

## 92nd District

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> Todd Snitchler Chairman, PUCO 180 E. Broad Street Columbus, OH 43215



## Debbie Phillips State Representative

Assistant Minority Whip

## Committees

**Finance** Agriculture & Natural Resources Education Rules & Reference

11-346-EL SSO

February 22, 2012

Dear Chairman Snitchler:

In these tough economic times, it is essential to ensure that local businesses are able to thrive and grow, and we need to work together to remove barriers to success in our local communities. Unfortunately, the recently-approved rate increases for AEP's Columbus Southern Power customers have created dangerously high increases for many customers.

The industrial energy users along the Ohio River Valley need to be able to maintain affordable access to energy in order to compete in a global economy, and I applaud the PUCO's efforts to keep those costs down. However, the decision to shift the cost burden onto AEP's other customers is not a fair way to achieve that goal.

Local business owners, farmers, schools, and other utility customers have contacted my office and the local media about the potentially crippling impact of these rate increases, and some have already begun contemplating the closure of their operations. Our local economy needs to encourage small business growth, and the PUCO needs to re-evaluate this decision.

I am encouraged by the fact that the PUCO will reconsider this rate plan, and strongly encourage you to consider carefully the impacts of this decision on my constituents. Having a fair rate plan is essential to the health of our small business and local governments, many of whom are unsure if they will be able to survive given the increases they have seen in their electric bills.

According to an article in the Columbus Dispatch last December, AEP's Ohio customers comprise 28 percent of its customers, yet generates 44 percent of its returns. Given the solid financial performance of the company, I question the need for such rate increases, and urge you to take the necessary steps to reverse this damaging decision.

Thank you for your willingness to re-hear the case. Please consider quick action, to prevent any further harm to businesses and other utility customers in the region.

Sincerely,

Debbie Phillips State Representative Ohio House District 92

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