

Frontier Local School District



11-346-EL-550

June 7, 2012

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, 12th Floor Columbus, Ohio 43215

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

Dear Chairman Snitchler and Commissioners:

I write on behalf of the Frontier Local School District 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. These funding cuts have caused our district to reduce staffing levels (both teaching and non-teaching positions), and decrease funding for necessary material and equipment. We fear that increases to our already sizeable electric bills will lead to more staff reductions and compromise our ability to provide students with a quality education.

We believe it is unreasonable that AEP is attempting to implement a capacity charge that is more than *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.

This is to certify that the images appearing are an simply can't afford it.

Very truly yours,

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