FAX

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VICE-PRESIDENT
OPERATIONS
PLASKOLITE INCORPORATED

March 22, 2012

RECEIVED-DOCKETING DIV
2012 MAR 22 PM 3:57
PUCO

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

Dear Chairman Snitchler:

Plaskolite has manufacturing plants in Columbus and Zanesville with a combined total of 250 employees. Electricity is our largest utility cost, and we have shopped the generation / transmission portions of our electric bills in recent years to take advantage of the attractive market rates - so we can continue to be competitive in our market sector.

We have become aware of AEP's plan to compel retail electric suppliers to pay an additional $255 per megawatt-day (MWD) capacity charge above market rates – which will be passed on to us. For one of our facilities, this capacity charge could add approximately $200,000+ to our annual electric cost - which is a SIGNIFICANT increase.

We are seeing increased costs and regulatory hurdles to doing business here in Ohio, and this dramatic increase in our electricity costs only adds to that. Not only will we be less competitive in the market place as we attempt to recover these costs in our product sales, but we will have less funds for capital investments, worker training, hiring of new employees, and retention of existing employees.

In summary, here are some reasons why AEP Ohio's $255/MWD capacity charge is anti-competitive and bad public policy:

- It inhibits customers' ability to shop for alternative suppliers and save money.
- It holds customers captive to higher rates.
- It functions essentially as a tax on shopping.
- It is inconsistent with Ohio's policy goal of ensuring that customers benefit from whichever is lower: market prices or regulated rates.
- It will slow Ohio's transition to a robust electricity competition.

We respectfully request the PUCO to provide relief from AEP's exorbitant AEP capacity charge.

Sincerely,

Mark R. Grindley

MRG/jmc

cc: The Honorable John Kasich

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Technician ____ Date Processed 3-22-12