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January 7, 2016

Public Utility Commission of Ohio
180 East Broad Street
Columbus, OH 43215

14-1693-EL RDR
14-1694-EL-ADM

RE: Opposed to Purchase Power Agreement Rider for American Electric Power

Dear PUCO:

OSCO operates three energy-intensive manufacturing plants in Ohio that produce cast metal parts for heating, air conditioning, transportation and power transmission industries. Low cost and reliably-supplied electricity is a critical resource for our Company.

We are both shocked and distressed that the Ohio PUCO is giving serious consideration to the Purchase Power Agreement (PPA) proposed by our utility, American Electric Power (AEP). The PPA is a complete reversal of about 15 years of migration toward deregulating electric generation in our state and provides an unjustified wind-fall for AEP. Clearly, such a large subsidization of AEP is going to cost OSCO and every consumer in their service territory dearly.

We estimate the direct annual increase to our Company from approval of the PPA will be approximately \$345,000. Why are we and other consumers potentially going to be made to pay this large premium for generation assets that cannot provide electricity economically and guarantee AEP a rate of return on those generation assets that we have already paid for via "stranded costs" several times already?

It is sad that the Ohio's regulatory process works in the manner it does. I will never forget my attendance at an AEP-sponsored event back at the time of the first SEP plan; when asked about justifying an irrational 15%/15%/15% year-over-year-over-year rate increase AEP's Chairman gave no justification what-so-ever but simply said, "I hope our lawyers (i.e., AEP) are better than your lawyers (i.e., in front of the PUCO)." I can only admire the creativity, legal prowess and political savvy displayed by our utility company in getting everything they can from the customer base. Obviously, they have the money and the know-how to work the system and are very effective at doing so.

Please understand that a decision to approve the AEP's PPA proposal will significantly impair OSCO's ability to compete in today's marketplace. I ask that you reject their proposal.

Thank you for considering my comments.

Sincerely,

John Burke
CEO

CC: Governor John Kasich
Senator Joe Uecker
Representative Terry Johnson

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