

FILE

11-346-LE-SSO
RECEIVED-DOCKETING DIV

14

FAX

2012 FEB 23 AM 10:19

Date: 2/6/2012

PUCO

Pages including cover sheet:

3

To:	Shane Wilkin
Phone	
Fax Number	+1 (937) 393-5850

From:	Bill Bernardin
	Arc Energy Inc
Phone	+1 (614) 423-6731
Fax Number	+1 (614) 423-6731

NOTE:

Hello to all,

In reference to a phone conversation with Ms Katy Farber in the Chamber of Commerce office, please review my response to her regarding her request that I furnish references to check my office merit.

In the client relationship that is crucial and valuable, I replied to her that I am representing a marketer recognized and approved by the Ohio Utilities Commission (PUCO).

My offering from varied suppliers are generated on the competitive market practice of competing for the market share. This office is constantly reviewing the outlook, trends and prices for the financial benefit of our client.

The community Aggregation letter is included here, the Highland County C of C letter has been sent to Kate Farber, Are the municipalities and interests from Clinton County abreast or considered in any of this effort?

This fax is to the offices of Mr.- B.Fawley, S.Wilkin, S.Roush and Mayor Haskins

Thank you, Bill Bernardin Arc Energy Inc

RECEIVED

FEB 06 2012

HIGHLAND CO. COMMISSIONERS
CLERK

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
Technician BWA Date Processed FEB 23 2012

County Chamber of Commerce
Highland Hillsboro, Ohio 45133

Re: the information pertaining to PUCO/ AEP rates/ deregulated energy marketing

Hello Ms Farber,

Thank you for extending the courtesy and conversation on the topic of the communities impact and reaction to the subject of the Electrical rates and the possibilities that exist to provide financial advantages to the consumer through deregulated energy programs.

My use of the term 'programs' is specifically intended for the ability to provide to the customer offers from the provider based on a combination of factors from the user's specific profile- Yearly consumption, load factors, metering classification rate.

A Community Aggregation is a function enabling the consumers to form a collective unit.

Positives for the group

Presumed larger quantity = lower resultant pricing.

Negatives for the group

A member's impact upon the group may negatively influence the offer.

In forming our group, the charter would be drafted to include either a 12 or a 24 month calendar term. The membership of the community is generally open enrollment for joining, or joining during a contract period, and it is permissible to cease enrollment, with advisement that providers may have in place charges for early cancellations.

On the thought of this community, one of the hardships for the supplier is the uncertainty of the groups stability of enrollment and consumption. Thus the prices are conservatively higher as a hedge against loss. As normal, I would request new enrollments, either initially or later to enable me to present a group of individual parties for consideration, thus the accounts are given some advantage for the volume.

When individual accounts are presented, the pricing offer generally provides a 15 to 20 percent savings on the expenditure for the quantity of electricity consumed.

In the response to your request that I provide any contact information, referring to suppliers, associates, and/or clients, I can only provide that I am, as Arc Energy Inc of Columbus, Ohio presenting you (meaning persons or groups which are aware of the actions in the community involving AEP and/ or PUCO), the availability of our services (referring currently to a deregulated electrical provider and forthcoming an introduction for Natural Gas choices).

To divulge the information of my clients would be a violation of the trust placed in us in verbal, expressed or implied, or written communication. This same principle exists in the correspondence developing in and through your group of common interest. Please understand my reasoning for this response. As this is a reply to the request during our phone conversation, please be aware that it is being provided to the interested parties in the community with whom I have access.

Kindest regards,

Bill Bernardin

Arc Energy Inc

Phone and Fax

614-423-6731

Or contact me via

energycostsavings@arcenergyinc.com

What is Community Aggregation?

Simply put—a group joining together to form a buying unit. By forming and joining an aggregation group, each member is authorizing Arc Energy Inc to shop for electrical and natural gas on their behalf.

Whom do I call if I have a problem with my utilities service?

Your local utility provider will continue to deliver your electric and/or natural gas, read your meter, and issue your monthly bill. You will, as previously, continue contacting your local service provider for emergency repairs, outages, gas leaks, billing questions, etc.

Will I get two bills?

No. You will continue to receive a single bill. This bill will display their transportation charges and the usage charge for the selected supplier.

What is our rate?

A quote of pricing will be furnished for your consideration and acceptance. The factors are term of contract, variable based or fixed price, historical consumption usage, for electrical the factors of peak demand and load profile.

How much will I save?

Definitely, not perhaps, but yes. The savings will be evident upon viewing the response of our submittal.

Will I still receive a delivery charge from my local utility?

Yes. Even though you have chosen a new supplier for your utility, Your local utility provider continues service your account. They charge a transportation fee for the utility delivered and a monthly service charge. Delivery charges apply whether you choose a supplier on your own or remain.

Am I charged tax on the utilities?

Yes, as previously, the applicable tax structure remains.

Can I exit these programs?

Yes. A great feature of our program is the ability to leave at anytime for any reason free of charge.

How do I sign up for the program?**What if I'm with another supplier and would like to join this program?**

Arc Energy Inc is providing this program to your community. The location in the geographical region boundaries will place you in the aggregated group.

Upon receiving your request for pricing and service, you will be quoted prices for the available plans for your acceptance.

Your acceptance will enroll in the community and provide the services.

1. Contact us to have an application form furnished to you.

phone and fax 614-423-6731

email energycostsavings@arcenergyinc.com

2. Fax the enrollment form 614-423-6731

Bill Bernardin
Arc Energy Inc
Deregulated Energy Broker
Senior Sales Consultant
2/6/2012

AEP

VIA FAX

Mr Harry V Shoop
7253 State Route 135
Lynchburg, OH 45142-9434

9 FEB 2012

Job - Rate Hike Complaint - AEP

TO PUCO + HCU HCC.

FAX 937-364-2663

POC - Comm Tom Horst Phone 937-364-2081

Hearing impaired

COMMISSION FAX # 1-937-393-5850

I desire to protest recent AEP electric
rate hikes, Private Dwellings, SMALL BOWN,
+ 2 other lights

my total Residence Bill abuse
was \$ 516.12 which was paid
House Bill \$ 442.47 - Normally much lower.
SMALL BOWN 48.24 - Normally \$ 6.00 or 7.00
2 Ext Bldg lights 24.41.

I called AEP last week. I first
contacted AEP office in Columbus, Ohio -
Several days later a AEP Rep^{ROB} called from
Spartan, Ohio stating that this is the
city, etc.

I have also wrote the Lt Gov of Ohio,
Lt Gov Mary Taylor about this
Rate Hike, etc etc.

Please confirm that your office
has received this FAX.

Respt
Harry V Shoop

SIGN

IN

SHEET

Highland County Commissioners Office	Feb. 9, 2012 From 12:00 to 4:00	To talk to AEP Representative
Name	Address	Phone (TENANT) OR (OWNER)
1 Bob Higgins	128 E. WALNUT #2	937-403-8801 OR 937-364-2455 (OWNER)
2 Ray Lewis	130 N. High St	937-393-5791
3 Tim Rags	6140 DUNKLAP RD	393 9844
4 Clinton Throckmorton	941 Market St, P. Kenton, OH	740-527-4335
5 E Blankensky	11948 Petersburg Rd N Hillsboro OH	937-402-1654
6 Paulette Danley	601 S. High St	937-393-2770
7 Mark Wagon	726 Blazer Rd. Greenfield OH	937-365-1949
8 Tony Throckmorton	184 TAYLOR DR. APT. 8	937-403-6278
9 JITEN PATEL	8190 US Highway 50, h513	937-393-1966
10 JINESH PATEL	838 W. MAIN ST.	937-393-3547
11 D. JAGA	883 W. Main St	937-393-4730
12 Scott Lowe	5820 US 62 Hillsboro	937-763-7438
13 Mary Ellen Woods	107 JANE ST	937-393-5526
14 Karen Miller	Village of Sardinia PO Box 27 Sardinia 45171	937 446 3807
15 Juliet DAVIS	147 S. Glenn St. Hillsboro OH	937 403 6868
16 David Truitt	303 W. Walnut St	937-393-9045
17 Art Kahl	238 W. Walnut ST	937-393-9372
18 Marilyn Everhart	12360 Collier Kren (Jish D)	937-981-4754
19 Janie Smith	7010 West Rd. Bainbridge Ohio	937 365 1565
20 Dana Smith	7010 West Rd. Bainbridge Ohio	937 403 8187

Print name

SIGN

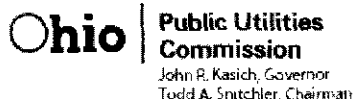
IN

SHEET

Highland County Commissioners Office	Feb. 9, 2012 From 12:00 to 4:00	To talk to AEP Representative
Name	Address	Phone
1 Robert J. Kealey	125 Northfield Dr.	937-344-0278
2 Rick Ungar	14035 Titus Rd	937-981-4509
3 Robert De Hart	2819 Ruble Lane ^{Sardinia, O.}	937-515-4550
4 MARK COY	104 Hickory Hill	937-393-8953
5 Bertha Kinnick	8859 US 50 Hillsboro	937-393-2527
6 SIMON LEON SHERAD	7109 NAGGERTY CRY	937-393-4178
7 Mervyn Matheney	114 B Green St. Hillsboro	937-840-0804
8 Robin L. Moore	144 W. Main Hillsboro	937-763-7077
9 Patricia D. Ditz	9121 Water St Hillsboro	937-981-4178
★ 10 Todd Wilkin	970 W. Main Hillsboro	937-313-5612
11 Jerry Fullum	1655 Springtown Rd	937-442-3539
12 Tom Iker	109 TEMPLE Way Hills-	937-393-9803
13 Darrell R. Brown	1187 GREEN HILLS PR	937-661-5537
14 Ann Stephan	530 Freeport Rd Sardinia	937-482-0203
15 Kara Quillen	67 W. Main St.	937.442.91019
16		
17		
18		
19		
20		

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Tweet



For Immediate Release
Contact: Matt Butler
614 | 466 7750



PUCO to resolve AEP small business customer rate issues

COLUMBUS, OHIO (Feb. 10, 2012) – The Public Utilities Commission of Ohio (PUCO) today announced that it will soon address the significant impacts that AEP rate changes are having on General Service 2 customers who are primarily small businesses, school districts and local governments. The PUCO has been contacted by legislators, Gov. John Kasich, and more than 200 affected customers who are faced with exorbitant bill increases that will have a lasting negative impact on operations.

“My fellow commissioners and I are deeply troubled by what we have heard from business owners, elected officials, and the governor on this issue,” PUCO Chairman Todd A. Snitchler stated. “We acknowledge the negative impact our decision is having on small businesses, the backbone of Ohio’s economy. To those affected customers, we too are deeply concerned and are fully committed to addressing the situation quickly. We want to resolve this issue so you can get back to positively impacting the economic recovery beginning to take place in Ohio.”

Last December, the PUCO modified and approved an agreement in AEP-Ohio’s electric security plan case. The agreement was signed by a variety of parties representing manufacturers, energy suppliers, and environmental groups among others. The PUCO held local public hearings to gather input and vetted the agreement through a transparent legal process during which 30 witnesses provided testimony and faced cross-examination.

Under the modified agreement, AEP will transition to a market-based generation rate structure over a four and a half year period from 2012 to 2016. AEP will separate its generation and distribution assets, and, beginning in June 2015, procure electricity for customers through competitive auctions.

While the move toward competition will ultimately benefit consumers, the rate plan includes new charges to recover several hundred million dollars worth of deferred distribution and fuel costs, as well as costs to transition to the market-based model. The Commission allocated these rate impacts among customer classes based upon figures and information provided by AEP.

“Our decisions are only as good as the company billing information they are based upon,” Snitchler stated. “In this case, we depended upon AEP to provide accurate data upon which to base our decision. Now that we have a full understanding of the impacts, we are actively developing a plan to resolve the rate impacts faced by affected General Service 2 customers. While I cannot prejudge the outcome, we will take this issue up immediately so that there can be a long-term resolution in place by the end of this month.”

The PUCO encourages affected customers to [file written comments online](#) in case 11-346-EL-SSO. Additional information regarding the AEP rate changes and impacts on small business is available at www.PUCO.ohio.gov.

-30-

The Public Utilities Commission of Ohio (PUCO) is the sole agency charged with regulating public utility service. The role of the PUCO is to assure all residential, business, and industrial consumers have access to adequate, safe, and reliable utility services at fair prices while facilitating an environment that provides competitive choices. Consumers with utility-related questions or concerns can call the PUCO hotline at (800) 686-PUCO (7826) and speak with a representative.

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The Public Utilities Commission of Ohio
 180 E. Broad St., Columbus, OH 43215
 John R. Kasich, Governor • Todd A. Snitchler, Chairman
 An Equal Opportunity Employer and Service Provider
 (800) 686-PUCO (7826) • (800) 686-1570 (TTY-TDD)

**FW: AEP Rate Increase**

Thursday, February 9, 2012 3:24 PM

From: "Drew Hastings" <dhestings@hillsboroohio.net>**To:** maggiehorst@yahoo.com

Maggi – FYI

Deb

From: Debbie Ryan [mailto:dryan@mwncmh.com]**Sent:** Thursday, February 09, 2012 9:49 AM**To:** Drew Hastings**Subject:** AEP Rate Increase***The following message is being sent on behalf of Sam Randazzo.***

Dear Mayor Hastings:

I am General Counsel to the Industrial Energy Users-Ohio (IEU-Ohio) which is a party in the AEP rate cases. As a result, I get notices when documents are filed at the PUCO in the AEP rate case files. Accordingly, I saw a copy of the complaint you submitted regarding the large electric rate increase that has landed on Hillsboro.

Unlike other trade associations, like the Ohio Manufacturers Association (OMA) or its affiliate the OMA Energy Group (OMAEG), the Ohio Hospital Association (OHA) and the Ohio Energy Group (OEG) that participated in the AEP cases before the PUCO, IEU-Ohio actively protested the settlement to try to improve the outcomes for customers receiving service on AEP rate schedules that apply to commercial and industrial customers. That work continues.

Advising the PUCO of your concerns is a good first step in the right direction. The increase in your electric bill was very predictable but the PUCO may not have fully appreciated the consequences of its actions. You have helped the PUCO better understand what is actually happening on the customer's side of the electric meter.

Below is some basic information on the AEP situation.

Before discussing the AEP electric bill changes, it may be helpful to identify the areas in Ohio which have been affected by these changes. These areas can be identified from a "PDF" version of the electric service area map located on the PUCO's website at http://www.puc.state.oh.us/pucogis/STATEMAP/Elecserve2010_A.pdf.^[1] As the PUCO's electric service area map shows, AEP serves a large area within Ohio. The electric bill changes that have occurred recently affect this entire area and are not limited to particular areas within AEP's service area.

In mid-December, the PUCO authorized AEP to collect more revenue from consumers and this authorization is now being reflected in the electric bills that have gone out to consumers and will continue to go out to consumers. While there are a lot of moving parts within the PUCO's rate increase authorization, the electric bills consumers are receiving and the magnitude of any increases flow from the PUCO's decision. A utility is not permitted to increase electric rates unless the PUCO has authorized the utility to do so. [2]

The rate changes authorized by the PUCO flow mostly from a settlement that the PUCO approved with some modifications. The settlement was supported by most of the parties that participated in the PUCO proceeding. The settlement was opposed by some parties including the Office of the Ohio Consumers' Counsel (OCC), FirstEnergy Solutions Corporation (FES) and IEU-Ohio.[3]

The rate changes approved by the PUCO for AEP most significantly affect:

- (1) The price that customers pay for generation service provided by AEP as the default supplier when consumers are not being served by a Competitive Retail Electric Service (CRES) supplier;
- (2) The price that consumers will pay to a CRES supplier; and
- (3) The price that consumers pay for distribution service.

More specifically, the PUCO authorized AEP to increase the default supply price by about \$300 million, authorized AEP to increase the CRES supplier price (going from about \$16 to \$255 in 2012) and authorized AEP to increase the amount of revenue it collects for providing local distribution service. [4] In combination, these changes work to significantly increase the revenue collected by AEP while limiting the ability of consumers (acting individually or through community aggregation programs) to avoid the increase by obtaining lower-priced electricity supply from a CRES supplier. The rate increases authorized by the PUCO include further increases in 2013 and 2014. These increases come at a time when electric prices in the competitive market have declined sharply.

Much of the consumer reaction to the rate change has focused on the differences in the magnitude and the direction of electric bill changes as these moving electric price parts interact. The Columbus Dispatch's Dan Gearino has done a terrific job reporting on this subject and, in an article published on Sunday, February 5, 2012, illustrated how these moving parts affect smaller business customers. The illustration is available through the Internet at <http://www.dispatch.com/content/stories/local/2012/02/05/aep-rate-increase-creating-static.html>.

The PUCO authorized AEP to implement the rate changes effective January 1, 2012 on a "bills rendered" basis. This means that the electricity consumed in December by many consumers has been or will be billed at the new rates. The PUCO was concerned about

AEP getting the new rates into effect beginning January 1, 2012 and did not require AEP to provide the typical consumer notices that usually precede the effective date of electric rate changes.

The electric bill consequences of the settlement and the PUCO's decision are predictable and were predicted. For example, AEP has a rate calculator worksheet tool posted on its website. The rate calculator can be accessed at <https://www.aepohio.com/account/bills/rates/AEPOhioRatesTariffsOH.aspx>. During the PUCO process that preceded the PUCO's decision, the PUCO's Staff expressed concerns about the impact of the rate increases on some customers.

Once the PUCO authorizes a utility to increase rates, parties to the proceeding may protest the PUCO's rulings by filing an application for rehearing. This step is necessary to preserve the ability to take an appeal to the Ohio Supreme Court (the only court that can review a PUCO decision). Many parties to the AEP case filed applications for rehearing. Oddly, some of the parties who supported the rate-increasing settlement filed for rehearing saying that their support of the settlement was induced by expectations that they or their members would not be negatively affected by the PUCO's decision. Each of the parties that protested the settlement also filed for rehearing.

In any event, the PUCO granted rehearing on February 1, 2012 for the purpose of giving itself more time to consider the rehearing requests. Once rehearing applications are filed, the PUCO must act on the applications within thirty days or the applications are deemed denied by operation of law and then a Supreme Court appeal may be commenced. When the PUCO grants rehearing for the purpose of giving itself more time to consider the applications for rehearing, there is no time period within which the PUCO must act to address the applications for rehearing.

I hope this information is useful. Please feel free to share this information with others who may have an interest.

Best regards,

Sam

[1] There is also an interactive electric service area map loaded on the PUCO's website at <http://maps.puc.state.oh.us/ElecADF/default.aspx> which provides more detail but it takes time to load and is more complicated from a user's perspective. Additionally county-specific maps are also available on the PUCO's website at <http://www.puco.ohio.gov/puco/index.cfm/utility-maps/county-electric-service-area-maps/>.

[2] Information about the PUCO's proceeding in which this authorization was provided (PUCO Case No. 11-346-EL-SSO) is available from the PUCO's website at <http://dis.puc.state.oh.us/CaseRecord.aspx?Caseno=11-0346&link=DIVA>. The PUCO's decision authorizing the rate changes is available from the PUCO's website at <http://dis.puc.state.oh.us/DocumentRecord.aspx?DocID=c009d0aa-051e-4c99-aa8d-dba9cf4b94cf>.

[3] In the interest of "full disclosure," I am General Counsel for IEU-Ohio. The larger and smaller businesses that are IEU-Ohio members are identified on IEU-Ohio's website at http://www.ieuohio.org/member_list.aspx.

The foregoing message may be protected by the attorney client privilege. If you believe that it has been sent to you in error, do not read it. Please reply to the sender that you have received the message in error, then delete it. Thank you.

Sam Randazzo
McNees Wallace & Nurick LLC
(founded 1935)

21 E. State Street, 17th Floor, Columbus, Ohio 43215
(614) 719-2840 (office), (614) 469-4653 (fax) (614) 395-4268 (cell) sam@mwncmh.com (e-mail)

Sent by:

Debbie Ryan

Assistant to Sam Randazzo

McNees Wallace & Nurick LLC

21 East State Street, 17th Floor

Columbus, OH 43215-4228

Direct Telephone: 614.719.2845

Fax: 614.469.4653

dryan@mwncmh.com



The foregoing message may be protected by the attorney client privilege. If you believe that it has been sent to you in error, do not read it. Please reply to the sender that you have received the message in error, then delete it. Thank you.

Pursuant to U.S. Treasury Department Circular 230, unless we expressly state otherwise, any tax advice contained in this communications (including any attachments) was not intended to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties or (ii) promoting, marketing or recommending to another party any matter(s) addressed herein.

**** This message has been scanned by a BARRACUDA SPAM & VIRUS FIREWALL and verified virus free ****

February 14, 2012
Highland Co. Commissioner

Gentlemen,

Please submit my letter of complaint about the sudden and exorbitant rise in my electric charges.

As most Senior Citizens being on a very fixed income this charge will be an extreme hardship for me.

Last month was eighty seven dollars (high enough in a mild winter), this month \$91. I thought perhaps it had been misread.

I have re-insulated, new heat pump system, energy efficient appliances - done everything possible to be energy efficient so I would not have bills like this.

Your concerns and help will be appreciated.

Respectively

1145-C Northview Dr
Hillsboro, Oh.

Patty J. Bonds

David L. Manuel
7292 Fair Ridge Rd
Hillsboro, Ohio 45133
(937) 927-5425
Fax. (937) 927-5221

FACSIMILE MESSAGE

TO County Commissioners ^{Case #} 11-346-EL-SSC
FROM David Manuel
RE A.E.P. Rate Increase
PAGES (1) TO 937-393-5850

PUCO,

My rates went from 4.8¢ per KWH in Jan, 11
up to 7.4¢ per KWH in Jan, 12.

This is my home Act (#101-823-771-3-4), we used
less KW (620), for the same amount of days and
cost us \$40.00 more. For a family already
on a tight budget, makes this increase
hard to pay!

(David Manuel)

Case No. 11-346-EL-SSO

Members, Public Utilities Commission of Ohio (PUCO)

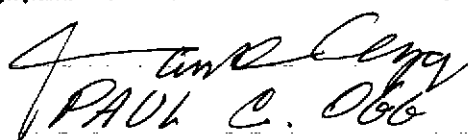
Your recent approval of electric rate increases for AEP customers was shocking and unfortunate.

As a residential consumer my rates skyrocketed over 40% in one month. And this during a mild winter month.

AEP is a very profitable company and according to their own financial statements are doing very well. Therefore it is mystifying why you permitted these outrageous increases.

If these rates are not reduced to more realistic levels or better yet disapproved, I would suggest all PUCO commissioners resign from office because you are not looking out for the consumer.

Thank you for your consideration of my request.


PAUL C. OGG

123 MEADOW LANE

HILLSBORO OHIO 45133