

FILE



David W. Johnson
President and CEO

January 19, 2016

Public Utilities Commission of Ohio
180 E Broad Street
Columbus, Ohio 43215

PUCO

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RECEIVED-DOCKETING DIV

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

Dear PUCO:

I want to go on record as strongly opposing the recent negotiated settlements that I gather the staff of the PUCO have concluded with First Energy and American Electric Power, at the expense of Ohio's consumers and small to mid-sized companies.

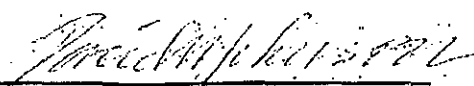
It is my understanding that the First Energy settlement will cost consumers in Ohio an estimated \$3.9 Billion over the eight year period of the agreement while the AEP settlement will cost its consumer customers as much as \$2 Billion for that same period of time. Meanwhile, these two utility monopolies will be guaranteed a 10.38% return on equity. What a deal...for the utilities!

These two utility monopolies have already received billions of dollars in so called "stranded cost recovery" from their customers as part of Ohio's transition to a competitive retail electricity market. This new settlement merely shifts more costs and more risk from utility shareholders to utility customers, which is patently inconsistent with the intent of Ohio's electric restructuring law.

As it is, the KWH generation costs that we are absorbing today at Summitville Tiles, Inc. are already some 50% higher than they were just six years ago. The distribution component of our electricity costs have increased by a staggering 100% during the same period of time. Additionally, we have been socked with three new monthly charges since 2008: the retail stability rider, the deferred asset phase-in rider, and the phase-in recovery rider - utility charges which did not even exist six years ago. Added to this will be these new charges, costing Summitville Tiles tens of thousands of dollars, with no compensating benefits...all the while the big utilities are raking in excessive, state-guaranteed profits.

Nobody that I know in business is happy about these "sweet heart" settlements with Ohio's utility monopolies. It is bad for Ohio's business climate, it will make Ohio uncompetitive even with neighboring states, and put a dagger in the heart of everything John Kasich has done to make Ohio strong again. I urge that the PUCO kill the Power Purchase Agreement Riders.

Sincerely yours,


David W. Johnson
CEO - Summitville Tiles, Inc.

CC: Governor Kasich
Speaker Rosenberger
Senate President Faber

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