

FILE

MARK R. GRINDLEY

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CHIEF OPERATING OFFICER
PLASKOLITE, LLC

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PUCO

January 13, 2016

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

RE: Cases 14-1693-EL-RDR (AEP); 14-1297-EL-SSO (FirstEnergy)

Dear PUCO:

We are writing this letter to you to express our serious and grave concerns about the imminent PUCO settlement on the Power Purchase Agreements (PPA) with First Energy and AEP. This PUCO settlement will require Plaskolite, along with all the other residential, commercial and industrial ratepayers in Ohio, to subsidize the unprofitable power plants of these two utilities, and it is uncompetitive, costly, and unjust by fair business practices.

If approved, this action will hinder competition in the Ohio electric market, including the entry of well-managed, competitive power plants into Ohio, regardless of whether they are fueled by coal, natural gas, nuclear or renewables. As a result, Ohio will, over time, be left with uncompetitive, old, inefficient power plants that will likely not be able to meet the tightening EPA emission standards (e.g., Clean Power Plan). Rather than improving the reliability of the electric grid, once these uncompetitive power plants are "shut down" by the EPA regulations, the reliability and stability of the electric grid would be adversely affected. This PPA settlement, if approved, will also set a legal precedent and open the door for these utilities, along with the other investor-owned utilities, to pass on all their uncompetitive operations to the Ohio ratepayers through an "affiliated PPA".

Plaskolite has manufacturing plants in Columbus and Zanesville with a combined total of 400 employees. We are poised to aggressively grow our Ohio operations this year and in the coming years. Electricity is our largest utility cost, so the PUCO PPA settlement will negatively affect our competitiveness in the market place. Our Ohio plants are within the AEP service area, and we estimate that this PPA settlement will cost us almost

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\$300,000 per year for our Ohio operations, or an estimated \$2,400,000 over the 8-year ESP. It is hard for us to fathom having to pay this extra, significant cost to continue getting electricity dispatched to our Ohio operations, and to know that this amount will be subsidizing one or more unprofitable AEP power plants, even though our electricity does not come from any of these AEP power plants.

We are very disappointed in PUCO's support of this PPA settlement for it demonstrates that our state government is "utility-friendly" to the exclusion of the residents and businesses of Ohio. We strongly urge you to reconsider and to disapprove this settlement decision to allow the First Energy and AEP PPAs, which will roil the Ohio electric markets, make the regional electric grid less stable, and increase the cost of electricity in Ohio.

Sincerely,

A handwritten signature in black ink, reading "Mark R. Sindler". The signature is written in a cursive, flowing style with a large, prominent "M" and "S".

MRG/jmc