



FILE

**Stark
Development
Board, Inc.**

December 4, 2008

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PUCO

Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, Ohio 43215-3793

Re: Case #s 08-917-EL-SSO
08-918-EL-SSO

The Stark Development Board (SDB) wishes to go on record with the Public Utilities Commission of Ohio to oppose the proposed 15 per cent per year/three year increase for electricity rates that is being sought by American Electric Power- Ohio Power Company.

There are several reasons for our opposition to AEP/Ohio Power's proposed rate hike. First, as an economic development organization, SDB is very concerned that the proposed amount of rate increases sought by AEP/Ohio Power (representing a 52 % increase over a three year period) could result in significant loss of the existing companies that are presently located and doing business here in Stark County, Ohio. Our experience has been that as the costs of doing business increase, companies begin to seek alternative locations that can provide them a business environment that is more conducive to reducing their operating costs. This would be particularly true for companies where energy costs are a significant percent of their cost of production. Obviously, the loss of these companies, jobs and payroll they provided would result in a substantial blow to the Stark County's economy.

Secondly, the significant level of increase requested by AEP/Ohio Power will also hurt our future efforts to attract new companies to Stark County, particularly those companies that have significant electric power requirements. With the proposed electric rate increases by AEP/Ohio Power, it is our view that the increases, if approved, will reduce Stark County competitiveness when compared to other locations that have much less expensive electric rates.

SDB is also concerned that the proposed rate increases will hurt our Stark County residents who will be forced to spend considerably more of their income on their electric bills if the proposed rate hike is approved. The result is that there will be less money available to our residents to purchase local goods and services, which will create an additional economic burden negative on the Stark County economy.

It is for these reasons that SDB is opposed to the proposed AEP/Ohio Power rate increase in its rate case that is now before PUCO. Thank you for your consideration of our thoughts and opinions.

Sincerely,


Stephen L. Paquette
President & CEO

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