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Pickands Mather

Pickands Mather Coal Company
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September 26, 2014

The Honorable John Kasich Governor of Ohio Riffe Center, 30th Floor 77 South High Street Columbus, OH 43215-6117

Dear Governor Kasich:

It was a pleasure meeting you several weeks ago in Pittsburgh.

Pickands Mather Group manages supply chains, buys and sells coal in the metallurgical and industrial and utility markets, and holds certain Ohio mineral interests including coal and oil and gas interests. We are based in Kirtland in Lake County and are a small, privately held company.

FirstEnergy has been a valuable customer of our company for many years. As you know, FirstEnergy and others have been challenged in recent years by regulatory issues and market pressures that have led to the closing of many of Ohio's largest power plants, and more retirements are expected in the future. Not only will these events severely and negatively impact our coal business, I'm also concerned that these factors could drive up electricity prices and affect the reliability of our electrical supply. This is not solely an Ohio issue and we are very deeply concerned with the impact to the nation's energy supply and reliability.

FirstEnergy has presented us with their proposed Electric Security Plan, *Powering Ohio's Progress*, and we concur that this plan will help keep future price increases in check while enabling Ohio to preserve its vital energy resources. FirstEnergy's plan also provides economic development funding to help Ohio create more jobs and attract new business growth.

We hope you will support this solid plan for our state's energy future. In the meantime, we would appreciate it if your staff could docket this letter as part of the record in this proceeding (14-1297-EL-SSO).

Yours very truly,

cc: <u>Chairman Thomas W. Johnson</u> Public Utilities Commission of Ohio

180 E. Broad Street

Columbus, Ohio 43215-3793