



11-346-EL-SSO

OFFICE OF THE DIRECTOR OF BUSINESS AFFAIRS

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Chairman Todd A. Snitchler Commissioner Cheryl Roberto Commissioner Steven D. Lesser Commissioner Andre T. Porter Commissioner Lynn Slaby Public Utilities Commission of Ohio 180 East Broad Street, 12<sup>th</sup> Floor Columbus, Ohio 43215

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RE: Ohio Schools' Opposition to American Electric Power Company's Electric Security Plan; PUCO Case No. 11-346-EL-SSO

Dear Chairman Snitchler and Commissioners:

I write on behalf of the Dublin City Schools to urge you to reject or modify American Electric Power's application for an electric security plan. As you likely are aware, Ohio's public primary and secondary schools have undergone devastating funding cuts at the state and federal levels for the current biennium. In fact, total funding losses over the 2012-2013 biennium will mean that Ohio school districts will receive about \$2.8 billion less in total state and federal funds over the two year period than they would have received under a continuation of fiscal year 2011 funding levels. Our district has cut nearly \$9 million from next year's budget. These cuts have caused our district to reduce staffing levels (both teaching and non-teaching positions) and decrease services such as busing and building maintenance and custodial services. We already spend more than \$1 million for our electric bills, and we fear that increases will lead to more staff reductions and further compromise our ability to provide students with a quality education.

Since July 1, 2010, we have saved over \$700,000 by contracting with a third party supplier for our electrical generation. These savings will be greatly reduced if the capacity charge is increased. We believe it is unreasonable that AEP is attempting to implement a capacity charge that is over *fifteen* times the current market-based charge, is proposing to discount that charge to competitive retail electric service providers, and is asking all of its customers (including the schools) to pay a Retail Stability Rider to compensate it for the discount. We're aware that AEP is in the process of transitioning to a competitive market, but Ohio's schools should not be placed in a position to "bail-out" AEP during the three year transition period, especially during a time when the schools' own limited taxpayer resources have been so dramatically cut. We simply can't afford it.

Very truly yours,

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Annette Morud, Director of Business Affairs

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