

TORONTO CITY COUNCIL P. O. Box 189 Toronto, Ohio 43964

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December 15, 2014

THOMAS W. JOHNSON PUCO Chairman 180 East Broad Street Columbus, Ohio 43215

Dear Chairman Johnson:

Ohio is facing a period of unprecedented uncertainty related to the future of low-cost reliable energy. Several key factors have drastically changed the generation landscape, including flawed capacity markets that have created depressed market prices and increasingly difficult environmental regulations.

Since 2012, Investor-owned utilities in Ohio have announced the retirement of over 5,500 MW of generation by mid-2015. The majority of these retirements were announced in response to several new regulations imposed by the EPA/ However, current market conditions are such that even plants that will be environmentally compliant and are equipped to run reliably for many more years may be forced to shutter for economic reasons. As a result, Ohio will be a large importer of energy for the foreseeable future.

One of those plants is Cardinal Unit 1 in Jefferson County, Ohio. This plant provides valuable employment and significant economic benefit to the communities I serve. Last year alone, this plant employed 350 people, bringing in more than \$25,133,600.00 of income combined. In addition, it provided an economic benefit of \$1.8 million in property taxes while generating more than 3.6 MWh of electricity for Ohio residents and businesses.

The loss of this facility that if efficient and environmentally compliant and provides reliable and affordable electricity is unacceptable. AEP Ohio's Power Purchase Agreement proposal is not a bailout as other would suggest. It is a plan that protects Ohio's economy by keeping hundreds of Ohioans employed and millions of dollars of annual economic benefit in place while helping shield AEP Ohio's customers from market volatility. It is a good Plan and I encourage you to approve the Plan as it is filed in Case No. 14-1693-EL-RDR and Case No. 14-1694-EL-AAM.

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Please docket this letter in support of AEP Ohio's Plan and as part of the record in this proceeding.

Sincerely,

TORONTO CITY COUNCIL

Clerk of City Council

LKB:lkb

cc:

Governor John Kasich

Commissioner Steven D. Lesser Toronto City Council Members

Paul Prater, AEP Ohio & West Virginia