Ottawa-Glandorf Local School District



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June 7, 2012

11-346-66550

Chairman Todd A. Snitchler Commissioner Cheryl Roberto Commissioner Steven D. Lesser 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 Plans

PUCO Company 11, 246 EL SSO

PUCO Case No. 11-346-EL-SSO

Dear Chairman Snitchler and Commissioners:

I write on behalf of the Ottawa-Glandorf 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.

Sincerely,

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Kathy Fruchey

Treasurer, Ottawa-Glandorf Local Schools