1 BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

2	
3	In the Matter of the :
	Application of Columbus :
4	Southern Power Company for:
•	Approval of its Electric:
5	Security Plan; an : Case No. 08-917-EL-SSO
J	Amendment to its Corporate:
6	Separation Plan; and the :
U	Sale or Transfer of :
7	
/	Certain Generating Assets.:
O	In the Metter of the
ð	In the Matter of the :
_	Application of Ohio Power:
9	Company for Approval of :
	its Electric Security : Case No. 08-918-EL-SSO
10	Plan; and an Amendment to:
	its Corporate Separation:
11	Plan. :
12	
13	PROCEEDINGS
14	before Ms. Valerie A. Lemmie, Commissioner, and
15	Ms. Kimberly W. Bojko, Hearing Examiner, at the
16	Public Utilities Commission of Ohio, 180 East Broad
17	Street, Room 11-E, Columbus, Ohio, called at 12:30
18	p.m. on Tuesday, October 21, 2008.
19	
20	

22 ARMSTRC 185 South Fifth 23 Columbus, C (614) 224-9481

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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I ALLEANANCES.	1	APPEARANCES:	
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2	American Electric Power
	By Mr. Marvin I. Resnik
3	One Riverside Plaza
	Columbus, Ohio 43215-2373
4	
	On behalf of Columbus Southern Power
5	and Ohio Power Company.
6	Janine L. Migden-Ostrander
	Ohio Consumers' Counsel
7	By Mr. Rick Reese
	Assistant Consumers' Counsel
8	Ten West Broad Street, Suite 1800
	Columbus, Ohio 43215-3485
9	,
	On behalf of the Residential
10	Ratepayers of Columbus Southern Power
	and Ohio Power Company.
11	- •
	Mr. Joseph V. Maskovyak
12	Ohio State Legal Services Association
	555 Buttles Avenue
13	Columbus, Ohio 43215
14	On behalf of the Appalachian People's
L -T	Action Coalition.
15	Action Countrion.
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1	Tuesday Afternoon Session,
2	October 21, 2008.
3	
4	EXAMINER BOJKO: We will now commence the
5	official record of the local hearing today. The
6	Public Utilities Commission of Ohio has assigned for
7	public hearing at this time and place case numbers
8	08-917 and 08-918-EL-SSO, being captioned in the
9	matter of the application of Columbus Southern Power
10	Company and Ohio Power Company for the approval of
11	their electric security plans and amendments to the
12	corporate separation plans, and for Columbus Southern
13	Power the sale or transfer of certain generating
14	assets.
15	My name is Kim Bojko, I am an
16	attorney-examiner in the Commission's Legal
17	department, and I am one of the examiners assigned to
18	this case.
19	As indicated previously, other Commission

- 20 personnel are also present at the hearing today to
- 21 help answer your questions, and with me is
- 22 Commissioner Lemmie.
- I note that there are a number of parties
- 24 who have filed motions to intervene in these matters
- 25 and are participating actively in these cases. There

- 1 are intervenors who represent commercial customers,
- 2 industrial customers, residential customers, and
- 3 other consumer advocates. At this time I will ask
- 4 counsel that is present for those intervenors to
- 5 stand up and make an appearance.
- 6 On behalf of Columbus Southern Power
- 7 company and Ohio Power Company.
- 8 MR. RESNIK: Thank you, your Honor. My
- 9 name is Marvin Resnik, I am appearing on behalf of
- 10 Ohio Power Company and Columbus Southern Power
- 11 Company. My address is One Riverside Plaza,
- 12 Columbus, Ohio 43215.
- 13 EXAMINER BOJKO: And the office of the
- 14 Ohio Consumers' Counsel.
- MR. REESE: Thank you, your Honor. On
- 16 behalf of the residential ratepayers of Columbus
- 17 Southern Power and Ohio Power Company, and on behalf
- 18 of the Ohio Consumers' Counsel, Janine
- 19 Migden-Ostrander, I'm Rick Reese, Assistant

- 20 Consumers' Counsel, Ten West Broad Street, 18th
- 21 floor, Columbus, 43215.
- I also wanted to note -- your Honor --
- 23 that we have four staff members from the Ohio
- 24 Consumers' Counsel that are here to answer any
- 25 questions you might have from our perspective on the

1	case.
2	Thank you.
3	EXAMINER BOJKO: Thank you.
4	Are there any other counsel for
5	intervenors present that would like to make an
6	appearance today?
7	MR. MASKOVYAK: Yes, please. My name is
8	Joe Maskovyak. I'm with the Ohio State Legal
9	Services Association, we intervened on behalf of
10	APAC, Appalachian People's Action Coalition, which is
11	a consortium of low-income consumers from southeast
12	Ohio.
13	EXAMINER BOJKO: Thank you.
14	Are there any other intervenors that
15	would like to make an appearance?
16	(No response.)
17	EXAMINER BOJKO: Seeing none, we will
18	proceed.
19	As indicated previously, on July 31st,

- 20 2008, Columbus Southern Power and Ohio Power Company,
- 21 collectively they are called AEP Operating Companies
- 22 and they filed applications with this Commission to
- 23 establish a standard service offer for competitive
- 24 retail electric services based on an electric
- 25 security plan, commonly known as the ESP.

1	The local public hearings are only one
2	aspect of the case process. The company has filed
3	its application. We will have local hearings. There
4	have been four other hearings scheduled and there is
5	one to be held next week, and the evidentiary hearing
6	is scheduled to commence on November 17th, 2008,
7	right here at the Commission offices in Columbus.
8	The purpose of that hearing is to allow
9	AEP, the numerous intervenors, and the Commission
10	staff to present expert witnesses and evidence in
11	support of their positions.
12	The purpose of today's hearing is to
13	receive comments from the public regarding AEP's
14	applications. We want to hear from you. We have the
15	company's request. We will have the evidentiary
16	hearings later in November to hear the intervenors'
17	positions. Today is about hearing from the public.
18	When you arrived, you were offered a
19	chance to sign up to testify, and if you missed that

- 20 opportunity, that is still fine, you may go back out
- 21 to the table and sign up or at the end we'll give one
- 22 last opportunity for people to come up and offer
- 23 their comments.
- I will take witnesses in order that they
- 25 signed up, and if you do not wish to testify when I

- 1 call your name, please pass at that time.
- 2 Before you begin your statement, as
- 3 Commissioner Lemmie indicated, you need to state your
- 4 name and your address and then you will be required
- 5 to take an oath or affirmation stating that what you
- 6 are about to say is the truth. Your testimony will
- 7 be considered part of the official record of the case
- 8 to be reviewed by the Commission and the examiners
- 9 before they make their final decision.
- All testimony will be under oath and
- 11 attorneys for the company or other intervenors will
- 12 be allowed to ask you questions about the statements
- 13 that you make. Should you decide that you do not
- 14 want to testify, again, just pass when the
- 15 opportunity comes.
- Once you are finished testifying, you may
- 17 leave today's proceeding, or if you've decided that
- 18 you do not want to testify, please feel free to leave
- 19 at any time.

- Again, there's a court reporter here, she
- 21 will be recording your statements in a typewritten
- 22 fashion so please speak clearly so that the court
- 23 reporter can accurately reflect your comments, and
- 24 please also speak slowly so she can accurately
- 25 reflect your comments. If you have a prepared

1	written statement, it is helpful if you could provide
2	that to the court reporter as well.
3	We appreciate your participation in
4	today's hearing and we want everyone who wishes to
5	have a chance to comment to do that so please be
6	courteous of others.
7	Before we get started with our first
8	witness, are there any questions as to the process of
9	today's hearing?
10	(No response.)
11	EXAMINER BOJKO: Seeing none, at this
12	time I will call our first witness, Ms. Sue Phillips.
13	Ms. Phillips, could you raise your right hand,
14	please?
15	(Witness sworn.)
16	EXAMINER BOJKO: Please proceed. State
17	your name and address, please.
18	
19	SUE PHILLIPS

- 20 being first duly sworn, as prescribed by law,
- 21 testified as follows:
- 22 DIRECT TESTIMONY
- MS. PHILLIPS: My name is Sue Phillips.
- 24 My address is Directions for Youth and Families, 1515
- 25 Indianola Avenue, Columbus, Ohio 43201.

1	EXAMINER BOJKO: Please proceed.
2	MS. PHILLIPS: Thank you.
3	Good afternoon, Commissioner Lemmie and
4	Attorney Bojko. I am representing Directions for
5	Youth and Families and I'm here today to talk about
6	AEP's corporate responsibility in this community.
7	Directions for Youth and Families is a
8	human services organization with the mission to
9	empower families and their children to make sound
10	choices and achieve promising futures. We provide
11	behavioral health and clinical treatment services in
12	clients' homes, schools, and other community centers
13	for at-risk youth, families, and children in central
14	Ohio.
15	Treatment programs help families build on
16	their strengths to address issues including drug and
17	alcohol abuse, violence, family dynamics, teen
18	parenting, delinquency, and many, many other issues.
19	We also provide prevention programs at two youth

- 20 centers in our community through after-school
- 21 creative and performing arts, young people learn life
- 22 skills that are alternatives for delinquency and
- 23 violence and drug and alcohol use.
- 24 Directions has over 100 years of
- 25 experience serving young people and families.

- 1 Outcomes for our clients are measured in their steps
- 2 to self-sufficiency, sound decision-making, and
- 3 progress toward individual goals. Outcomes for our
- 4 organization are measured on client success and our
- 5 partnerships which help us provide services for youth
- 6 and families in need.
- With the support of corporations like
- 8 American Electric Power we serve 7,500 young people
- 9 and families every year; 75 percent of those clients
- 10 are living at or near the poverty level.
- 11 A 2004 Cone Corporate Citizenship Study
- 12 found that 89 percent of Americans want nonprofit
- 13 organizations like ours and corporations to work
- 14 together; 76 percent believe these partnerships will
- 15 result in a more positive image of the charitable
- 16 organization; 70 percent of respondents indicated
- 17 that if they heard about a particular
- 18 corporation-charity partnership, they would be more
- 19 likely to give money to a charity.

- 20 Corporations' funding of nonprofit
- 21 organizations is just one of the reasons that their
- 22 support is so vital. Leadership, vision, and
- 23 expertise are also benefits that corporations provide
- 24 organizations like ours.
- 25 Corporate leaders contribute countless

- 1 hours of their time assisting organizations with
- 2 strategic planning, best practices, financial
- 3 management, program development, staffing issues, and
- 4 information technology. Corporate members of our
- 5 board of directors are our ambassadors in the
- 6 community often leveraging other supporters and
- 7 funding.
- 8 Directions for Youth and Families is very
- 9 fortunate to have corporate partnerships to help
- 10 further our mission. We are especially grateful to
- 11 American Electric Power for providing top management
- 12 leadership on our board of directors for more than 12
- 13 years.
- 14 Currently AEP's COO is actively working
- 15 to raise awareness about one of our youth centers
- 16 that's in a Columbus neighborhood that offers few
- 17 opportunities for young people. The area around the
- 18 center has disproportionately high factors that
- 19 contribute to increased delinquency, including

- 20 poverty, gang activity, and drug dealing. With funds
- 21 being raised we will improve the youth center
- 22 facility to meet program and regulatory needs.
- AEP has also supported Directions
- 24 financially for nearly 25 years. Our organization
- 25 continues to be able to increase needed services to

- 1 many more families and their children because of the
- 2 financial support and leadership of American Electric
- 3 Power.
- 4 We have deepest appreciation for American
- 5 Electric Power's involvement and especially for its
- 6 commitment to the children and families of our
- 7 community.
- 8 Thank you very much for the opportunity
- 9 to share the importance of AEP's partnership with us.
- 10 Thank you.
- 11 COMMISSIONER LEMMIE: Thank you.
- 12 EXAMINER BOJKO: Thank you.
- I will do my best to read the names that
- 14 are printed on the paper and pronounce them
- 15 correctly, I apologize if that doesn't occur.
- 16 Mr. Walter Offinger.
- 17 MR. OFFINGER: Offinger.
- 18 EXAMINER BOJKO: Offinger. Thank you.
- MR. OFFINGER: You did well.

20	EXAMINER BOJKO: Please raise your right
21	hand.
22	(Witness sworn.)
23	EXAMINER BOJKO: Please proceed with your
24	name and address.
25	

1	WALTER OFFINGER
2	being first duly sworn, as prescribed by law,
3	testified as follows:
4	DIRECT TESTIMONY
5	MR. OFFINGER: My name is Walter
6	Offinger. I'm from 1261 Marwood Drive, Zanesville,
7	Ohio 43701.
8	I am a volunteer board member of the
9	Wilds, a conservation facility in southeastern Ohio,
10	and I have a statement here I'd like to read from our
11	executive director.
12	The Wilds and American Electric Power, a
13	partnership for the future. The Wilds, located on
14	nearly 10,000 acres of reclaimed mine lands in
15	southeastern Ohio, is one of the largest and most
16	innovative wildlife conservation centers in the
17	world. Since its inception, but particularly over
18	the last ten years, the Wilds has made great strides
19	in achieving its mission to advance conservation

- 20 through science, education, and personal experience.
- 21 None of that would be possible without the valuable
- 22 partnership of American Electric Power.
- The initial land grant which took the
- 24 Wilds from conception to reality was a gift from AEP
- 25 back in 1984, and it remains the largest single

- 1 conservation gift in the state of Ohio to date.
- 2 Since that time AEP and its employees have remained
- 3 committed partners, providing support and
- 4 participation to nearly every aspect of the
- 5 organization.
- 6 Over the past decade AEP, AEP-Ohio, and
- 7 the AEP Foundation have contributed nearly \$750,000
- 8 in direct support to the programs, the projects, and
- 9 the facilities of the Wilds. This includes regular
- 10 and consistent support to the Wilds' operating
- 11 budget; support for thousands of school children to
- 12 participate in educational programming at the Wilds,
- 13 providing key integrating experiences that are
- 14 critical components in science education;
- 15 sponsorship, both financial and logistic, of teacher
- 16 training workshops that provide continuing education
- 17 opportunities, as well as university credits for
- 18 teachers throughout Ohio. Over the past ten years
- 19 nearly 300 teachers have participated in these

- 20 workshops.
- 21 Additionally, AEP corporate leaders
- 22 participate in the leadership of the Wilds board of
- 23 trustees, and AEP regularly hosts board meetings on
- 24 behalf of the Wilds. AEP and the Wilds represent a
- 25 unique public-private partnership that is improving

1	the quality of life for the citizens of Ohio and the
2	citizens of the world.
3	Thank you.
4	EXAMINER BOJKO: Miss Mary Beth Lohse.
5	MS. LOHSE: Lohse. I apologize, I didn't
6	bring an extra copy, but I can give you this after my
7	testimony.
8	THE EXAMINER: Would you please raise
9	your right hand?
10	(Witness sworn.)
11	EXAMINER BOJKO: Please proceed. Name
12	and address.
13	
14	MARY BETH LOHSE
15	being first duly sworn, as prescribed by law,
16	testified as follows:
17	DIRECT TESTIMONY
18	MS. LOHSE: My name is Mary Beth Lohse.
19	I live at 33070 Cotterill Road in Pomeroy, Ohio.

- I've traveled a hundred miles to testify
- 21 here today because I'm very concerned about Ohio's
- 22 energy future. The Commission is now in the process
- 23 of executing your responsibilities under Ohio's
- 24 recently enacted energy bill, Senate Bill 221. You
- 25 will be making decisions that will impact all of the

- 1 citizens of Ohio for many years to come.
- We are here to talk specifically about
- 3 American Electric Power's proposed rate plan, but I
- 4 hope my comments will influence the thinking of the
- 5 Commission as you review all the rate plans now under
- 6 consideration.
- 7 I live in Meigs County, one of the
- 8 poorest counties of the state with one of the highest
- 9 unemployment rates. I won't dwell on how AEP's rate
- 10 increases will impact the low-income households in my
- 11 area of the state because I am sure the Commission
- 12 will hear that testimony from many others.
- What I do want to say is that the
- 14 Commission must take a long-term view in the
- 15 decisions you make. The two criteria that should
- 16 guide you is cost and environmental impact. How can
- 17 the Commission make sure that utilities are
- 18 delivering electric services at the lowest cost? The
- 19 answer is simple: The cheapest kilowatt is the one

- 20 you do not buy.
- In fact, every dollar that is spent on
- 22 energy efficiency saves \$3 that would be spent on
- 23 producing energy from coal or nuclear, that's why I
- 24 was very happy to see that the energy bill requires
- 25 investor-owned utilities to reduce electricity demand

- 1 in Ohio by 22 percent by the end of 2025.
- 2 The Commission must make sure that
- 3 utilities achieve this goal. But if the Commission
- 4 is serious about making sure that Ohio consumers are
- 5 getting the best value for their energy dollar, you
- 6 will set up incentives for the utilities to exceed
- 7 that goal.
- 8 I'm glad to see that AEP is committing
- 9 \$178 million in energy efficiency spending in Ohio in
- 10 the next three years. I'm disappointed that AEP has
- 11 not produced a detailed plan for how that money will
- 12 be spent. AEP should be required to specify exactly
- 13 what kind of efficiency plans will be offered; this
- 14 is not difficult.
- 15 Energy efficiency programs have been
- 16 offered in other states for many years, they have
- 17 included free energy audits, rebates on
- 18 energy-efficient appliances, help with home
- 19 weatherization, and free pickup and disposal of old

- 20 appliances. Steps like these would be very
- 21 beneficial to low-income AEP customers in my area of
- 22 Ohio, but the plan doesn't even specify whether AEP's
- 23 energy efficiency funds will be spent on residential
- 24 customers.
- I think AEP's plan should be specific as

- 1 to who will be required to pay for energy efficiency
- 2 programs and who will benefit from them.
- 3 Significant energy savings can come from
- 4 all classes of customers: Residential, commercial,
- 5 and industrial, so all classes of customers should
- 6 pay for these programs and should benefit from them.
- 7 The Commission should carefully oversee any special
- 8 deals that are made with commercial or industrial
- 9 customers and make sure that each class is paying and
- 10 benefiting proportionately.
- 11 In addition, the funds must be spent
- 12 throughout the AEP service territory. The Commission
- 13 must make sure that rural counties like Meigs get
- 14 their fair share of efficiency funding.
- 15 Another question is how will we know that
- 16 the funds are being spent properly and are achieving
- 17 their purpose? I suggest that the Commission require
- 18 an independent third party to administer and monitor
- 19 AEP's energy-efficiency programs. There should be

- 20 transparency in these programs so that the public can
- 21 be assured that real income savings are being
- 22 achieved.
- The another advantage of energy
- 24 efficiency is not only is it the cheapest source of
- 25 energy, it's also the most environmentally benign.

- 1 Currently Ohio's electric generation is definitely
- 2 not environmentally benign. Almost 90 percent of the
- 3 electricity used by Ohioans is produced by coal; this
- 4 is why Ohio is the nation's fourth largest
- 5 contributor to global warming.
- 6 I, like many others, expect that there
- 7 will be federal regulations limiting carbon
- 8 emissions. Ohio needs to be ready for a
- 9 carbon-constrained world.
- Luckily, again, this has been addressed
- 11 in the energy bill which requires that by 2025
- 12 12.5 percent of energy sold in Ohio is to be from
- 13 renewable sources. This is a standard the Commission
- 14 should not only embrace but also expand.
- 15 As current events have so vividly shown,
- 16 it's very risky to have 90 percent of one's financial
- 17 portfolio in stocks. It will also be just as risky
- 18 for Ohio to continue to have such a large percentage
- 19 of its energy portfolio in coal.

- As utilities diversify their energy
- 21 sources, emphasis must be made on those that are
- 22 sustainable and have the least environmental impact.
- 23 This means we should decrease reliance on nuclear
- 24 power because of environmental problems of mining
- 25 uranium and storing nuclear waste. We should also

- 1 decrease our reliance on fossil fuels for electricity
- 2 generation, especially coal.
- Coal is a global commodity in high
- 4 demand. Its price can be expected to increase.
- 5 Carbon controls could cause further price increases.
- 6 This will translate into even more pressure on the
- 7 Commission to raise rates for AEP customers if AEP
- 8 continues to rely so heavily on coal for electricity
- 9 production.
- 10 So the Commission should grant AEP's
- 11 current rate increase request only in exchange for a
- 12 long-term plan to make sure that all AEP customers,
- 13 including the low-income households in Meigs County,
- 14 have affordable electricity in the future.
- 15 The first part of the plan must emphasize
- 16 energy efficiency; this will reduce demand and avoid
- 17 the cost of building new generation facilities. The
- 18 second part must diversify AEP's energy sources with
- 19 alternatives that have less environmental impact and

- 20 do not contribute to global warming.
- To hold down energy costs and reduce
- 22 environmental impacts, electricity from coal and
- 23 other fossil fuels that face price volatility should
- 24 be replaced gradually by electricity from renewable
- 25 sources such as solar and wind which will not face

1	increasing fuel costs.			
2	Thank you very much for your kind			
3	attention.			
4	COMMISSIONER LEMMIE: Thank you very			
5	much.			
6	EXAMINER BOJKO: Ms. Dearrea King.			
7	MS. KING: Hello.			
8	EXAMINER BOJKO: Please raise your right			
9	hand.			
10	(Witness affirmed.)			
11				
12	DEARREA KING			
13	having first duly affirmed, as prescribed by law,			
14	testified as follows:			
15	DIRECT TESTIMONY			
16	MS. KING: My name is Dearrea King, and I			
17	live at 2141 Lisa Drive, Columbus, Ohio 43219.			
18	My concern is simply this: I'm a			
19	grandmother raising three grandchildren, and it's			

- 20 always the taxpayers, we're bailing out everybody
- 21 else. Everybody -- companies are raising rates.
- 22 There is no money in households, and it's hard to pay
- 23 bills. It's hard to keep up with everything else and
- 24 take care of your families.
- 25 And then when the bills come, if the

1	whole bill is not paid, then we get the shutoff			
2	notices. So it's on our backs. Nobody asked us "Can			
3	you do this?" But it's okay to take, take, take.			
4	And that's my concern, because I'm having a hard			
5	enough time as it is now taking care of the family			
6	that I have, and then we're constantly having added			
7	expense put on our back when nobody is asking us can			
8	we afford to do this.			
9	COMMISSIONER LEMMIE: Thank you.			
10	EXAMINER BOJKO: Mr. Rick Platt.			
11	(Witness sworn.)			
12	EXAMINER BOJKO: Please proceed. Name			
13	and address.			
14				
15	RICK PLATT			
16	being first duly sworn, as prescribed by law,			
17	testified as follows:			
18	DIRECT TESTIMONY			
19	MR. PLATT: My name is Rick Platt, and my			

- 20 personal address is 880 West Locust Street in Newark,
- 21 Ohio. I'm the president and CEO of the Heath-Newark
- 22 Licking County Port Authority and there's issues I'd
- 23 like the Commission to consider.
- No one likes rate increases and, yes, you
- 25 are considering a rate increase, but there's things

- 1 in this AEP plan that are important elements that go
- 2 beyond that increase and I wanted to bring them up
- 3 for your consideration.
- 4 I think the role of the PUCO is to
- 5 fulfill the need for competitiveness. We've got to
- 6 ensure, even when there are rate increases, that our
- 7 industrial and commercial users are not hampered in
- 8 their competition which is other states around our
- 9 nation and around the globe. We also need to ensure
- 10 that our Ohio sites can compete versus others.
- Our port authority owns 350 acres that
- 12 are served by sub-transmission, primary, and
- 13 secondary service through AEP. They're an important
- 14 partner in what we do.
- 15 A buffer against this rate increase,
- 16 other states, even the heavily subsidized TVA who we
- 17 compete with on their sites, are seeing rate
- 18 increases as well. So I'm convinced that this plan
- 19 does fulfill the need for competitiveness as it's

- 20 proposed.
- Also, the important thing is to fulfill
- 22 the need for growth. I think really when we talk
- 23 about the potential for future increases, the best
- 24 insurance against those being even worse increases in
- 25 the future is to have growth. That's really the

- 1 Wal-Mart model of being able to grow in order to
- 2 bring costs down.
- The best way for both competitiveness and
- 4 growth is to invest in economic development. I've
- 5 been doing, even though I consider myself still
- 6 young, 20 years of economic development and I
- 7 remember the heyday of Ohio not too far ago was --
- 8 before there was deregulation when utilities were
- 9 investing and were being promoters of economic
- 10 development.
- 11 I don't think it's any coincidence that
- 12 was some of the greatest growth in Ohio in the last
- 13 20 years.
- So I encourage that this part of AEP's
- 15 plan be given great consideration and continue to be
- 16 a part of AEP's plan that you approve. Economic
- 17 development is what needs your greatest
- 18 consideration. Thank you for that.
- 19 COMMISSIONER LEMMIE: Thank you.

- 20 EXAMINER BOJKO: Miss Elizabeth Isett.
- 21 MS. ISETT: You did well.
- 22 EXAMINER BOJKO: I'm sorry. Could you
- 23 please pronounce your name?
- MS. ISETT: Elizabeth Isett.
- 25 EXAMINER BOJKO: Please raise your right

1	hand.
2	(Witness sworn.)
3	EXAMINER BOJKO: Thank you. Name and
4	address for the record, please.
5	
6	ELIZABETH ISETT
7	being first duly sworn, as prescribed by law,
8	testified as follows:
9	DIRECT TESTIMONY
10	MS. ISETT: Elizabeth Isett, 204
11	Maplewood Avenue, Whitehall, Ohio 43213.
12	My concern today is the rate increase
13	that AEP has proposed. By my math, if my electric
14	bill today, this year, was \$100, next year, if AEP
15	gets their increase, it would be 115, and by the
16	following year it would be 132.25, by the third year
17	it would be 152.09, and in three years they would
18	have increased my electric bill by over 50 percent.
19	I don't think my wage is going to

- 20 increase in three years by 50 percent. I just don't
- 21 believe it will happen.
- According to the website, AEP reported in
- 23 January that they made \$1,089,000,000. Somehow I
- 24 find it really difficult to be able to justify this
- 25 large an increase when they're reporting this kind of

1	earnings. I just have a big problem with that. And			
2	I hope, although I realize the price of everything			
3	goes up, that if they are granted any increase, it's			
4	considerably more conservative.			
5	Thank you.			
6	COMMISSIONER LEMMIE: Thank you.			
7	EXAMINER BOJKO: Mr. John Clair.			
8	MR. CLARK: Clark.			
9	EXAMINER BOJKO: Clark. Please raise			
10	your right hand.			
11	(Witness affirmed.)			
12	EXAMINER BOJKO: Please proceed.			
13				
14	JOHN CLARK			
15	having first duly affirmed, as prescribed by law,			
16	testified as follows:			
17	DIRECT TESTIMONY			
18	MR. CLARK: My name is John Clark. I			
19	reside at 305 South Virginia Lee Road in Columbus,			

- 20 Ohio.
- I'm a retiree from AEP after having spent
- 22 27 years with the company. During that time I worked
- 23 on various and sundry activities, one of which during
- 24 1992 into 1993 was referred to as the Towers Perrin
- 25 Study. This was a process reengineering study that

- 1 looked at, first of all, when they first proposed
- 2 functionally merging Ohio Power and Columbus &
- 3 Southern, not legally, but functionally, as well as
- 4 other types of reengineering.
- 5 The study went on for an extended period
- 6 of time but out of that we identified wide areas of
- 7 duplication of effort, unnecessary activities, things
- 8 that just didn't need to be done, as well as some
- 9 that were downright purposeless. You know, someone
- 10 had written a rule and they were complying with the
- 11 rule and then they would file the results, nothing
- 12 happened to it.
- Well, what this led to was there were
- 14 staff adjustments -- Isn't that a polite way to put
- 15 it? -- staff adjustments as people being let go, but
- 16 it also curtailed a lot of expenditure. So reviewing
- 17 the processes of the organization led to cost
- 18 curtailments.
- Now, this occurred prior to the merger of

- 20 central and southwest with the current American
- 21 Electric Power, so what I'm proposing is that prior
- 22 to coming to the Commission and seeking an exorbitant
- 23 rate increase, which is what I believe a 15 percent
- 24 per year increase is for three years, that there
- 25 should be further belt tightening that the

1	organization that AEP needs to go back and once			
2	again look through all of their processes, what are			
3	they doing, what is necessary, how can it be			
4	streamlined. If they're able to minimize costs, they			
5	may be able to come back to the Commission with a			
6	more reasonable request for a rate increase.			
7	Thank you.			
8	COMMISSIONER LEMMIE: Thank you.			
9	EXAMINER BOJKO: Miss Jacqueline			
10	Thompson.			
11	MS. THOMPSON: Hi.			
12	(Witness sworn.)			
13	EXAMINER BOJKO: Please proceed.			
14				
15	JACQUELINE K. THOMPSON			
16	being first duly sworn, as prescribed by law,			
17	testified as follows:			
18	DIRECT TESTIMONY			
19	MS. THOMPSON: Thank you. I am 63 year			

- 20 old.
- 21 EXAMINER BOJKO: I'm sorry, name and
- 22 address for the record.
- MS. THOMPSON: I'm sorry. Yes, it's
- 24 Jacqueline K. Thompson, 287 Maplewood Avenue,
- 25 Whitehall, Ohio 43213. And I was glad to hear that

- 1 one of our other Whitehall citizens was here before
- 2 me, and I think we have another one after me.
- I am 63 years old. I am on a fixed
- 4 income. Because of the increases in utilities, food,
- 5 and gasoline I have taken a job and put into place
- 6 cutbacks to conserve. I even hung my clothes
- 7 outdoors to dry all spring and summer to cut costs on
- 8 electricity, and it worked. I saved approximately
- 9 \$40 per month by doing so.
- But it doesn't matter what Americans do
- 11 to conserve, the profit-driven utilities will just
- 12 keep raising their rates to offset any decrease in
- 13 usage.
- Now AEP wants to raise its rates again,
- 15 and what do we get in return? We get ancient
- 16 infrastructure that takes electricity off line every
- 17 time there's an extreme weather event. In the past
- 18 few years some people have been without heat and
- 19 electricity for a week or more as a result. AEP does

- 20 nothing to upgrade its facilities. The only thing
- 21 they know how to do is come through my neighborhood
- 22 and decimate our trees.
- I know that there are some states where
- 24 rates are based upon the time of day of usage, but
- 25 Ohio doesn't even give us the opportunity to save by

1	using electricity during off-peak hours.		
2	I respectfully request that you deny		
3	AEP's rate increase request and direct all resources		
4	to provide assistance to those among us who are in		
5	dire straits because of the country's economic		
6	crises.		
7	Heat and electricity is not an		
8	extravagance; it is a necessity for survival. It is		
9	our right. Now, when you consider this and other		
10	utility increases, think not of those who can afford		
11	it, those for which this will be an inconvenience,		
12	think instead of the least among us, those who cannot		
13	sustain the very minimum of living conditions to		
14	which all Americans should be entitled.		
15	Thank you.		
16	COMMISSIONER LEMMIE: Thank you.		
17	EXAMINER BOJKO: Miss Dianne Garrett.		
18	(Witness sworn.)		
19			

- 21 being first duly sworn, as prescribed by law,
- 22 testified as follows:
- 23 DIRECT TESTIMONY
- MS. GARRETT: I've lived in Whitehall for
- 25 almost 19 years and living there --

1	EXAMINER BOJKO: Name and address,				
2	please.				
3	MS. GARRETT: I'm sorry, Dianne Garrett,				
4	720 Bernhard Road, Whitehall, Ohio 43213.				
5	I have lived in Whitehall for almost 19				
6	years and living there is an education every day. We				
7	speak 35 languages, all of which are in our schools.				
8	Our community supports a large low-income ratio				
9	within the city of about 18,000 residents.				
10	Whitehall has one of the highest numbers				
10 11	Whitehall has one of the highest numbers of low-income senior citizens as well as				
11	_				
11 12	of low-income senior citizens as well as				
111213	of low-income senior citizens as well as single-parent families. Many families consist of				
11121314	of low-income senior citizens as well as single-parent families. Many families consist of grandparents on fixed incomes raising their				
1112131415	of low-income senior citizens as well as single-parent families. Many families consist of grandparents on fixed incomes raising their grandchildren. About 75 percent of our school				
11 12 13 14 15 16	of low-income senior citizens as well as single-parent families. Many families consist of grandparents on fixed incomes raising their grandchildren. About 75 percent of our school children receive free or reduced lunches as well as				

My husband and I are lucky in many ways,

19

- 20 but we see much sadness around due to people living
- 21 at the poverty level and in close proximity. We are
- 22 facing retirement in a few years and every day we
- 23 watch as our 401(k) bounces up and down. That
- 24 retirement may not come as soon as we had hoped.
- 25 Everyday life is starting to cost exorbitant amounts

1	just to have food, shelter, transportation, fuel, and
2	health care. Placing such an increase for utilities
3	just adds insult to injury.
4	The utility company along, with our
5	congressional leaders, must start getting serious
6	about tapping into the renewable energy sources.
7	Sitting back and asking us to pay more is not the
8	answer. Don't we have enough families living in
9	shelters or in cars because they can't afford an
10	everyday life?
11	Thank you.
12	COMMISSIONER LEMMIE: Thank you.
13	EXAMINER BOJKO: Mr. Bill Dingus.
14	MR. DINGUS: Sometimes it chokes me as
15	well.
16	
17	BILL DINGUS
18	being first duly sworn, as prescribed by law, was

19 examined and testified as follows:

20	DIRECT	TECTIA	IONV
$\angle 0$	DIRECT	1E91II	

- 21 MR. DINGUS: Bill Dingus, 216 Collins
- 22 Avenue, South Point, Ohio, currently Executive
- 23 Director of the Lawrence County Economic Development
- 24 Corporation.
- 25 Commissioner Lemmie, thank you and the

- 1 record for allowing me to testify today. I've been
- 2 involved in economic development for four decades,
- 3 started way back in the days of the Rhodes Raiders
- 4 and remember the economic development team of 40
- 5 years ago. That economic development team was a
- 6 combination of the utility companies, predominantly
- 7 the electric company, the local newspaper, and the
- 8 local bank.
- 9 We've lost our local newspaper, they now
- 10 are a national conglomerate, our banks have merged
- 11 into national conglomerates, and we feel quite
- 12 fortunate that AEP has truly tried to keep that Ohio
- 13 identity and have maintained their position as a
- 14 partner in economic development.
- Sunday's Toledo Blade listed the top ten
- 16 performers in Ohioan counties. You must realize that
- 17 Lawrence County, where I represent, is in the middle
- 18 of Appalachia across from Huntington, West Virginia,
- 19 and Ashland, Kentucky, and at one point we were

- 20 83rd in the state in poverty.
- We've had a good run over the last
- 22 decade. Things are going well. The Toledo Blade in
- 23 their Sunday article talked about not all counties
- 24 are doing poorly in Ohio, and talked about ten
- 25 counties that were top performers. Seven of those

- 1 ten counties were in Appalachia. The top of those
- 2 ten -- the top of those seven was Lawrence County.
- We had the number one greatest reduction
- 4 in continued reduction in unemployment. Our
- 5 unemployment has stayed at below the state average
- 6 for years now, and sometimes below the national
- 7 average. Back in the spring we were the lowest we
- 8 had been since back in the '60s.
- 9 So I guess I give much of that credit to
- 10 our strong partner AEP because really they have been,
- 11 in the area of training, financial support, bringing
- 12 leads to our community.
- 13 Quite frankly, I've been -- I have an
- 14 interesting past. I had spent 25 years at Adena
- 15 University and I've only spent the last 4 to 5
- 16 directly totally involved full-time in economic
- 17 development, and in those 4 to 5 years we have had
- 18 twice the number of leads from AEP economic
- 19 development people as what we've had from our own

- 20 state of Ohio Department of Development. So we do
- 21 feel very positive about their understanding of their
- 22 partnership in this.
- You know, in economic development too
- 24 what we often don't realize from a household
- 25 standpoint is the importance for that continuous

- 1 nonwavering electricity. We've had a number of
- 2 occasions where -- steel industries where the energy
- 3 just wavered, that it would actually stop the
- 4 process, an electronic digitally-driven process, and
- 5 create a lot of wasted material. So this is not an
- 6 unusual thing when you get wavering industry.
- 7 I worry too about us continuing to
- 8 rebuild our system. It is an aging system. You
- 9 know, in mission work -- I've spent time in
- 10 third-world countries, in Nicaragua or other places,
- 11 and electric to brownout or to totally blackout and
- 12 each time it happens my only thought is, boy, how
- 13 lucky we are back home.
- My big concern is that should that
- 15 happen, even a brownout in Ohio, that alone would
- 16 cause knee-jerk reactions. Whatever we do, we need
- 17 to be in a planned technique, so I think the idea of
- 18 looking at this as a multiyear plan, whatever the
- 19 final decision, is a very important one.

- 20 I still -- as I said, I was at Adena
- 21 University, and I still teach business classes and,
- 22 you know, one of the things we say is most of
- 23 economics is common sense. When we look at coal,
- 24 coal still is the energy of our electricity; some day
- 25 that may waver a bit, but today it is there. And as

- 1 such coal is an international commodity. It is one
- 2 that the China coming on board and so on is going to
- 3 skyrocket coal.
- 4 The cost of the utensils, the
- 5 transformers today to get transformers for larger
- 6 transformers, we're two years behind. It is hard to
- 7 believe what is driving the price up as our companies
- 8 compete on an international basis for these products.
- 9 Definitely the prices are increasing.
- 10 I think the AEP rate increase for a
- 11 planned period of time is a very sensible way for the
- 12 PUCO to look at.
- And as a close I would ask that you
- 14 really consider this as a sequential raise that you
- 15 can truly understand the importance of the utility
- 16 company, particularly Ohio Power, to economic
- 17 development. As I say, they are our top partner
- 18 today and, keep in mind of not only electricity, but
- 19 that nonwavering continuous electricity and how

- 20 important that is.
- So I would be pleased to answer any
- 22 questions if need be. Thank you.
- 23 COMMISSIONER LEMMIE: Thank you.
- 24 Appreciate your comments.
- 25 EXAMINER BOJKO: Miss Barbara Thomson.

1	DR. BARBARA THOMSON
2	having first duly affirmed, as prescribed by law,
3	testified as follows:
4	DIRECT TESTIMONY
5	DR. THOMSON: Thank you very much. My
6	name is Dr. Barbara Thomson. I live at 6529 Sunbury
7	Road, Westerville, Ohio, in Genoa Township, 43082,
8	and I'm here to discuss Ike and other issues that
9	have gone on. I was told this was the place I was
10	supposed to come, so it's a little different than
11	what you have been discussing. Is that okay?
12	COMMISSIONER LEMMIE: Yes.
13	DR. THOMSON: Okay. The day of Ike, it
14	hit very quickly, we were either to have floods or we
15	were to have heavy-duty winds. We got the heavy-duty
16	winds and branches started snapping. I was outside
17	and suddenly a large branch from our wild cherry
18	tree, which is gigantic, fell right next to me when I
19	was doing some weeding, and it was a great shock

- 20 because it just missed me.
- I ran to the house, ran inside and said
- 22 to my husband, "This is really bad. What's
- 23 happening?" And he said, "I've got the weather
- 24 channel on and there's 30-mile-an-hour wind." And I
- 25 said, "Forget that." Branches snapped all around and

- 1 we eventually lost our electricity.
- 2 My husband has recently had surgery and
- 3 I'm taking care of him. He's not to be out of bed.
- 4 It was very, very difficult.
- 5 We had flashlights and we managed for
- 6 quite a few days, and we wondered when we would get
- 7 electricity. And eventually one night I woke up and
- 8 I heard what sounded like people talking, and so I
- 9 threw on my raincoat and ran downstairs, looked
- 10 outside, and there was an AEP truck down on the
- 11 highway.
- So I ran down the driveway and saw the
- 13 man, he said he was from West Virginia, and I said --
- 14 he said, "I'm going to try to get electricity on." I
- 15 said, "You know, we have a number of places around
- 16 here that have a branch across the wires and you've
- 17 got to get the branches off before you can give us
- 18 electricity." He said, "We're assessing the
- 19 situation."

- And so I walked back down the driveway
- 21 and all of a sudden, bang, and I started running, and
- 22 the whole sky exploded just as if it were a fireworks
- 23 thing, and burning leaves started falling around me
- 24 and I had just gotten under our overhang.
- With that, the burning leaves set the

- 1 branches that the tree trimmers had been trying --
- 2 had been cutting down and were at the base of the
- 3 tree on fire, and smoke from the transformer that had
- 4 been blown and the smoke from the burning leaves went
- 5 up and into the gables of our house.
- 6 My husband, who is in bed and not
- 7 supposed to walk down the steps more than twice, once
- 8 down and once up, had to get out of bed and try to
- 9 struggle down the stairs in the dark, and I ran
- 10 inside and there our whole upstairs was filled with
- 11 smoke.
- I had been on the line with the fire
- 13 department as I was charging around and they did come
- 14 immediately, and he said, "This guy's setting off
- 15 fires everywhere." He said, "You may have a latent
- 16 fire in your rafters and your house may burn down
- 17 later this evening, I'll leave a fireman here, but
- 18 we're really short-staffed." I said, "I'll just stay
- 19 up all night, put my husband to bed downstairs on the

- 20 sofa, and keep track of that." I said, "Don't give
- 21 up a person. I will let you know if the smoke
- 22 continues to increase." Fortunately, it did not, but
- 23 if you want to smell anything I'm wearing, you'll
- 24 know what's happened.
- Then it got even worse because they

- 1 turned, eventually, the lights on on the houses that
- 2 didn't have branches, but I ran out to the driveway,
- 3 down the driveway, and said, "Don't do the house next
- 4 to us because the Diblasis and the Reckners, their
- 5 tree in the ravine is leaning right on top of the
- 6 nextdoor garage and they have two cars, their mower,
- 7 and gasoline." And he said, "We are aware of what's
- 8 going on." I said, "Well, you weren't aware of all
- 9 these that you've blown."
- And so I started over there and I wanted
- 11 to check their dog because they weren't home at the
- 12 time. And I talked to the dog through the window and
- 13 then I started walking down their walkway, and all of
- 14 a sudden, boom, and then the whole thing exploded and
- 15 I'm running again away. And their tree popped up off
- 16 the garage straight up and it burned in less than
- 17 five minutes. If you've never seen a tree in total
- 18 flame at once, it was unbelievable.
- 19 People from around the neighborhood came

- 20 and -- they were out on their porches watching and it
- 21 was really bad. And we were fortunate that they
- 22 didn't blow up the whole garage.
- And I ran back out and said, you know,
- 24 "You're very lucky you didn't do that, but this is
- 25 very bad." And I said, you know, "Why would you do

- 1 that?" He said, "We're going to get as many people
- 2 on line as possible because AEP looks bad if they
- 3 don't get a lot of people back on line." I said,
- 4 "You destroyed our transformer, and we don't know
- 5 about our electric box, et cetera."
- Turns out they destroyed my computer, our
- 7 televisions, part of our electric box was destroyed,
- 8 and then you can't even get anyone to give you any
- 9 help. So we just got electricity last Friday. And
- 10 I've been getting up with my husband, who's not
- 11 allowed to use the restroom at night, five to eight
- 12 times every night and nobody cared.
- They took all of our houses that they --
- 14 where they blew up the transformers and put those on
- 15 the bottom of the list, and when I called to find out
- 16 when we might get electricity, they said, "Well
- 17 you're on the bottom of the list now because there's
- 18 just a few houses now in that area, and so you will
- 19 have to wait." And it has been very stressful for

- 20 everyone.
- 21 My nextdoor neighbor runs her business
- 22 from her house; her computer was blown. I mean,
- 23 people have real hardships, and I can't even imagine
- 24 the cost to those blown transformers, et cetera.
- 25 Plus we had no phone service for two weeks because

- 1 they had sent the AT&T people down to Texas, too.
- 2 And I saw a man across the road at the
- 3 box and I said -- I ran over and said, "What about
- 4 telephones? I can't even use the landline." And he
- 5 said, "They've given me an old truck, they've given
- 6 me a computer that doesn't even have the data I can
- 7 use in this, so," he said, "we have no idea when
- 8 you'll get telephones."
- 9 This has been a real disaster. And I
- 10 have a full-time professional job. This has been
- 11 awful. And my husband has been very good natured and
- 12 very good about the whole thing, but it's been
- 13 traumatic for everyone. People across the street who
- 14 were out on their porch that night watching the sky
- 15 and when the explosion went off, they had seen me
- 16 there and they saw the fire come down, they thought I
- 17 was probably burning up. This should never happen.
- I hope that we can look at the rise in
- 19 cost and do something about that that people have

- 20 discussed because I also live in a community that has
- 21 a very high ratio -- the woman next door has her own
- 22 business, which may fail, the man on the other side,
- 23 his wife is baby-sitting everywhere she can because
- 24 he's been out of work for a year a half.
- And we do not live in a depressed area,

1	but we have a lot of people who are retired and they
2	are not able to eat properly or give their kids
3	proper food. And the teachers that I know at schools
4	are putting sandwiches into the kids' backpacks when
5	they leave on Friday because they don't have anything
6	on Saturday and Sunday. So I think we all need to
7	tighten our belts, and that includes AEP.
8	Thank you very much.
9	COMMISSIONER LEMMIE: Thank you.
10	EXAMINER BOJKO: Olas Dunson.
11	MR. DUNSON: I'll pass. Thank you.
12	EXAMINER BOJKO: Ann Miller. Please
13	raise your right hand.
14	(Witness sworn.)
15	EXAMINER BOJKO: Please proceed. Name
16	and address.
17	
18	ANN MILLER
19	being first duly sworn, as prescribed by law,

α	4 4 C 1	C 11	
20	tectitied	as follows	•
20	usunu	as fullows	

- 21 DIRECT EXAMINATION
- MS. MILLER: My name's Ann Miller. My
- 23 address is 3515 Amity Road in Hilliard, Ohio.
- As a small business owner I'm certain
- 25 that I will not be able to increase my prices to my

- 1 customers by 15 percent for the next three years and
- 2 likely neither will they. Like other businesses and
- 3 individuals, I'll tighten my belt and work to reduce
- 4 costs internally, and I will look for alternative
- 5 opportunities for business building and profit. I
- 6 believe that AEP should be required to do the same.
- 7 I'm sure they can do it.
- 8 Since AEP is a publicly traded company,
- 9 it's documented that the following excesses are
- 10 taking place: According to Business First, August
- 11 29th, 2008, list of highest-paid executives in
- 12 2007, six executives in the top 25 work for AEP --
- 13 Yes, that's 24 percent -- and combined bring home
- 14 \$37.85 million annually. Six people, \$37.85 million.
- 15 Almost equally appalling is that these 6
- 16 people of the top 25 on the list own the fewest
- 17 shares of stock in their company that pays them so
- 18 richly.
- 19 I believe strongly in capitalism,

- 20 competition, and the free market system. If I don't
- 21 agree with the practices of a company, pay or
- 22 otherwise, I don't patronize them. Where else can I
- 23 go to get my electricity?
- How can this situation be acceptable to
- 25 anyone? How can we let it continue? Before the PUCO

1	considers any rate increase for AEP shouldn't AEP be
2	required to look inward? In these times of obscenely
3	paid, unaccountable executives leading their
4	companies to government bailouts, corporate America
5	must reform itself starting at the top. A public
6	utility whose customers have no choice of supplier
7	should be absolutely required to do so.
8	Thank you.
9	COMMISSIONER LEMMIE: Thank you.
10	EXAMINER BOJKO: Mr. Kern. Raise your
11	right hand.
12	(Witness sworn.)
13	EXAMINER BOJKO: Please proceed with your
14	name and address.
15	
16	JOHN KERN
17	being first duly sworn, as prescribed by law,
18	testified as follows:
19	DIRECT TESTIMONY

- MR. KERN: Name is John Kern. I live at
- 21 6970 Young Road, it's in Grove City, Ohio 43123.
- I think I'm here on behalf of most of the
- 23 middle class people and poverty and below that I
- 24 think that 45 percent over three years is just a tad
- 25 bit ridiculous. I'm sure that I'm not going to get a

- 1 15 percent raise within that for the next three years
- 2 for each year. I know I won't get that combined for
- 3 the next three years.
- 4 I'd like to retire sometime, and I hope I
- 5 don't have to take another full-time job just to pay
- 6 for my utilities. I think it's pretty well proven
- 7 that the people that are poverty stricken already or
- 8 on fixed incomes, with school levies, price of gas
- 9 going up, price of food going up, I don't know where
- 10 they're going to get their money. You know, they're
- 11 stealing the copper from the transmission lines
- 12 already, that ought to give you some kind of idea
- 13 that they're trying to make ends meet.
- I think if you allow that, I think it's
- 15 wrong. What I really think, if you do that, you
- 16 better build some more homeless shelters because
- 17 that's going to put a lot more of us in there.
- 18 That's what I've got to say about it.
- 19 EXAMINER BOJKO: Thank you.

- 20 COMMISSIONER LEMMIE: Thank you.
- 21 Appreciate your comments.
- 22 EXAMINER BOJKO: Mr. Rod Bodwalk.
- MR. BODWALK: Close enough.
- 24 (Witness sworn.)
- 25 EXAMINER BOJKO: Please state your name

1	and address.
2	
3	ROD BODWALK
4	being first duly sworn, as prescribed by law,
5	testified as follows:
6	DIRECT TESTIMONY
7	MR. BODWALK: My name is Rodney Bodwalk.
8	I live at 580 East Whittier, Columbus, Ohio 43206.
9	You know, I hate to talk about money, but
10	my parents said, you know, it always comes down to
11	this. And this is not about champagne. This is
12	about a basic necessity: Heat and light. And that's
13	what half of these people are saying.
14	You know, I sing the praises of AEP, they
15	do a lot of good things, but a 45 percent rate
16	increase over three years? He said "excessive." I
17	think it's way past excessive.
18	And the other point I want to make, I'll
19	be brief, you know the CEO of this company made

- 20 19.6 million in one year. That's not a salary,
- 21 that's a Lotto. What a winner. If any of us could
- 22 do that, we'd be done, wouldn't we? There would be
- 23 toes in the sand.
- Thank you.
- 25 EXAMINER BOJKO: Thank you.

1	Mr. Ron Green.
2	
3	RONALD GREEN
4	being first duly sworn, as prescribed by law,
5	testified as follows:
6	DIRECT TESTIMONY
7	MR. GREEN: I'm Ronald Green. My
8	business address is 1901 East Dublin-Granville Road,
9	Columbus, Ohio. I'm here today as both a business
10	customer and a residential customer.
11	I'm the executive director of the Simon
12	Kenton Council, Boy Scouts of America, and we cover
13	17 counties in central and southern Ohio. We
14	represent or we have participating 40,000 children
15	and almost 8,000 adult leaders. We have three
16	offices in our territory and four camps, and we have
17	dozens of AEP accounts. As a matter of fact, they
18	are one of our largest supplier of any type.
19	And like my predecessors up here from the

- 20 Wilds, Directions for Youth, and the Lawrence County
- 21 Economic Development Authority, I would also like to
- 22 attest that AEP is a very good corporate citizen. In
- 23 addition to the company which gives us not only
- 24 corporate support, they give us expertise and
- 25 resources, whether it be technology, engineering,

- 1 facilities development, and their employees are
- 2 amongst our most active.
- I would tell you that AEP's employees
- 4 probably in number are the most contributors we've
- 5 got and the most volunteers at all levels, including
- 6 mentors for at-risk youth throughout our territory.
- 7 In addition, I would also like to say
- 8 that, as I say, they've been -- throughout the
- 9 company -- great leaders and great volunteers from
- 10 the chairman, who has been a volunteer actively, on
- 11 down through all ranks of the company.
- While none of us likes a rate increase, I
- 13 can tell you both as a resident and as a business
- 14 leader I've found them to be very responsive. A lot
- 15 of our electric lines are in the woods in camps and
- 16 they've been very responsive to our needs.
- 17 And also, having relocated here about
- 18 four years ago from another part of the country, I
- 19 can tell you that while no nonprofit organization

- 20 wants to see their costs go up, proportionately here
- 21 in central Ohio we pay less for our utilities than --
- 22 as a percent of the whole than in other parts of the
- 23 country.
- And so in closing I just would like to
- 25 say we value our relationship with American Electric

1	Power as a corporate citizen and their employees as
2	neighbors and individual contributors. Thank you.
3	COMMISSIONER LEMMIE: Thank you.
4	EXAMINER BOJKO: Miss Amy Taylor.
5	
6	AMY TAYLOR
7	being first duly sworn, as prescribed by law,
8	testified as follows:
9	DIRECT TESTIMONY
10	MS. TAYLOR: My name is Amy Taylor. I'm
11	the chief operating officer for the Columbus Downtown
12	Development Corporation at 150 South Front Street,
13	Suite 210, Columbus, Ohio 43215.
14	The organization I work for is focused on
15	revitalizing downtown Columbus to continue to be the
16	economic engine for our community and it can continue
17	to be everybody's neighborhood. I appreciate the
18	opportunity to speak for a few minutes about AEP and
19	their corporate responsibility.

- If you take a look at what's happening
- 21 downtown and the progress that we're making towards
- 22 achieving our goal, you're going to see a pattern and
- 23 that's public-private partnership. The public sector
- 24 and the private sector in our communities work
- 25 together to accomplish big things. We call it The

- 1 Columbus Way, and that's how we get things done.
- 2 If you look around our community, the
- 3 public and private sectors are working together to
- 4 build hospitals, stadiums, and parks to better the
- 5 community for our residents.
- We are very fortunate to have many
- 7 wonderful corporate citizens, and AEP tops that list.
- 8 I have been privileged to work with the company
- 9 closely. AEP's chairman, Michael Morris, is on our
- 10 board of directors, and AEP has taken a leadership
- 11 role in priority projects for transforming downtown,
- 12 that's the Scioto Mile, a premier riverfront park in
- 13 our community which, when complete, will offer a
- 14 place for families, residents, and everyone to come
- 15 down and enjoy our riverfront.
- We've been talking about revitalizing the
- 17 riverfront for more than 30 years, but it wasn't
- 18 until AEP partnered with the city of Columbus that
- 19 things really started to take shape. AEP contributed

- 20 a lead gift, which is impressive in and of itself,
- 21 but they not only talk the talk, they walk the walk.
- Even more than money, they have led a
- 23 fund-raising campaign with their colleagues in the
- 24 community and we've raised more than \$40 million to
- 25 build this project from the public and private

1	~~~
1	sectors.

- 2 AEP also contributed a full-time
- 3 executive, Dale Heydlauff, to lead the project for
- 4 one year, and his enthusiasm, leadership and support
- 5 has made all the difference. This project is really
- 6 going to happen.
- We broke ground in April of this year and
- 8 by June of 2011 the entire community will be invited
- 9 to celebrate the grand opening. Thanks to AEP the
- 10 fabric and the face of downtown Columbus is about to
- 11 change. The riverfront will be transformed into a
- 12 destination and attraction for the entire region.
- 13 This project was once only a dream and it now is
- 14 about to become a reality.
- 15 AEP is an important corporate citizen
- 16 and, like several of the folks who spoke before me,
- 17 we are appreciative that they not only make financial
- 18 investments in this community, but they invest their
- 19 time and their heart and their soul.

20	Thank you.
21	EXAMINER BOJKO: Thank you.
22	Mr. Mike Tanchuk.
23	(Witness sworn.)
24	EXAMINER BOJKO: Please state your name
25	

1	MIKE TANCHUK
2	being first duly sworn, as prescribed by law,
3	testified and was examined as follows:
4	DIRECT TESTIMONY
5	MR. TANCHUK: Mike Tanchuk. The business
6	address is State Route 7, Hannibal, Ohio.
7	Good afternoon. I'm the president and
8	CEO of Ormet Corporation. As background, I've been
9	in the metals business my entire career. I started
10	in steel and moved into aluminum. I've operated
11	smelters on both coasts of the U.S. and the midwest
12	and in Iceland. I've been directly involved in
13	building smelters, keeping smelters in business,
14	shutting them down and restarting operations.
15	There is a single element that is key to
16	determining the fate of an aluminum producer, and
17	that is the power contract. Ormet operates a primary
18	aluminum plant in Hannibal, Ohio, that produces about
10	265 000 metric tons of aluminum each year. It uses

- 20 about 530 megawatts of energy. I believe that we are
- 21 the largest single industrial user of electricity in
- 22 Ohio.
- Power is over 1/3 of the cost to produce
- 24 aluminum. Aluminum is a worldwide commodity with a
- 25 price set on the London Metal Exchange. As a

- 1 producer of a commodity Ormet has no ability to
- 2 affect the price of our product. Our profitability
- 3 is based on controlling production costs to make us
- 4 competitive in a global market.
- 5 Our hourly employees are represented by
- 6 the United Steelworkers of America. We work closely
- 7 with the union members and leadership every day to
- 8 make the operations safer and more efficient. The
- 9 steelworkers are also very involved in the process of
- 10 obtaining a competitive power contract for the
- 11 Hannibal operation.
- Our plant runs 24/7, every day of the
- 13 year, with a very even power load. With our process
- 14 even a short loss of power causes severe impact, and
- 15 power losses of greater than six to eight hours would
- 16 shut down the operation completely requiring six to
- 17 nine months to restart and many millions of dollars.
- 18 We require stable power and AEP provides this
- 19 reliability.

- 20 Ormet is one of the region's largest
- 21 employers with more than a thousand people who in
- 22 turn support another 2,400 jobs in the region.
- 23 Counting both direct and indirect jobs Ormet
- 24 operations accounts for 3,400 jobs and almost
- 25 \$200 million in wages and benefits each year. Ormet

- 1 offers one of the best employment opportunities in
- 2 the region with wages that are far above average for
- 3 the area, and our employees are eligible for
- 4 significant benefit packages.
- 5 Ormet provides more than \$56 million in
- 6 direct wages and salaries annually to our employees
- 7 and more than \$50 million per year annually in
- 8 employee health care and other employee benefits.
- 9 The company also pays monthly benefits for more than
- 10 1,400 retirees of the company living in Ohio and
- 11 another thousand retirees who live in West Virginia.
- 12 The cost of the retired pension is about \$50 million
- 13 a year.
- Each year Ormet contributes about
- 15 \$2.8 million in tax payments to the state and local
- 16 governments, and the state is receiving about
- 17 \$6.8 million per year in individual income taxes,
- 18 sales taxes, electricity taxes from Ormet-related
- 19 activity.

20	Ormet's	production	affects	the	success	O

- 21 local businesses such as transportation, electrical
- 22 supply, barging, tools, computer, and insurance
- 23 companies, and increase their revenue when Ormet
- 24 increases production. Also our employees stimulate
- 25 the local economy by spending their wages at area

- 1 businesses and restaurants.
- 2 In early-2005 the smelter was completely
- 3 shut down for nearly two years due to volatile and
- 4 rising electricity costs in the wholesale market.
- 5 The impact of the shutdown on the community was
- 6 dramatic. Wages and salaries from Monroe County fell
- 7 by 26 percent during 2005.
- 8 The personal and financial impact on the
- 9 employees in the communities was severe. Fortunately
- 10 in late-2006 the agreement was reached with AEP and
- 11 the Public Utilities Commission to provide power to
- 12 restart the smelter.
- Working closely with the Public Utilities
- 14 Commission, AEP and Ormet, with the strong support of
- 15 Governor Strickland, we were able to develop a plan
- 16 that was a major win for all constituencies. Ormet
- 17 obtained a reliable power source of electricity
- 18 through 2008 that allowed the company to restart the
- 19 plant, reemploy more than a thousand people, and

- 20 continued to fund the retiree benefits.
- AEP was able to develop a rate structure
- 22 that allowed them to continue to earn the return
- 23 authorized by the Public Utilities Commission under
- 24 the rate stabilization plan. Southeastern Ohio
- 25 regained a major employer and has benefited

1	significantly from the economic development that has
2	resulted from the restart. In 2007 wages and
3	salaries in Monroe County rose by 27-1/2 percent.
4	We recognize AEP's commitment to Ohio and
5	look forward to continuing our relationship to
6	support economic development and job retention in an
7	area of Ohio that is facing way above-average
8	unemployment rates.
9	Thank you for your time.
10	EXAMINER BOJKO: Just a minute. We have
11	a question from the OCC counsel.
12	
13	CROSS-EXAMINATION
14	By Mr. Reese:
15	Q. Yes, Mr. Tannic.
16	A. Tanchuk, yes.
17	Q. Tanchuk?
18	A. Yes.

Q. Okay. I was curious, what kind of impact

19

- 20 do you think a 15 percent per year rate increase will
- 21 have on your employees in the community?
- A. Well, like I said, the cost of power is
- 23 about 33 percent of our production cost. In today's
- 24 environment with metal costs Ormet would not be able
- 25 to survive with that type of an increase.

- 1 Q. So Ormet does or does not support a
- 2 15 percent per year rate increase?
- A. I can't speak to the specifics. That's
- 4 for the Public Utility Commission to decide. What we
- 5 support is a balance between job retention, economic
- 6 development for the people of Ohio, and a strong --
- 7 financially strong AEP, and I think that's really the
- 8 job of the Public Utility Commission to find that
- 9 balance. We certainly will work with everyone to
- 10 help with that.
- 11 Q. Do you think that a 45 percent increase
- 12 over three years would negatively impact your
- 13 employees?
- 14 A. You know, again, with the wages and
- 15 salaries that we provide in the community it's a
- 16 good bit, but we do not under any circumstances look
- 17 at that type of a wage increase so it would impact,
- 18 obviously, the employees.
- MR. REESE: Thank you.

- 20 EXAMINER BOJKO: Thank you.
- 21 MR. TANCHUK: Thank you.
- 22 EXAMINER BOJKO: The next name I'm having
- 23 difficulty reading, Jerry Leard, or Leonard. It's
- 24 Leonard, right?
- 25 MR. LEARD: Jerry Leard. My name is

1	Jerry Leard. I live at 2287 Indiana Avenue. I'm an
2	AEP customer. I'd like the AEP-Ohio electric
3	security plan to include financial incentives for
4	EXAMINER BOJKO: I'm sorry. Mr. Leard,
5	before we start could you take the oath.
6	MR. LEARD: Sure.
7	EXAMINER BOJKO: Just raise your right
8	hand.
9	(Witness sworn.)
10	EXAMINER BOJKO: I apologize. Could you
11	please start from the beginning.
12	COMMISSIONER LEMMIE: And if you don't
13	mind, talk slowly so the transcriber accurately
14	captures your comments.
15	
16	JERRY LEARD
17	being first duly sworn, as prescribed by law,
18	testified as follows:
19	DIRECT TESTIMONY

- 20 MR. LEARD: Okay. I would like the
- 21 AEP-Ohio electric security plan to include financial
- 22 incentives for green energy production in the form of
- 23 renewable energy credits. Renewable energy credits
- 24 would be produced from electricity generated by
- 25 solar, wind, biomass hardware on the AEP-Ohio

- 1 customer's property. AEP-Ohio could purchase the
- 2 renewable energy credits or aggregate and sell the
- 3 accumulated renewable energy credits produced by
- 4 AEP-Ohio customers.
- 5 Thank you.
- 6 COMMISSIONER LEMMIE: Thank you.
- 7 EXAMINER BOJKO: Thank you.
- 8 Dr. R.P. Schrott. Schrodt.
- 9 DR. SCHRODT: Schrodt.
- 10 EXAMINER BOJKO: Schrodt?
- DR. SCHRODT: Yeah.
- 12 EXAMINER BOJKO: S-c-h-r-o-d-t?
- DR. SCHRODT: Yes.
- 14 EXAMINER BOJKO: Thank you. Raise your
- 15 hand.
- 16 (Witness sworn.)
- 17 EXAMINER BOJKO: State your name and
- 18 address for the record.
- DR. SCHRODT: Raymond Paul Schrodt, 7057

- 20 Cloverdale Lane, Columbus, Ohio 43235.
 21 EXAMINER BOJKO: Please proceed.
 22 --23 DR. R.P. SCHRODT
 24 being first duly sworn, as prescribed by law,
- 25 testified as follows:

1	DIRECT TESTIMONY
2	DR. SCHRODT: I've worked in education
3	most of my life and recently retired. Unfortunately,
4	the only stable source of income I have at this point
5	is Social Security. The Social Security
6	Administration recently announced that it was raising
7	benefits over 5 percent, which is extraordinary, this
8	coming year. But when one looks at other prices
9	increasing constantly, such as 15 percent per year
10	proposed by AEP, there's some sort of disconnect
11	going on here. Others have voiced concern about
12	this. It just seems to me that anybody that proposes
13	that type of increase must have no social conscience.
14	Others have spoken to the fact that the
15	poor are squeezed more and more. I don't put myself
16	quite in that category, but with the cost of medical
17	supplies, medicines and so forth going up, and health
18	care, constantly, we need to ask the Public Utilities
19	Commission and AEP to please take into consideration

- 20 thoughts of having a social conscience.
- Thank you.
- 22 COMMISSIONER LEMMIE: Thank you.
- 23 EXAMINER BOJKO: Thank you.
- Mr. Matthew Reitman. Raise your right
- 25 hand.

1	(Witness sworn.)
2	EXAMINER BOJKO: Please state your name
3	and address for the record.
4	
5	MATT REITMAN
6	being first duly sworn, as prescribed by law,
7	testified as follows:
8	DIRECT TESTIMONY
9	MR. REITMAN: My name is Matt Reitman. I
10	reside at 237 East 11th Avenue here in the capital
11	of the great state of Ohio. I'm also the coordinator
12	of the Ohio Student Environmental Coalition, it's a
13	statewide network of student groups working for a
14	clean, safe, and just future for all. And,
15	obviously, I'm an AEP customer here in Columbus.
16	So I think that, quite simply, we're here
17	to talk about costs, and as one of the younger people
18	in the room it's really important to me to have that
19	discussion and have it seriously. I'm going to be.

- 20 you know, seeing the outcomes of what goes on today
- 21 for a long time, hopefully, as will the other folks
- 22 that I brought with me from OSEC today.
- And in thinking about these costs I'm
- 24 really concerned about AEP's plans in terms of fossil
- 25 fuels and global warming and what that's going to

- 1 mean, and I want to have that conversation here in
- 2 the Public Utilities Commission process at the same
- 3 time as we're talking about the Senate bill.
- 4 Specifically, AEP is trying to build new
- 5 coal-fired power generation and they're also
- 6 considering new generation from nuclear power at the
- 7 same time as they're asking for more money from
- 8 customers, and I'm really concerned because the costs
- 9 of coal are skyrocketing and nuclear is really, it's
- 10 kind of like a distant and expensive thought at the
- 11 moment, and so in thinking about American Electric
- 12 Power asking for more money from me and other
- 13 customers in Ohio, I want to see them prioritize
- 14 further investment in efficiency and conservation
- 15 rather than spending more money on these other
- 16 more-expensive options.
- 17 Also, in talking about global warming,
- 18 which I see really as the most important piece of
- 19 this economic discussion in the future, AEP CEO's

- 20 Michael Morris has said that reducing greenhouse gas
- 21 emissions to the point where scientists are
- 22 recommending that we do, he said that it is, quote,
- 23 "an unaccomplishable goal," and as a young person I
- 24 think that runaway climate change and all the health
- 25 and environmental and economic impacts of that is

1	like an unthinkable threat. It's an unallowable
2	threat.
3	And I'm concerned the scale of these
4	other issues, fossil fuels and global warming, as
5	they play into this conversation with the Public
6	Utilities Commission process is going to make this
7	whole this whole conversation irrelevant unless we
8	address them at the same time.
9	So if American Electric Power wants to
10	raise our rates 15 percent every year for the next
11	three years, I think the least they can do is address
12	these other problems at the same time.
13	Thanks.
14	EXAMINER BOJKO: Miss Kristen Arnold.
15	Please raise your right hand.
16	(Witness sworn.)
17	EXAMINER BOJKO: State your name and
18	address for the record, please.
19	

20	I/DICTENI	ADMOLD
20	KRISTEN	AKNULL

- 21 being first duly sworn, as prescribed by law,
- 22 testified as follows:
- 23 DIRECT TESTIMONY
- MS. ARNOLD: My name is Kristen Arnold.
- 25 I live at 2311 Hoxton Court, Columbus, Ohio 43220.

1	I'm a student at The Ohio State University here in
2	Columbus and as a young American I'm very concerned
3	with where this country is going in terms of
4	combating global climate change and also the negative
5	effects and impacts it's having on the communities in
6	Ohio and the United States right now.
7	Ohio has a great potential to invest in
8	clean and just energy sources like wind and solar,
9	and what will this plan directly do to address the
10	need to dramatically reduce greenhouse gas emissions
11	in this country and the world?
12	Thank you.
13	EXAMINER BOJKO: Okay. Mr. Andrew Riedy.
14	
15	ANDREW RIEDY
16	being first duly sworn, as prescribed by law,
17	testified as follows:
18	DIRECT TESTIMONY
19	MR. RIEDY: My name's Andrew Riedy. I

- 20 live at 2288 North High Street, Apartment 1 here in
- 21 Columbus, Ohio, and I'd like to say that, sadly
- 22 enough, the economics of this situation is pretty
- 23 much a given. When you have CEO's making such a
- 24 salary and then you have folks such as who testified
- 25 here today struggling to make ends meet and you have

- 1 a monopolistic economic system such as AEP providing
- 2 power just because, due to economies of scale, it's
- 3 the only reasonable way to provide affordable power
- 4 to Ohioans, it's kind of a given. There's no reason
- 5 that they should be allowed to pursue a 15 percent
- 6 rate hike over the next three years, but that's
- 7 beside the point.
- 8 In my opinion, the economy of it, I mean,
- 9 it's a given. The question is should they be allowed
- 10 to do that. No. Not until they tighten their own
- 11 belts. They should not be able to make a profit to
- 12 such an exorbitant extent where they're allowed to
- 13 compensate CEOs when it, you know, inherently needs
- 14 to be an industry of economy of scale, an industry
- 15 that's a monopoly, and that's beside the point.
- The point is if they want 15 percent out
- 17 of Ohioans over the next three years, what are we
- 18 getting in return for that? Are we going to get more
- 19 technology such as the same, or are we going to have

- 20 more coal powered plants? Are we going to have more
- 21 unfortunate families that live in Appalachia getting
- 22 cancer from the smoke stacks and this dirty, dirty
- 23 energy source that it's been known to do and proven
- 24 to do? What are we getting?
- Why don't we have an investment in green

1	jobs? Why don't we invest in the infrastructure of
2	what it's going to take to provide energy over the
3	next hundred years? Why are we investing in old
4	technologies that are known to be dirty?
5	Thank you.
6	COMMISSIONER LEMMIE: Thank you.
7	EXAMINER BOJKO: Mr. E.J. Thomas. Please
8	raise your right hand.
9	(Witness sworn.)
10	EXAMINER BOJKO: State your name and
11	address, please.
12	MR. THOMAS: My name is E.J. Thomas,
13	Chair of the board of Habitat for Humanity, 88 East
14	Broad Street, 19th floor.
15	EXAMINER BOJKO: Please proceed.
16	MR. THOMAS: Thank you.
17	
18	E.J. THOMAS
19	being first duly sworn, as prescribed by law,

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20	testified	as tol	IUMIG.
~~	Country	asion	IUVV.

- 21 DIRECT TESTIMONY
- MR. THOMAS: I'm here to testify in that
- 23 role as Chairman not on the rate request but, rather,
- 24 on the issue of AEP's good corporate citizenship over
- 25 the years, in our opinion, as those who are connected

- 1 with Habitat for Humanity.
- 2 Throughout their service territory AEP
- 3 employees, with the encouragement of the company's
- 4 management, have volunteered countless hours helping
- 5 build homes for partner families who would otherwise
- 6 not be able to afford them. They've done this with
- 7 about 30 of our 70 affiliates across the state and,
- 8 obviously, with the service territory being mid-Ohio
- 9 and down, it's probably the majority of those habitat
- 10 affiliates. And I'm guessing that they're closing in
- 11 on a million dollars in terms of the money that they
- 12 have donated to the effort of building low-income
- 13 housing.
- 14 Their combination of shareholder, not
- 15 ratepayer funded, assistance and volunteer
- 16 participation have helped the Columbus affiliate
- 17 build five houses in as many years and a number of
- 18 others throughout their service territory. As such,
- 19 AEP has been a significant player in the continued

- 20 sustainability and growth of Habitat for Humanity in
- 21 central and southern Ohio.
- The success of nonprofits in the region
- 23 clearly relies on a corporate philosophy that
- 24 provides generous financial and volunteer support,
- 25 and in that regard AEP has stepped in and stepped up

1	year after year; for that, many low-income families
2	of Ohio are most grateful.
3	Thank you.
4	COMMISSIONER LEMMIE: Thank you.
5	EXAMINER BOJKO: Mr. Jeff Swaragen.
6	(Witness sworn.)
7	EXAMINER BOJKO: Please state your name
8	correctly. I'm sure I did not get it right.
9	
10	JEFFERY F. SWANAGAN
11	being first duly sworn, as prescribed by law,
12	testified as follows:
13	DIRECT TESTIMONY
14	MR. SWANAGAN: Jeffrey F. Swanagan. I
15	reside at 5874 Moray Court. I'm also the executive
16	director of the Columbus Zoo and Aquarium.
17	I too am here to comment about AEP and
18	their corporate citizenship. They have been
19	impressive role models of corporate citizenship, they

- 20 have given back to the community with its time,
- 21 talent, and treasures of the company as well as the
- 22 team members of AEP.
- For example, Wildlights, which has been
- 24 featured at the Columbus Zoo and Aquarium for over 15
- 25 years, including a recent grant from AEP to provide

1	LED lights, which are very good green lights,
2	generating 200,000 guests per year, that without
3	their support the zoo would have only had 1/10 of
4	that type of attendance.
5	That attendance of 200,000 over the years
6	has enabled the Columbus Zoo and Aquarium to become
7	the region's premier family destination, and through
8	that success in the last five years the Columbus Zoo
9	and Aquarium has been able to provide over \$3.5
10	million of conservation worldwide, and we are very
11	grateful for their leadership and support.
12	Thank you.
13	COMMISSIONER LEMMIE: Thank you.
14	EXAMINER BOJKO: Carmen Allen.
15	(Witness sworn.)
16	EXAMINER BOJKO: Please state your name
17	and address.
18	
19	CARMEN ALLEN

- 20 being first duly sworn, as prescribed by law,
- 21 testified as follows:
- 22 DIRECT TESTIMONY
- MS. ALLEN: Carmen Allen. My residential
- 24 mailing address is 2215 Dresden Street, 43211, that's
- 25 in Columbus.

1	I'd like to say that I support AEP's kind
2	of aggressive stance to saying we have to do
3	something soon and now is the time is right for
4	change, but I also have to speak to the natural
5	person, the resident, the homeowner, the renter, that
6	the term "energy efficiency" is no longer a buzz in
7	my household. It's went beyond the light bulbs and
8	the replacement of certain items in our home and
9	energy-efficient appliances, because those bulbs
10	and those light bulbs, those appliances cost more
11	money.
12	So it's quite understandable that AEP
13	will propose a substantial rate increase to fund this
14	type of initiative, but as a consumer I ask you to
15	consider the language that is being used right now,
16	does it make the consumer really aware of about what
17	the 45 percent increase will really mean if it takes
18	place in the next three years? It means also that
19	you could use less and still pay more.

- It also means that my granddaughter right
- 21 now will pay 45 percent more for utility services
- 22 than her mother would, and that my daughter and my
- 23 son-in-law would share in the responsibility with me
- 24 and my husband now to pay this burden over the next
- 25 three years.

1	It also means that my mother, who's 74
2	years old, who gets Social Security, will not be able
3	to afford her electric service and no matter how she
4	tries to reduce her consumption, she will still pay
5	more.
6	I'm asking that the PUCO consider that
7	each customer class should be a benefactor in AEP's
8	service territory in this process, that I would like
9	to see a commitment to energy efficient programs and
10	the inclusion of the middle class in the programs for
11	persons in economic crisis and in poverty as well.
12	I realize that this proposal has come
13	before the safety nets have actually been put in
14	place that would help the consumers be able to
15	shoulder such a burden. I'm sure it's going to come
16	back down in some formal language or House bill, but
17	I'd like the PUCO to consider now that we are going
18	to get the bill and we cannot afford to pay it at
19	this point.

- We appreciate the opportunity to come out
- 21 and have a voice today. This issue is hard. It's
- 22 very critical. I even stammer while I'm speaking
- 23 because the responsibility that you guys have to make
- 24 sure that we have a greener, healthier environment
- 25 for even my grandkids to be raised in is incredible

- 1 and it's overwhelming, but the outcomes of people not2 being able to afford a basic necessity of life is
- 3 kind of at risk too.
- 4 So I'm, again, I would just ask that you
- 5 consider before you go ahead with a 45 percent rate
- 6 increase over the next three years, that you put the
- 7 safety nets in place for everyone, and that you raise
- 8 income levels so that the middle class is included in
- 9 receiving the benefits of those programs.
- Thank you.
- 11 COMMISSIONER LEMMIE: Thank you.
- 12 EXAMINER BOJKO: That concludes the
- 13 witness list that I have. Is there anybody in the
- 14 audience that was unable to put their name on the
- 15 witness list that would like to speak at this time?
- 16 (No response.)
- 17 EXAMINER BOJKO: Seeing none, I think --
- 18 would you like to conclude?
- 19 COMMISSIONER LEMMIE: We certainly

- 20 appreciate everyone coming out and listening and
- 21 sharing their thoughts and their comments with us, we
- 22 really appreciate you taking the time to do that and,
- 23 again, they are included in the official record of
- 24 the case and will be taken under consideration by the
- 25 members of the Commission and our hearing officers.

1	Thank you very much again for coming out.
2	EXAMINER BOJKO: At this time we will
3	conclude the local public hearing. Thank you for
4	attending.
5	(The hearing concluded at 2:05 p.m.)
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1	CERTIFICATE
2	I do hereby certify that the foregoing is a
3	true and correct transcript of the proceedings taken
4	by me in this matter on Tuesday, October 21, 2008,
5	and carefully compared with my original stenographic
6	notes.
7	
8	Maria DiPaolo Jones, Registered Diplomate Reporter and CRR and
9	Notary Public in and for the State of Ohio.
10	My commission expires June 19, 2011.
11	(MDJ-3279)
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Summary: Transcript Columbus Southern Power, Public Hearing 10/21/08 electronically filed by Mrs. Jennifer D. Duffer on behalf of Armstrong & Okey, Inc.