storm, five days or  
8 six days or seven days of no power, I was lucky where  
9 I lived; we didn't have any issues, a few minor power  
10 surges, but I have back-ups on everything, my TVs, my  
11 computers just for that reason, and they're always  
12 beeping.

13           Talk about power surges and frying  
14 computers and equipment, these backup units you've  
15 probably heard them beep you when you have power  
16 surges. I have these little beeps running throughout  
17 the house all the time. So the reliability, AEP's  
18 reliability has been diminished because of their  
19 ineffective preventive maintenance.

20           I heard about this meeting. I said I  
21 might want to find out what I'm going to be talking  
22 about, and essentially I just wanted to bring my  
23 electric bills from the past year. And I have  
24 questions about these bills. We have generation

1 service. That must be the power plant. And then  
2 there's transmission service. Well, once you make  
3 the power, I guess you have to transmit it to our  
4 house, okay. Distribution service, doesn't that  
5 sound like transmission service to you? It does to  
6 me. Customer charge, \$4. Transition charge, I don't  
7 even know what that means, transition charge.

8 So are they going to add this new charge  
9 to our customer charge? Our transition charge? Our  
10 distribution service charge? If they don't get their  
11 act together, we have no alternatives. We have to  
12 pay the price if you deem it necessary.

13 Unfortunately, we also have to deal with  
14 the other increases in utilities, gas, electric,  
15 which, you know, you can control the gas. Where I  
16 get gas, you don't control it. I have a co-op, and  
17 every month I've just about had a gun put to my head  
18 to pay the prices that they charge. It was nice to  
19 have AEP versus that company when I lived on the  
20 north end of Newark, because you had no control over  
21 them. They could charge whatever they wanted to  
22 charge me.

23 It's nice to have some control. I just  
24 wish you would exercise it and not give these people

1 the rate increase after an \$80 increase we got  
2 slapped with last year at the first of the year for  
3 their infrastructure redesign. I thought that was  
4 going to be it. Now it's going to continue? No, not  
5 in my book. My only alternative is to move out of  
6 the state.

7 Thank you.

8 THE HEARING EXAMINER: Thank you,  
9 Mr. Ullom.

10 Those are all the witnesses that  
11 indicated when they came in this evening they wanted  
12 to offer testimony. At this time is there anyone  
13 else that wishes to offer testimony tonight?

14 (No response.)

15 THE HEARING EXAMINER: Okay. I'd like to  
16 thank everyone for coming out and coming this evening  
17 to offer testimony here. Thank you very much.

18 (Thereupon, the hearing adjourned at 6:56  
19 p.m.)

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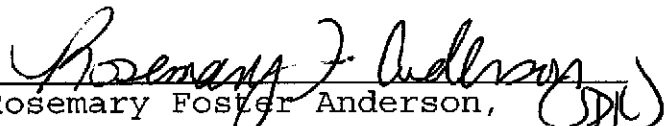
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## CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Wednesday, January 31, 2007, and carefully compared with my original stenographic notes.

  
Rosemary Foster Anderson, (SDH)  
Professional Reporter and  
Notary Public in and for  
the State of Ohio.

My commission expires April 5, 2009.

(RFA-6983)

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