



RECEIVED-BOOKETING DIV

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PUCO

November 6, 2008

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Chairman Alan Schriber
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

Office of Chairman
P.U.C.O.

RE: Case Numbers: 08-917-EL-SSO, 08-918-EL-SSO

Dear Chairman Schriber:

As General Manager of Smurfit-Stone Container Corporation's paper mill in Coshocton, I am writing to express my opposition to American Electric Power - Ohio's (AEP-Ohio) proposed electricity rate increase of 51% over three years.

Smurfit-Stone is the industry's leading integrated containerboard and corrugated packaging producer, and one of the world's largest paper recyclers. It operates eight facilities in Ohio, employing over 1,000 men and women, with a payroll of nearly \$60 million. The Coshocton facility is a paper mill that produces over 310,000 tons of paper (corrugated medium) annually. AEP's current rate increase proposal threatens the competitiveness of our Coshocton mill and its very existence, and ultimately, the viability of Smurfit-Stone's seven other facilities in the state as well. The jobs all of our facilities provide in Ohio sustain many family households. Our Coshocton mill alone provides 225 of these jobs that are of tremendous economic importance to members of the Coshocton community.

Like many of the manufacturers that compete in a global marketplace, we compete not only against other manufacturers but also our other mills in other states. Any unjustified increase in our costs puts unnecessary burdens on our ability to compete. Manufacturers like us are also facing the same volatility in financial markets and commodity prices that AEP-Ohio faces. However, we do not have the ability to pass on the cost of price increases to our customers that a utility, such as AEP-Ohio, is able to do. Allowing AEP-Ohio to increase rates by 15% annually over three years resulting in a compound, minimum increase of 51% will result in significant hardship for those of us who compete globally. AEP-Ohio's proposed rate increase will have a very negative effect on Smurfit-Stone's ability to stay competitive and exist profitably in our state.

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AEP-Ohio's prices should be cost-based, allowing them to be fair, just, and reasonable. Since AEP-Ohio's proposal does not meet this basic test, we respectfully request that it should be denied by the PUCO.

Thank you for the opportunity to make these comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Dan Truett', with a stylized flourish at the end.

H. Dan Truett
General Manager

cc Kevin Schmidt, OMA