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January 8, 2016

Attn: IAD Public Utilities Commission of Ohio (PUCO) 180 E. Broad Street Columbus, OH 43215-3793

To Whom It May Concern:

On behalf of the Officers, Trustees, and Members of the Ohio Cast Metals Association (OCMA), I am writing to request that the Public Utilities Commission of Ohio (PUCO) reject the negotiated settlements of FirstEnergy and AEP that will enable the utilities to implement costly Power Purchase Rerement (PPA) riders and other cost-driving provisions.

Should the PUCO approve the settlements, both utilities will be able to collect costs (via nonbypassable PPA riders) from all of their customers to subsidize their uneconomical generation assets. thus protecting the utilities from cost risk and guaranteeing their profits and cost recovery. These subsidies would be paid for an eight-year term by all of their customers who have not made the mistakes that have led to this situation. The PUCO should not be rewarding poor decision-making on behalf of Ohio utilities.

Ohio's Consumers' Counsel has estimated that the FirstEnergy settlement could cost consumers \$3.9 billion over the eight-year duration of the PPA, and the AEP settlement could cost consumers \$2

If approved by the PUCO, these deals will put an unnecessary and anti-competitive layer of costs on consumers with no commensurate benefits, constrain competition, and dampen technological innovation in Ohio. In addition, both settlements contain other provisions that will increase costs to consumers.

As major consumers of electricity, the Ohio metal casting industry could be devastated by a PUCO decision to approve the PPAs. Our members with several hundred employees could be facing increased electricity costs of millions of dollars annually. Smaller foundries will confront increases in the hundreds of thousands of dollars. These increased costs cannot be passed on to customers without considerable harm to their competitive advantage.

The markets for electricity in Ohio are working to the benefit of consumers. These deals are a massive setback to the consumer-friendly efficiency of those markets. Please protect Ohio manufacturers and all consumers in FirstEnergy and AEP territories, the lion's share of the state in terms of utilities, from this substantial bailout/giveaway.

Executive Director

Cc: John Kurtz, OCMA Secretary

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