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PUCO

February 14, 2012

Todd Snitchler
Chairman, Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

11-346-EL-SSO

Dear Chairman Snitchler:

I am writing as a follow up to your recent decision to reassess the PUCO's approval of the much publicized AEP Electric Security Plan (ESP) as well as the letter dated October 26, 2011, in which the National Federation of Independent Business/Ohio (NFIB/Ohio) expressed our views on electricity policy in the state of Ohio, to be included as part of the docket for consideration by the commissioners when deciding on this case. I have included a copy of that letter for reference.

I applaud your decision to review the impact the PUCO's decision is having on small-business owners and reiterate our position from our previous correspondence in which we expressed our support for the actions taken by the Ohio General Assembly roughly thirteen years ago, to make Ohio a competitive state for electricity generation service. NFIB/Ohio has always supported the concept of free markets with as little government intervention as possible. I know our members thrive in just such an environment; it is the environment they operate in each and every day.

The recent approval of the AEP rate case has led to significant price increases on Ohio's small businesses as indicated not only through the articles in the *Columbus Dispatch*, or from the concerned phone calls and emails from our members, but also through the large volume of complaints lodged at your agency. It is our understanding that the ability of small businesses to competitively shop for generation rates has been significantly limited through this decision. The Commission moved in the right direction when it modified the ESP to preserve shopping for local communities under governmental aggregation programs, but with market-based electric rates at historic lows, the Commission should seize the opportunity and allow **ALL** customers to defray the cost of these rate increases by shopping for a lower generation price. In the spirit of the free market, may the best price win.

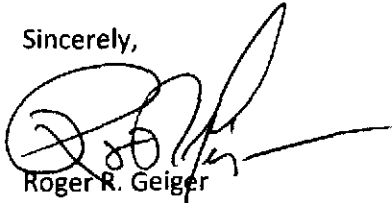
As a former small-business owner, you understand the challenges faced by the small-business community. With many operating on very thin margins, unannounced spikes in electricity charges will lead to tough decisions regarding retention of employees and in the worst cases whether or not to continue operations. The women and men who put their livelihoods on the line day in and day out have had a government imposed limit placed on their ability to competitively shop. While Ohio is starting to turn the corner to economic recovery following one of the worst recessions in recent history, and the mantra from public policy makers is "Jobs, Jobs, Jobs," why would the PUCO approve an ESP that gouges the economic engine of this great state?

Again, I applaud your decision to review the previously approved AEP ESP and hope you work expeditiously to bring relief to impacted small businesses. Although not a panacea to increased electricity costs associated with this overall case, permitting complete free market shopping for generation would be a positive step toward bringing about some relief to the impacted AEP customers.

Too many times the small-business community is asked to shoulder excessive costs brought on by reductions in rates to high energy users under the guise of economic development. I contend that small businesses are the backbone of our economy and as such their interests are just as important as their larger counterparts.

Thank you for your consideration. In the meantime, we would appreciate it if your staff could docket this letter as part of the record in this proceeding (#11-346-EL-SSO).

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Geiger', with a long horizontal stroke extending to the right.

Roger R. Geiger
Vice President/Executive Director

cc: PUCO Commissioners
The Honorable John R. Kasich
The Honorable William G. Batchelder
The Honorable Armond Budish
The Honorable Eric Kearney
The Honorable Tom Niehaus



OHIO

October 26, 2011

The Honorable Todd Snitchler
Chairman, Public Utilities Commission of Ohio
180 E. Broad Street
Columbus, OH 43215

Dear Chairman Snitchler:

As your agency implements the laws surrounding electricity, and the Governor and the General Assembly further review Ohio's energy policies, I want to share with you the views of the Ohio Chapter of the National Federation of Independent Business (NFIB/Ohio) on electricity policy.

NFIB/Ohio represents over 24,000 small-business owners of varying size and industry class. As you may know, small businesses have historically accounted for 60 to 80 percent of net new jobs. They compete each day to earn the business of their customers, and every decision and expense is scrutinized carefully so they remain competitive in the global marketplace. Therefore, policy-makers must always be sensitive to the decisions they make and how those decisions will impact Ohio's entrepreneurs if our great state is to flourish again.

The legislature debated in 1999, and again in 2008, whether or not Ohio should be a competitive state for electric generation service. The legislature concluded that a robust, competitive market would bring lower prices, force operating efficiencies, and encourage advancements and innovation in the marketplace. As a result, current law requires that policies of the state must promote a competitive market, and small businesses across Ohio now have the opportunity to choose their electricity supplier and secure a lower price when possible – and electricity prices are now near historic lows.

NFIB/Ohio has long championed the position that fostering competitive markets and limiting government intervention will free entrepreneurs to create jobs, make capital investments, and take risks that help grow their business. It is my understanding that efforts are underway that may limit opportunities for small businesses to shop for electricity in some parts of the state. I do not believe any action by the PUCO to limit fair and open competition for electricity by small, commercial users makes sense for economic development in Ohio.

Thank you for your consideration of this important issue.

Sincerely,

Roger R. Geiger
Vice President / Executive Director

cc: Governor John Kasich
Senator Tom Niehaus, Senate President
Representative Bill Batchelder, Speaker of the House