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**Testimony of Jamie N. Beier Grant
Director, Ottawa County Improvement Corporation**

**Before the Public Utilities Commission of Ohio
Hearing on FirstEnergy ESP IV
Michael V. Disalle Government Center, Toledo, Ohio
Jan. 15, 2015, 6 p.m.**

Mr. McKenny

Commissioner Trombold and members of the Commission, my name is Jamie Beier Grant, and I am Director of the Ottawa County Improvement Corporation, which serves as the lead economic and workforce development agency for the county. I appreciate the opportunity to give you my perspective on FirstEnergy's proposed rate plan.

As you are aware, many of Ohio's largest power plants have closed in recent years and this could mean the potential for more Ohio jobs being lost, and rising electricity prices in the years ahead.

Ottawa County is home to FirstEnergy's Davis-Besse Nuclear Power Station, a 900-megawatt plant that employs more than 750 highly-skilled individuals from throughout Ottawa County and northwest Ohio. This facility provides a carbon-free, reliable, long-term source of power for our region and our state that many manufacturing and industrial operations rely upon.

Power plants such as Davis-Besse are some of the most reliable sources of electricity in this country. Preserving this form of 24/7 energy production is critical to the manufacturing and industrial sectors not just in Ottawa County, but across northwest Ohio and the entire state.

Companies that do business in our region demand reliable energy in order to effectively and efficiently operate their facilities. Blips in the grid – whether they are rolling brownouts or blackouts – cost our companies significant amounts of money and diminish Ohio's competitiveness as a place to do business.

If Davis-Besse is shuttered, I am certain we will see our local business community seriously question whether the cost of doing business in Ottawa County and Ohio overall is affordable. Businesses will look to relocate to other parts of the country where reliable power is available and we will have very little ability to mitigate the loss of jobs and the erosion of our economy.

According to a study by Applied Economics, Davis-Besse has an annual economic impact of more than \$387 million in Ottawa County, and its employees generate an annual payroll of \$61 million. Additionally, the Davis-Besse Nuclear Power Station creates thousands of additional jobs involved in ongoing maintenance and refueling projects. In fact, the company completed a major steam generator replacement and refueling investment project in 2014 that more than doubled the plant's annual economic impact compared with a typical year.

On behalf of the Ottawa County Improvement Corporation, I wish to express our organization's support for a thorough and balanced review of FirstEnergy's proposal, so long as any rider charges placed on industrial customers do not have a negative impact on these customers. Additionally, we support FirstEnergy's commitment to provide future rebates to its customers as detailed in its plan.

Thank you for your continued work to ensure Ohio remains a premier location for existing and future businesses.

COMMENTS OF LAWRENCE M. FRIEDMAN BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

TOLEDO, OHIO

January 15, 2015

I am Lawrence Friedman, president of Toledo Building Services Co., and I would share with you a few thoughts in favor of the proposed rate request.

Before I do that, I owe you some background. I have always proudly identified myself as a lifelong Toledoan, even though technically I have not lived in Toledo proper since I was nine months old and I have studied and worked in other cities. My family's firm, Toledo Building Services Co. is over 100 years old, a union shop (Service Employees International Union Local 1) since the 1930's, and we and our affiliates employ over 350 people in Northwest Ohio and Southern Michigan. I have worked in the business since I was 14, and in those 47 years (with time off for college, law school, and law practice) I have worked as a cleaner, a supervisor, and as a manager, in many facilities, including Toledo Edison and FirstEnergy installations.

In my experience, in their major facilities, Toledo Edison and FirstEnergy have recognized and respected the quality, responsibility, and professionalism of union workers. Accordingly, for the cleaning of their major installations, these companies have been willing to employ union contractors like Toledo Building Services Co., which allows us to pay a decent wage to the men and women who work hard at keeping these facilities clean. For example, at Davis-Besse Nuclear Power Station, my company has paid wages in excess of \$400,000.00, at rates that exceed, in many cases, \$12.00 an hour. A number of people have made decent, although not extravagant, livings working for us at Davis-Besse.

Furthermore, in my experience working with the major charities of our community, I have seen Toledo Edison and FirstEnergy stepping up strongly with leadership and financial support. As a major example, but by no means the only example, there is almost always a representative of Toledo Edison sitting on the board of the United Way of Greater Toledo, giving freely of her or his time, expertise, and resources.

With that tradition of corporate decency as a backdrop, I now turn to my thoughts about this proposed rate request.

As I understand it, FirstEnergy desires to purchase power at a price that is, at this moment, slightly over the market rate. The purchase price would prevail for 15 years, and it is expected that during the first 3 ½ years of this period, the price would still exceed the market, with the added cost borne by consumers. But then it is expected that in the years to follow, the price paid by First Energy would be less than the market, and the resultant savings would be credited to the customers. The expected savings over the 15 years would be \$2.0 billion. This seems like a pretty good deal to me.

But aside from the expected savings, a major reason for this program is to keep certain base load generating facilities up, running, and ready to meet the region's electrical needs. First Energy is seeking to keep on-line or ready to go on-line, with trained staff, three facilities that it can call on to provide base load power when the need arises, which would include those times that solar cells and wind turbines aren't generating because the sun isn't shining or the wind isn't blowing. Should Davis-Besse and these other facilities become unavailable, I shudder to think of what our region would do if we were

faced with another winter like last year, when we came frighteningly close to having to endure electrical brown-outs and blackouts. (I shudder also to think about the loss of good-paying jobs, Ohio jobs, that are found in facilities like Davis-Besse.)

FirstEnergy's rationale of protecting its generating capacity should not be unfamiliar to Ohioans, because it is like Ohio State's football team's strategy. When the first and second string quarterbacks were out of action, OSU had already taken the time, trouble, and expense to have a back-up quarterback, Cardale Jones, with the training, the skills, and the power to fill the gap. And so it seems to me to be the same with our region's power needs. We ought to be willing to have in place the reserve power we need to keep our homes, offices, schools, factories and other facilities lighted and comfortable.

And finally, to those who would with the best of intentions offer up solar and wind generation as adequate substitutes, I remind them that the power generated in these manners will have to be transmitted. And that transmission will require high voltage lines. A recent article in the New York Times noted the following: "even in Germany, where renewable generation has become an article of faith, enthusiasm for all things green appears to have reached a limit with a plan to string high-voltage transmission lines along the outskirts of cities like Fulda in the center of the country."

<http://nyti.ms/1CDYp7K>

So in conclusion I ask the Commission to keep these points in mind as it studies this rate request: the good jobs provided by these FirstEnergy facilities, the importance of having that baseload power capacity, and the fact that alternatives are not so green as they appear.

Thank you for the opportunity to appear before you.

Before the Public Utilities Commission of Ohio
Hearing on FirstEnergy ESP IV
Michael V. Disalle Government Center, Toledo, Ohio
Jan. 15, 2015, 6 p.m.

Testimony of Steven M. Arndt
Commissioner, Ottawa County

Good evening, Commissioner Trombold and members of the Commission. I'm Steven Arndt, Ottawa County Commissioner. On behalf of the Board of Ottawa County Commissioners, I would like to take this opportunity to urge your support of FirstEnergy's proposed Electric Security Plan.

We believe the plan helps maintain public safety and wellbeing by preserving a significant source of reliable electricity generated in Ohio. The Davis-Besse nuclear power plant generates electricity regardless of weather conditions or the availability of natural gas and coal. It is the most reliable source of electricity and it is located in Ohio close to its customers. Also, Davis-Besse contributes to the progress of Ohio's air quality standards because nuclear power generates no carbon emissions.

The severely cold weather we experienced last winter and the demands it placed on the electrical grid should demonstrate the value of the W.H. Sammis and Davis-Besse plants. As more power plants are removed from the grid for economic and regulatory reasons, the continued operation of these two plants becomes even more critical for the safety and wellbeing of the public.

You are likely well aware that the extremely cold temperatures in January 2014 nearly caused our region to face rolling brownouts. In fact, Ottawa County was asked to prepare for rolling brownouts because the grid was overstressed. As a rural county, dealing with rolling brownouts at any time of the year is very challenging, but dealing with them during such severe winter conditions would have been even worse. The fact is that rolling brownouts, and worse yet, extended blackouts, would pose a significant threat to public safety.

We also believe FirstEnergy's plan will help stabilize electricity prices. Electric rates have been low due to decreased demand and an increase in natural gas-powered generation. Also, a significant amount of electric generation is being taken offline because of environmental mandates. At some point, the market will react to the

significant loss in local electric generation. The result could be significant price increases for years to come, because the construction of electric generation plants demands large amounts of capital and time to get up and running.

I believe FirstEnergy's proposed rate plan can help prevent higher electric rates in Ohio. The reliable supply of affordable electricity not only impacts the safety and wellbeing of our residents, but it also is crucial for our business community, especially the manufacturing in Ohio. Ottawa County, the region and the state all work to retain, develop and attract businesses. Reliable, affordable electricity is an absolute necessity for businesses to be competitive and that's what this plan will help provide.

I hope you will support this plan to ensure Ohio's energy future.

Thank you.

Before the Public Utilities Commission of Ohio

Hearing on FirstEnergy ESP IV

Michael V. Disalle Government Center, Jan. 15, 2015

Testimony of James B. Rorick

Chairman Trombold and members of the Commission, I'm J.B. Rorick, President of Cleveland Valve in Ohio and Renew Valve in Carleton, Michigan. I appreciate the opportunity to share my thoughts on the importance of supporting FirstEnergy's proposed rate plan.

We are a specialized supplier of valve repair services for the power, steel, chemical and refining industries. Our two locations have been in business for over 50 years each. Regarding this case, we use over 60 employees to help maintain and support the coal-fired power plants of FirstEnergy and American Electric Power in Ohio. In the past few years, we have seen a significant increase by these companies to keep their plants as efficient and reliable as possible. And our growing payrolls echo that increased spending.

Cleveland Valve and Renew Valve support FirstEnergy's proposed rate plan for the following reasons:

- Our more than 60 hard-working Ohio and Michigan employees depend on affordable and reliable electricity to support our business and local economies.
- As one of the region's largest energy providers, I believe FirstEnergy has done a good job keeping electric prices affordable for businesses like ours.
- As you know, several of Ohio's largest power plants have closed in recent years and we're concerned this could drive up electricity prices and negatively impact our business.
- FirstEnergy's plan will help safeguard businesses like ours from price volatility if energy prices rise in the future.

- The proposed plan provides millions of dollars in funding for economic development, job retention and energy efficiency assistance that will benefit businesses such as ours while helping create more high-quality Ohio jobs.
- The plan helps keep modern, efficient power plants available in and near Ohio to serve Ohio customers.
- In the long term, alternative, reliable power generation using natural gas is a good solution – but the investments have not been made to adequately replace the power being lost. FirstEnergy's rate plan would help maintain grid reliability for Ohioans as the alternative generation is constructed.

We truly appreciate FirstEnergy's commitment to serving Ohio's energy needs, and we hope you will support this solid plan for our state's energy future.

Before the Public Utilities Commission of Ohio

Hearing on FirstEnergy ESP IV

Michael V. Disalle Government Center

Toledo, Ohio, Jan. 15, 2015

Testimony of Mike Jay, Director, Strategic Networks

Toledo Regional Growth Partnership

Commissioner Trombold and members of the Commission, I'm Mike Jay, Director of Strategic Networks for the Toledo Regional Growth Partnership. I appreciate the opportunity to present our partnership's perspective on the importance of supporting FirstEnergy's proposed rate plan.

As background, the Toledo Regional Growth Partnership is a privately led organization that offers a full range of traditional business development services. We collaborate with our partners across the region to expedite and simplify the site selection process. We also are northwest Ohio's network partner for JobsOhio, a private, nonprofit corporation designed to drive job creation and new capital investment in Ohio. In addition, we are the creator of Rocket Ventures, a business assistance and pre-seed venture capital organization that operates in an 18-county area of northwest Ohio. The mission of Rocket Ventures is to prepare technology-based start-up companies for funding and sustainability by providing intensive business assistance, enhanced management services and pre-seed investments.

I am here out of concern that the closure of many of Ohio's largest power plants and the potential for further retirements will lead to more job losses and rising electricity prices in the years ahead for our region. For these reasons, I am urging your support of FirstEnergy's proposed rate plan.

FirstEnergy's plan will keep electricity affordable and help ensure the continued operation of Ohio power plants, including the Davis-Besse Nuclear Power Plant. Currently, the long-term viability of this plant, along with the jobs and substantial economic benefits it brings to our communities, may be at risk.

Davis-Besse has a profound effect on our local economy with an annual economic impact of more than \$400 million in Ottawa County alone, according to a recent economic impact study. In addition to contributing millions of dollars each year in local tax revenues that support schools and essential services such as police and fire departments, the plant provides hundreds of high-paying jobs with millions of dollars in annual payroll. Davis-Besse also creates thousands of additional jobs associated with ongoing maintenance and refueling projects.

Last but not least, Davis-Besse provides a clean, carbon-free, long-term source of power for our region and our state.

I hope you will support FirstEnergy's plan to keep energy affordable and protect Ohio jobs.

Thank you.

January 15, 2015

ATTN: IAD
Public Utilities Commission of Ohio
180 E. Broad St.
Columbus, Ohio 43215-3793

Re: 14-1297-EL-SSO - PUCO Public Hearing - OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, TOLEDO EDISON COMPANY

This is nothing more than forward funding, or more accurately, it is forward profit funding. FirstEnergy is doing nothing more than borrowing \$3 billion dollars from Ohioans, from future years to pay for their outdated and dirty energy plants. This is the equivalent of J. Wellington Wimpy the soft-spoken, intelligent and glutinous scam artist saying "I will gladly pay you Tuesday for a hamburger today". Why can't FirstEnergy borrow \$3 billion dollars from past profits ... and pay the stockholders back over the next 15 years?

The game now is how to evade the PUCO and Ohio's Alternative Energy bill for the next 15 years. FirstEnergy has dug deep into a bag of tricks pulling out the craziest payment gimmick ever put together. Ohio lawmakers froze SB310 to keep monthly utility bills from increasing. Yet here we are increasing our electric utility bill. Is it even necessary? You have before you an army of corporate lawyers doing a considerable amount of work to violate Ohio's deregulation law - to make Ohioans pay too much for electricity - and to operate the Davis Besse Nuclear Power Plant on the edge of catastrophe.

The economic analysis by NEI excluded two important points and therefore should have no basis in any of your deliberations. The analysis did not incorporate the negative impact on FirstEnergy's customers from paying these higher electricity rates, nor did it discuss Davis Besse's retirement with a discussion on what would replace it and the economic gain from increased employment at new energy plants. The economic analysis of a plant cannot be done in a vacuum; a comprehensive analysis is required to fully understand any economic benefit or harm from retiring Davis Besse ... which was not done.

NEI is making an attempt to influence the commission and customers with a gloom and doom scenario of the recent closing of the Vermont Yankee Nuclear Power Plant on December 28th ... there was very little they could say. In actuality Vermont began a transition to renewable energy a decade ago with a goal of 90% by 2050, their unemployment rate is now 4.3%. It's a similar situation in Germany, in 2011, after Fukushima, they abandoned nuclear. 370,000 jobs were added in the Green economy and they now have the lowest unemployment rate since reunification 25 years ago ... 5%.

What would be the economic benefit if rate increase money simply stayed with Ohio families and businesses? What would happen if you just said NO?

This is a theoretical payment program – FirstEnergy was not thorough in its analysis to conclude that the proposed Rider RRS transaction is in the best interests of its customers ... especially for the 14% of Ohio's population over age 65. This is an attack on our seniors, asking seniors to pay more today so that they can pay less later ... will seniors benefit?

Victoria Clemons
330 E. Perry St.
Port Clinton, Ohio

Testimony given January 15, 2015 – Toledo, OH PUCO Hearing on First Energy “Electric Security Plan” Proposal

-Douglas Jambard-Sweet

808 Village Trail

Maumee, OH 43537

In the 1990s, deregulation was pushed by commercial customers rankled by utilities that built too many power plants and saddled customers with the tab. Deregulation was supposed to let customers buy electricity from more-efficient, competing suppliers. To prevent utilities from favoring their own plants, many had to sell the generators to unregulated affiliates or to independent power wholesalers.

But now First Energy is asking PUCO to **guarantee profits** at the consumers' expense for its own deregulated power plants. (To Wit, the Davis Besse nuclear plant, which is beleaguered with aged and cracking containment walls, and the out-dated and dirty W. H. Sammis coal-fired generating plant)

First Energy's proposal could cost customers \$3Billion over the ^{79.4}~~cost~~ of the 15-year agreement, just so that the utility can maintain executive pay scales and investor profitability. Under the 1999 law, electric utility provider profits should be **determined by the market, not guaranteed by consumers!** This does not sound like free-market capitalism to me!

Customers have already paid billions of dollars to assist First Energy in changing over to deregulated power under the 1999 Ohio law. Now the company wants customers to pay yet again? And once rate-payers have guaranteed FE's profits, who's to say they won't come back to the trough again before 15 years is up and request another disaster-type capitalism bailout before the promised rate deduction kicks in?

Despite what our **representatives would like us to believe**, there are cheaper & cleaner energy alternatives out there and these alternatives will create more jobs than these two decrepit outdated mammoths from a bygone era ever did.

It's time to make First Energy play by the same free market rules we are all supposedly operating under and compete fairly. The brand of **Corporate Welfare** First Energy has the temerity to ask for is frankly un-American and threatens the free market and our dearly held democratic principles.

**Testimony
January 15, 2015**

Jennifer Fehnrich
Executive Director of Government and Community Relations
Owens Community College
Jennifer fehnrich@owens.edu
419-346-9394

Chairman Johnson and members of the Commission, I am Jennifer Fehnrich, Executive Director of Government and Community Relations, for Owens State Community College. I appreciate the opportunity to share my thoughts on the importance of supporting FirstEnergy's proposed Electric Security Plan, *Powering Ohio's Progress*.

Owens is celebrating its 50th anniversary as a leading provider of higher education and workforce training in northwest Ohio. Owens is an accredited, two-year state institution and fulfills diverse academic and workforce needs through associate degrees, certificates, industry credentials and more than 130 technical program areas.

More specifically, the College's Workforce and Community Services division is known for effectively creating and providing short term certificates that are highly customized to business and industry. In the last 12 months alone, Owens has assisted more than 270 area businesses to train nearly 10,000 people in areas such as skilled trades, supervisory, compliance and safety.

At Owens, we understand the critical need to embrace activity that drives economic development in our region. It is essential to fostering growth, creating jobs and sustaining a highly trained workforce. FirstEnergy fully understands the importance of being an economic-driver as well.

FirstEnergy and Owens have been in partnership for more than a decade to offer the award-winning Power Systems Institute, which prepares the next generation of utility line and substation workers through a customized training program. FirstEnergy partners with Ohio's community colleges and universities through this program to sustain a trained workforce that benefits the entire region economically.

Owens State Community College urges you to support FirstEnergy's proposed Electric Security Plan and offers the following additional thoughts for your consideration:

- Not only will this plan help ensure that vital baseload power plants in Ohio remain available to support the state's economic future, it will also help preserve the significant resources FirstEnergy provides in support of educational institutions like Owens State Community College.
- Educational initiatives are a priority for FirstEnergy and the company supports programs and projects that advance an educated workforce.
- Teachers in Ohio communities count on FirstEnergy's support through much-needed grants and educational materials.
- For example, the company has been assisting teachers for years through programs that promote electrical safety; career development; proficiency and skills development for students; Science – Technology – Engineering – Mathematics (STEM) education; literacy; and other initiatives.
 - Since 2001, FirstEnergy has awarded more than 445 STEM education grants to educators and youth group leaders for projects ranging from electric safety, magnetism and robotics to the physics of kites, superconductors and high-speed transportation.
- In addition, the FirstEnergy Educational Advisory Council, a panel of school teachers and administrators, helps FirstEnergy create and select timely and relevant educational materials that it provides to local schools and community groups.
- Through its proposed Electric Security Plan, FirstEnergy will contribute up to \$21.5 million in funding for economic development, job retention and energy efficiency assistance that will benefit Ohio community colleges and universities, small businesses, local communities and low-income customers during the three-year term of the plan.
- We rely on FirstEnergy to not only serve our region's electric needs, but to help support educational initiatives in our region.

For these reasons, I encourage you to approve *Powering Ohio's Progress*.

Testimony at PUCO Public Hearing
Re: First Energy Robbery of Ratepayers
January 15, 2015

My name is Dan Rutt. I am a citizen of Toledo and this great planet. I have a B.S. in biology. I have a masters degree in public health. I am a breather of polluted air from coal-fired electric generators. I share with you a planet that is threatened by global climate instability, due to pollution from carbon dioxide and co-called "natural" gas, more accurately described as methane. I live in the deathly shadow of Davis-Besse, the aging nuclear power plant with the worst safety record in the U.S., thanks to a couple of nuclear plants which have been wisely closed recently for safety and economic reasons. It's Davis-Besse's turn -- hopefully to be decommissioned, not blow up. To you who live outside the region, welcome to Davis-Besse's kill zone.

I will take my precious few minutes to plead with PUCO, charged with protecting public health and economic sanity. Do not allow the building of a pipeline from the First Energy corporate board room to the public purse. The boondoggle that is the Davis-Besse nuclear plant drives this issue. Davis-Besse is a poor investment economically, a perilous venture environmentally, and a catastrophic threat to human life along the Great Lakes. The federal government already indemnifies the nuclear industry from accountability for catastrophic events. PUCO should not further this lack of accountability by forcing the public to invest in nuclear plants. If anything we should disinvest from nuclear power.

First Energy has lobbied to prop up coal and nuclear, the way of the past. We need change, not infrastructure and rate plans which will lock us into an unsustainable future. Still worse, First Energy has lobbied to block the transition to renewable energy, the way of the future. If First Energy is allowed to pass on most or all of the risk of its increasingly risky ventures to the public -- that is, ratepayers and biological entities susceptible to lethal radiation catastrophes -- then I suspect that this could trigger a rush of entrepreneurial types wanting to PUCO all over Ohio.

The energy industry is quite adept at playing the hodgepodge of regulatory agencies for its own profit. They are experts at leveraging the narrowness of regulatory agencies' perspectives and authority, which, given time limitations here, may be summed up as: "It's not my job" and "I'm only doing my job." Ironically, this may leave us with somebody's job, even a so-called "good" job, but no livable world. If your work leads to the destruction of the planet, then it is not a good job. Job one must be protecting the planet. This includes accountability for those who would "invest" (sic) in the destruction of our planet for profit.

There is little doubt that we are being gamed. And if we don't get wise to this, there are likely to be many losers, and few winners. I wonder if perhaps this issue might be better served by a change of venue. Perhaps we should add to the mix oversight by the Lottery Commission or Casino Control Commission; it might be more honest. Perhaps we could turn that ole Besse into a cash cow. Convert it from a white elephant into a casino. We could call it "Chernobyl on the Lake -- an Eerie Adventure." We could feature Russian Roulette. Unfortunately, we, the public, are already subject to a game of Russian Roulette, playing with nuclear catastrophe and the steamroller of climate instability. Free us from this deadly game. Help us pave the way to a new and sustainable future. Disapprove this proposed rate plan, the robbery of the many to enrich the few, and a dangerous course for all. Thank you.

Good Job

by Dan Rutt, alias "Top Pun" (it's just, my pun name)

It was early Monday mourning
When the Davis-Besse nuclear plant
Finally ruptured
At the base of Lake Eerie
Weeping poison
From the once-great lakes
Now a watery grave for both sellers
And consumers
Of atomic drivel
For what human remains
The event became known
Simply as "The rupture"
Leaving sleepy millions
In its wake
Sucked into a glowing sky
For who knows watt
Feudal to press release
Fore their heavenly reword
A paradise rolled
Entranced buy snake eyes
In charge of all that meters
Relegating us to hoarse power
Silent partners
Dealt a roil flush
In a conniving casino
Pain only in skullduggery
Forging height reason
And absolute faith in stonewall
As a bet
A dark wager
Echoing in the empty halls
Of unions and congress
"Good job"

**Before the Public Utilities Commission of Ohio
Hearing on FirstEnergy ESP IV
Jan. 15, 2015, 6 p.m.**

**Testimony of Mario Cespedes
Laborers' International Union of North America**

Chairman Johnson and members of the Commission, I'm Mario Cespedes and I'm with the Laborers' International Union of North America on behalf of Local #480. I appreciate the opportunity to testify before you in support of FirstEnergy's proposed Electric Security Plan, *Powering Ohio's Progress*.

On behalf of Local 480, I'm asking for your support of FirstEnergy's proposed Electric Security Plan, *Powering Ohio's Progress*, for the following reasons:

- Ohio's power plants create thousands of union jobs and produce major infrastructure projects that put union members to work.
- As members of LIUNA, our livelihood is impacted by the rise and fall of the state's economy.
- And, since my union also has a strong working relationship with Davis-Besse Nuclear Plant in Oak Harbor, I know a large number of baseload power plants across the region are being permanently retired due to regulatory issues and market pressures and that more retirements are expected.
- Further decline in Ohio's electric power industry could cost thousands of union jobs and discourage industrial development opportunities across the state.
- That's why I'm here. For the security of the Davis-Besse Plant and the long-term benefit of the state's economy, I ask that you support FirstEnergy's proposed Electric Security Plan, *Powering Ohio's Progress*.
- LIUNA and Local 480 is in favor of the plan because over the long term, we think it will keep electricity affordable and also ensure Ohio power plants continue to operate, create substantial economic opportunities, and support family-sustaining jobs.

- This is a win-win for my brothers and sisters at Local 480 and me, and the more than \$52 million in taxes the plants pay annually help support other local services.
- *Powering Ohio's Progress* also provides up to \$21.5 million in funding for economic development, job retention and energy efficiency assistance that will benefit businesses while helping create more family-sustaining Ohio jobs and attract new business growth, which also benefits LIUNA members.

Case # 14297EL - - -

Before the Public Utilities Commission of Ohio
Hearing on FirstEnergy ESP IV
Michael V. Disalle Government Center, Toledo, Ohio
Jan. 15, 2015, 6 p.m.

Testimony of Mrs. June Beard
Teacher, R.C. Waters Elementary School
Benton-Carroll-Salem Local School District

Good evening, Commissioner ~~Crombold~~ and members of the Commission. I'm June Beard, an elementary reading specialist in the Benton-Carroll-Salem Local School District in Ottawa County, Ohio. I've lived in the Carroll Township/Oak Harbor community my entire life. I'm a product of the Benton-Carroll-Salem School District and my own children are enrolled in the system. Thanks for the opportunity to present my perspective on the importance of supporting FirstEnergy's proposed rate plan.

As you know, many of Ohio's power plants have closed in recent years due to a challenging economy, and more plants are expected to retire. This means more Ohio jobs lost, rising electricity prices in the years ahead, and negative outcomes for our communities.

For these and other reasons, I would like the Commission to approve FirstEnergy's proposed rate plan. It will keep electricity affordable and help ensure the continued operation of Ohio power plants, including the Davis-Besse nuclear power plant located within the Benton-Carroll-Salem School District. FirstEnergy's continued operation of Davis-Besse yields great benefits to our school system, from tax revenue to professional development provided to teachers like me.

Living in Ottawa County my entire life, I can tell you firsthand that Davis-Besse has a profound impact on our community. Many of our students have parents who work at

Davis-Besse and rely on the plant's well-paying jobs to support their families. These good jobs also are critical to many of my family members, friends, and neighbors.

While we depend on FirstEnergy to serve our region's need for affordable and reliable power, we also rely on the company to support educational initiatives in our region. As a school teacher, approval of the plan is important to me because it will help preserve the significant resources FirstEnergy provides to educational institutions such as ^{RC}Waters Elementary and other schools in our district.

Last, but certainly not least, the plant provides a clean, carbon-free, long-term source of power for my community, the region, and our state. I hope you will support this plan to keep energy affordable and protect Ohio jobs.

Thank you for the opportunity to provide testimony this evening.

Respectfully,

June A. Beard

2nd Grade Reading Specialist

Benton Carroll Salem Local School District

Good evening;

My name is Lee Blackburn and I'd like to thank the Public Utilities Commission for providing me the opportunity to speak this evening.

It appears First Energy's motto is: "All we want from ratepayers is a little more than we'll ever get."

I'm a businessman who spent over 30 years in the housing market for low to moderate-income individuals through the Low Income Housing Tax Credit program. I mention this because what First Energy is proposing would significantly and drastically impact the lives of those I worked so hard to provide housing for.

As a businessman working to create housing for those least able to afford it, many times our sources of funds fell well short of covering all the expenses of building a property. When this occurred however, we didn't go running back to the state looking for more funds. Nor did we simply raise rents, our residents couldn't afford it and the marketplace wouldn't justify it. After all, it is the marketplace that ultimately determines rents.

And it is the marketplace that should ultimately determine the price First Energy's clients must pay. As we did, First Energy must learn to adapt, not go running back to the Public Utilities Commission every time something minor goes wrong.

If you grant them this request, they'll be back for more, again and again. Remember, it was First Energy who spearheaded Senate Bill 310 to freeze Ohio's renewable energy and efficiency laws in order to shore up their dilapidated nuclear and coal plants. Now, they're back once again for more.

We live in an unregulated environment, its time First Energy was weaned off the regulatory teat.

Thank you

FirstEnergy is requesting approval by the PUCO to collect money from customers to keep these dead-end assets running.

- **Coal, which generates nearly 70 percent of electricity in Ohio, is a dangerous fuel known to cause major air pollution and negatively impact public health while contributing to climate disruption.**
- **FirstEnergy's coal plants are not competitive with today's market prices for electricity.**

-Has first Energy forced its customers to buy from its plants? Free Market?

-When FirstEnergy's own projections are limited to the 3 year span of the actual ESP, instead of the 15 year extended rider they're seeking,

FirstEnergy's own projections indicate a \$400 million net ratepayer loss.

- 201 2YR FREEZE ON RATES FOR CLEAN ENERGY
GOOD FAITH EFFORT TO INVEST IN WIND/SOLAR
- 1ST ENERGY IS STILL INVESTING IN COAL!

Denying these bailouts and retiring dirty coal plants will clean up our air and reduce pollution-related illness.

- **Ohioans with asthma and other respiratory ailments will breathe easier.**
- **Electricity customers will not have to pay more for dirty energy they don't want.**

Invest in renewable energy and energy efficiency. The majority of Ohio electricity customers say they think the state should be investing more in renewable energy like solar and wind. An overwhelming majority (92 percent) of Ohioans say it is important for Ohio to invest in measures to increase energy efficiency, with 66 percent saying it is "very important."

January 15, 2015

Public Utilities Commission of Ohio

Dear Sirs:

I am writing in opposition to the proposal by First Energy to have ratepayers bail them out of their stranded costs by returning to a regulated price structure. Their proposal is quite bold given current Ohio deregulation law, the economic issues involved, the history of poor decisions affecting their ability to be competitive in an unregulated environment, and the very poor condition of their assets that ratepayers will be subsidizing.

Ohio current law favors an unregulated market. This law and its implementation has already paid First Energy nearly \$7 billion dollars in stranded costs. Due to their stocks sliding in price in the market they are back with a new scheme to have ratepayers bail them out of the failing assets of Davis Bessie and Sammis power plant. For them to expect the PUCO to approve their plan is also an expectation for the PUCO to violate existing state law. In addition to the nearly 7 billion dollars already paid to them Davis Bessie is demanding 182 million dollars per year for 15 years to keep Davis Bessie going. If the PUCO approves this plan, the PUCO will in effect abandon their mission to foster competition in a competitive and fair framework and will be rescuing First Energy from the market forces that they are not able to compete in.

This approval will also set a precedent to approve a plan that effectively violates state law. For a corporation to write a plan violating existing state law is unfair to industrial, commercial, residential, other ratepayers and the citizens of Ohio.

One of First Energy's reasons for this plan has to do with the 5% of base load electricity Davis Bessie's contributes to Ohio generation capacity. The price we are paying for Energy from Davis Bessie is not competitive in an open market if it is in need of further subsidies by ratepayers.

Energy Efficiency as a resource is easily capable of decreasing demand by displacing the 5% of base load power that Davis Bessie contributes to Ohio every year. Before being sabotaged by First Energy and the Republican led legislature in SB 310, SB 221 was poised to decrease consumption of electricity in Ohio by 22% by 2025. SB 221 would have reduced gross carbon emissions by 73.5 % and saved approximately 22.2 Billion dollars for Ohio between the years 2009 and 2030. If renewables are terminated and efficiency remains locked in at 1% the dollar savings drop to 18.4 Billion dollars saved and only 34.5% reduction in carbon emissions. So First Energy has already hurt the economy and has supported increased carbon emissions by their support of SB 310.

According to American Council for an Energy Efficient Economy energy efficiency and demand response are the lowest-cost resources available. This means that efficiency resources can begin to generate financial savings for Ohio's economy and its consumers quickly, which can then be reinvested to further stimulate Ohio's economy. A penny spent on energy efficiency is a penny spent in another part of Ohio's economy. A 22% decrease in demand would save millions of dollars that businesses, industries and consumers can use to help our economy grow in new ways.

The need to save jobs is also cited by First Energy as a reason for their rate case. However, energy efficiency and green jobs creates 17 jobs for every million dollars invested. While a million dollars spent in the nuclear and fossil fuel industry only 5 jobs are created for every million dollars invested. Robert Pollin, the President of Pear Energy and a professor of economics at the University of Massachusetts-Amherst, has studied this matter in depth with the Department of Energy and the International Labour Organization. As his Pear Energy team writes:

"The basic facts are simple. When we invest, say, \$1 million in building the green economy, this creates about 17 jobs within the United States. By comparison, if we continue to spend as we do on fossil fuels and nuclear energy, you create only about 5 jobs per \$1 million in spending. That is, we create about 12 more jobs for every \$1 million in spending — 300 percent more jobs — every time we spend on building the green economy as opposed to maintaining our dependence on dirty and dangerous oil, coal, natural gas, and nuclear power."

Furthermore, the future of electricity generation in Ohio is renewable energy in the forms of wind and solar power. When the generation costs, the carbon foot print, the complete lifecycle costs of nuclear and coal power is taken into consideration renewable is by far the more economic choice.

Both Davis Bessie and the Sammis coal burning power plant have multiple economic, social and environmental issues that impede their ability to be competitive and carry heavy social costs. The Sammis plant ranks 21st as a source of CO2 emissions in the United States. It is also a major source of toxic air pollutants like sulphur dioxides and nitrogen oxides that pose serious health issues to millions of people.

Davis Bessie has a long history of accidents and violations going back to the construction site being flooded in 1972. Other incidents include the 1977 valve being stuck open causing the plant to be closed down for a year. More recently in 2002 a 7 inch hole was found in the reactor head leaving a only a 3/16 th of an inch steel liner as protection from nuclear catastrophe. This closed the plant for 2 years and cost rate payers \$600 million dollars. The more recent danger is the state of the shield building with its cracks and the fact that no cause has yet been found. These issues make this bail out by the ratepayers even more preposterous.

In conclusion the PUCO should not approve the plan to have ratepayers save First Energy from their being unable to compete in a free market. These ~~two~~ plants have serious environmental problems that degrade their value and put the public at risk. Uphold the law and do not let First Energy dump its 3 billion dollars in debt on the ratepayers.

Sincerely Yours,

Anthony Szilagye



LOCAL UNION No. 8

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

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Joseph E. Cousino, *Business Manager* • Eric E. Grosswiler, *President* • Gregory D. Hammer, *Recording Secretary*

January 15, 2015

Chairman Johnson and Members of the Commission,

I appreciate the opportunity to testify before you in support of FirstEnergy's proposed Electric Security Plan, "Powering Ohio's Progress"

I am here tonight to urge you and the PUCO of Ohio, to support First Energy's proposed Electric Security Plan, "Powering Ohio's Progress".

First Energy's plan is the right plan for Ohio's electricity needs now and also in the future. First Energy's plan is about reliable and affordable Base load power which is the backbone of our electrical generating system, and without this we will be rolling the dice on consistent affordable electricity now and in the future.

I am a professional electrical worker and a member of the International Brotherhood of Electrical Workers Local Union 8. In this area I have seen firsthand what can happen to families, business and industry, if electricity is not available and reliable. Dependable base load electricity is the cornerstone for commercial and Industrial growth, and without it this state will not be able to attract new business and jobs and Ohio cannot afford that.

We all know that there are new fuels to make electricity, but does that mean we should forget about the other reliable ways? I don't think so. What we need is a plan like First Energy's Proposed Electric Security Plan because with this plan we are diversifying Ohio's electrical generating abilities, and that only makes us secure. Secure with reliable electricity at a consistent cost, secure with no loss of jobs from shutting down plants, secure with new jobs and secure with a predictable future growth. Diversity in electrical generation is the key to Ohio's success and with first energy's plan "Powering Ohio's Progress" Ohio is striking the right balance between keeping electricity affordable for its customers while helping to ensure continued operation of Ohio's most efficient and clean power plants.

Unless PUCO takes action and endorses First Energy's plan Ohio could lose economic opportunities, electrical reliability, and JOBS. We respectfully request that you support this plan to keep energy reliable, affordable and protect Ohio jobs and growth. Thank you for your consideration and please contact me if I can be of any assistance.

Best Regards,

Chuck McCune, Business Agent
IBEW Local Union No. 8

Testimony of Steve Stewart

United Association of Local No. 50, Plumbers, Steamfitters & Service Mechanics

Before the Public Utilities Commission of Ohio

Hearing on FirstEnergy ESP IV, Jan. 15, 2015

Michael V. Disalle Government Center, Toledo Ohio

MR. MCKINNY
 Good evening Commissioner Trombold and members of the Commission. My name is Steve Stewart (Marketing & Development/Recruitment) with Local No. 50. Thank you for the opportunity to present my perspective on the importance of supporting FirstEnergy's proposed rate plan.

PLUMBERS
 STEAMFITTERS
 &
 SERVICE MECHANICS

Ohio's power plants create thousands of union jobs and produce major infrastructure projects that put our members to work. We are greatly concerned that numerous power plants in the state have permanently shut down in recent years, and many more are expected to close in the years ahead. Further decline in our electric power industry could cost thousands of union jobs and discourage industrial development opportunities across the state and leave our electric system vulnerable to instability.

This is an outcome Ohio cannot afford. Already, there have been reductions in operations and capital improvement expenditures at numerous power plants and manufacturing facilities statewide. Industrial construction hours for certain segments of the industry are down 53 percent from 2008, very much to the detriment of our union members and Ohio's economy.

Consistent with our interest in creating construction jobs, we're urging your support of FirstEnergy's proposed rate plan. The plan strikes the right balance between keeping electricity affordable for customers while helping to ensure the continued operation of key power plants built to serve Ohio customers. They include the Davis-Besse Nuclear

Power Plant in Oak Harbor, the W.H. Sammis Plant in Stratton, and the Ohio Valley Electric Corporation, or OVEC, plant in Gallipolis.

Together, the ongoing operations at these plants create a significant economic impact in the state annually and support thousands of jobs. However, unless we take action, their long-term viability – along with the jobs and substantial economic opportunities they bring to our members – may be at risk.

I ~~We~~ respectfully request that you support FirstEnergy's plan to keep energy affordable and protect Ohio jobs.

Thank you for your consideration.



Steve Stewart

Marketing & Development/Recruitment

United Associations of Local No. 50 Plumbers, Pipefitters, & Service Mechanics



NORTHWESTERN OHIO BUILDING AND CONSTRUCTION TRADES COUNCIL

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FRED KEITH, JR.
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DAVID FLEETWOOD
Trustee

Re: First Energy Electric Security Plan

Dear Chairman Johnson:

The Northwest Ohio Building and Construction Trades Council represents around 10,000 hard working men and women from eighteen affiliated local unions. Our jurisdiction covers the counties of Lucas, Wood, Fulton, Henry, Hancock, Williams, Ottawa and Defiance within the state of Ohio. From electricians, plumbers, carpenters and painters to roofers, insulators, cement masons, and many more, we have consistently met the professional construction challenges of the commercial, industrial, bio-tech, governmental, educational and sports facilities across our Northwest Ohio landscape. There are none more skilled or highly trained in the building and construction industry than the members of the Toledo Northwest Ohio Building Trades.

On behalf of our organization, I urge your close consideration and approval of First Energy Corporation's proposed Electric Security Plan.

I will address our support for the Electric Security Plan from two perspectives. First, our members perform hundreds of thousands of man-hours each year servicing Davis-Besse Nuclear Power Plant in Oak Harbor, Ohio. This work is very precious to our members and their Families. Simply put we support the Electric Security Plan primarily on the basis that, if approved operation of Davis-Besse Nuclear Power Plant will stay operational on a long-term basis.

Second, stability in the energy markets helps promote capital improvement projects. These projects give our contractors opportunities to compete, and thus gives our members opportunities to go to work. Simply put, stability in the energy markets, along with distribution system reliability, helps promote industrial development.

Thank you for your time and consideration on this very important issue.

Sincerely,

Shaun Enright

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Case No(s). 14-1297-EL-SSO

Summary: Comments Written testimony submitted on January 15, 2015 at the hearing in Toledo, Ohio electronically filed by Ms. Katrina Dearborn on behalf of Dearborn Reporting Services