

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the matter of the :
 Application of Columbus :
 Southern Power Company :
 for the Approval of its :
 Electric Security Plan; :
 and an Amendment to its : Case No. 08-917-EL-SSO
 Corporate Separation Plan; :
 and the Sale or Transfer of:
 Certain Generation Assets :

In the Matter of the :
 Application of Ohio Power :
 Company for the Approval : Case No. 08-918-EL-SSO
 of its Electric Security :
 Plan; and an Amendment to :
 its Corporate Separation :
 Plan

PROCEEDINGS

before Ms. Greta See, Hearing Examiner, at the
 Washington State Community College, 710 Colgate
 Drive, Marietta, Ohio, called at 6:30 p.m. on
 Tuesday, October 14, 2008.

10/28/08 Transcript Docketed electronically

ARMSTRONG & OKEY, INC.
 185 South Fifth Street, Suite 101
 Columbus, Ohio 43215-5201
 (614) 224-9481 - (800) 223-9481
 Fax - (614) 224-5724

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EXHIBIT

Testimony for Public Hearing on AEP

Washington State Community College

Marietta, Ohio

October 14, 2008

Good evening. My name is Lynn Gellermann and I am the President of Adena Ventures, a venture capital company that began operations in 2002 and is headquartered in Athens, Ohio. I am here tonight to speak briefly to the role AEP has had with Adena and related economic development activities in southeast Ohio.

Let me begin by telling you a little bit about my firm. Adena was the first New Markets Venture Capital Company licensed by the SBA and is an early-stage venture firm targeting a four state central Appalachian region, which includes Ohio, Kentucky, West Virginia, and ~~western Maryland~~. One of Adena's key investors and strategic partners is Ohio University; another is AEP.

Adena is chartered to provide both investment capital and operational assistance funding to companies in its region. To-date Adena has invested nearly \$20 million in 10 portfolio companies and has funded \$5 million of operational assistance services for 82 companies in the region. The operational assistance typically provided to companies has been in the areas of: business plan development, financial modeling, website development, marketing, legal and accounting services.

Adena's track record of investing in low-income communities is evident in that 90% of our initial investments were to firms in low-income communities and 80% of our operational assistance support has gone to firms in low-income communities. Over the past six years, AEP has provided significant investment capital to Adena. AEP has also provided grant funding to support Adena's Operational Assistance Program. AEP has met with us regularly over this period and has been very supportive of our efforts.

One example of strong growth and economic development impact in our portfolio is Ed Map, Inc., a leading provider of textbooks and learning materials to high schools, community colleges and universities. Ed Map is located in Nelsonville, Ohio and at the time of our initial investment in November 2003 was generating \$1.5 million of revenue and employed thirteen people. This year, the company is on track to generate nearly \$50 million of revenue and employ nearly 100 people. Without investors like AEP, those jobs and that success story would not have happened.

Adena has worked extensively with Ohio University's Voinovich School for Leadership and Public Affairs and is aware of AEP's long standing relationship with that school in the area of watershed restoration. We have also done some work with The Wilds near Zanesville and have seen AEP's leadership in that organization's effort to practice extensive conservation and protect endangered wildlife. In summary, we have found through experience that AEP is a strong partner in the economic development and environmental work being carried out here in southeastern Ohio.

Sincerely,



Lynn Gellermann

President

Adena Ventures

20 E. Circle Drive

Athens, OH 45701

Add
An important piece of AEP's
Energy Security Plan is a
\$75 million economic
development fund and
~~support AEP's request~~
and urge PUCO to approve
AEP's request so they
can continue & expand upon
the important work they
do in southeastern Ohio.


10/14/08

TESTIMONY
Marietta
October 14, 2008

My name is David E. Brightbill. I am the Executive Director Washington-Morgan Counties Community Action. We are a private nonprofit corporation serving low-income families in both Washington and Morgan Counties. We provide services to all age groups from children (Head Start) to Seniors Citizens. We provide emergency heating assistance through Emergency HEAP.

Over the years our clients have changed now most of the families and individuals we serve are working, many part time and most at wages well below the actual level of self sufficiency. As in much of Ohio high paying jobs have been lost and jobs paying much lower wages have replaced them.

AEP's proposed rate increase of 45% over the next three years will have a very negative impact on the families we serve. These proposed increases are on top of increases which have raised the cost of electric far above what we paid just a few years ago. Electric is a commodity that families need all year long. They need it for heat in the winter, to preserve food and to have light all year long. The proposed increases along with higher gasoline costs, increases in natural gas, propane fuel oil, food and other necessities force our families into deciding which bills to pay and which bills they are unable to pay each month.

Non-profits, governmental subdivisions, schools and food pantries, all face these rising costs. The impact is significant, money that would been used to pay for services for our families is instead used to pay higher electric bills. This at a time when demand for our services continues to increase, while resources often remain the same or decrease.

Now is not the time to grant these large increases. The burden of increased costs must be shared by the company as well as consumers. We have all had to tighten our belts and do more with

less, AEP is public utility for a reason. The commodity it provides is an absolute necessity. Any increase must take into account not only the companies needs but the needs of the communities and citizens AEP serves.

Thank you for providing this opportunity to testify.

David E. Brightbill

Washington-Morgan Counties Community Action