

FILE

PUBLIC UTILITIES COMMISSION OF OHIO

No. 11-351-EL-AIR, et al.

AMERICAN ELECTRIC POWER

APPLICATION FOR RATE INCREASE

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PUCO

PUBLIC HEARING

GLENWOOD MIDDLE SCHOOL AUDITORIUM

1015 44TH STREET, N.W., CANTON, OHIO 44709

OCTOBER 18, 2011, 6:00 P.M.

Mandy L. Willey, Attorney Examiner
Todd A. Snitchler, Chairman
Public Utilities Commission
180 East Broad Street
Columbus, Ohio 43215-3793

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1 MS. MANDY WILLEY: The Public Utilities
2 Commission of Ohio is called for public hearing at
3 this time and place.

4 Case Nos. 11-351-EL-AIR and 11-352-EL-AIR,
5 captioned "In The Matter of the Application of
6 Columbus Southern Power Company and Ohio Power
7 Company, individually, and, if their proposed merger
8 is approved, as a merged company, collectively AEP
9 Ohio, for an increase in electrical distribution
10 rates."

11 Case Nos. 11-353-EL-ATA and 11-354-EL-ALA,
12 captioned "In The Matter of the Application of
13 Columbus Southern Power Company and Ohio Power,
14 collectively AEP Ohio, for tariff approval."

15 And Case Nos. 11-356-EL-AAM and
16 11-358-EL-AAM, captioned "In The Matter of the
17 Application of Columbus Southern Power Company and
18 Ohio Power Company for approval to change accounting
19 methods."

20 My name is Mandy Willey and I'm an attorney
21 examiner with the Commission's Legal Department.
22 Along with me is Todd Snitchler, who you just heard
23 speak, as well as Michael Fraizer of the
24 Commission's office of Public Affairs and Lawrence
25 Hampton of the Commission staff.

1 At this time, I will take appearances on
2 behalf of the parties that would include the company
3 as well as any intervenors. Let's begin with the
4 company.

5 MR. YAZEN ALAMI: Appearing today on behalf
6 of the companies, Columbus Southern Power Company
7 and Ohio Power Company, is myself Yazen Alami. My
8 colleagues Matt --

9 MS. PERSON: We can't hear back here.

10 MR. YAZEN ALAMI: Appearing on behalf of
11 the companies, Columbus Southern Power Company and
12 Ohio Power Company, is myself Yazen Alami. My
13 colleagues, Matthew Satterwhite and Ann Vogel, are
14 unable to attend today. And also attending on
15 behalf of the company is vice president Mr. Selwyn
16 Diaz. Thank you.

17 MS. MANDY WILLEY: Thank you. Are there
18 any other intervenors present this evening that
19 would like to enter an appearance?

20 It appears there are no other intervenors
21 present this evening that would like to enter an
22 appearance.

23 On February 28th, 2011 --

24 MS. PERSON: Excuse me. Your microphone
25 isn't coming through either right now.

1 MR. PERSON: What do you mean by
2 intervenor?

3 MS. MANDY WILLEY: Intervenor is a party
4 who has filed a motion to intervene in this case and
5 have been granted admission by the Commission.

6 February 28th, 2011, Columbus Southern
7 Power Company and Ohio Power Company, which are
8 operating companies out of American Electric
9 Power-Ohio, filed an application with the Commission
10 to increase electric distribution rates, for a
11 tariff approval, and for approval to change
12 accounting methods.

13 This local public hearing is only one
14 aspect of the case process. Public hearings are
15 also scheduled to occur in Lima and Columbus. And a
16 public hearing date occurred in Marietta, Ohio. An
17 evidentiary hearing is currently scheduled to begin
18 on November 14th at 10:00 at the PUCO offices in
19 Columbus. The purpose of that evidentiary hearing
20 in Columbus is for the companies, Commission staff,
21 and intervenors to present their expert witness
22 testimony in support of their positions in these
23 cases.

24 The purpose of tonight's hearing, however,
25 is to receive comments from the public. We will not

1 being hearing from the companies tonight, as we have
2 already heard their proposal. This is not a
3 question-and-answer session. But tonight is about
4 hearing from the public. And it's your opportunity
5 to let the Commission know what you think about the
6 company's application.

7 When you arrived, you were offered the
8 opportunity to sign up to testify outside the door.
9 If you missed that opportunity, you may still sign
10 up. Mr. Hampton from the Commission staff is just
11 outside the door; he can assist you with that. And
12 you can also -- we can take your testimony after
13 those who are already on the sign-in sheet if you
14 change your mind and decide you want to testify
15 tonight.

16 I will ask at the end of testimony if there
17 is anyone else that wishes to offer testimony, that
18 you have the opportunity. We will be taking
19 witnesses in the order in which they signed up.

20 Chairman Snitchler will call you forward to
21 the podium. And I will ask you to take an oath that
22 what you are about to say is the truth before you
23 testify. I will also ask for your name and your
24 address for the Record.

25 Your testimony that you give this evening

1 will be considered part of the official record of
2 the case, and it will be reviewed by the Commission
3 when they make their final decision in this case.
4 Attorneys for the company and intervenors who are
5 present may also ask questions about your testimony,
6 if they want to do so, by Chairman Snitcher and I.

7 If we call your name and you don't wish to
8 testify, you can indicate that you want to pass on
9 to the next witness. Additionally, if you're here
10 to observe or after you give testimony, you are free
11 to leave at any time you wish.

12 Tonight's hearing is being transcribed by a
13 court reporter, as you can see. She is writing down
14 everything that occurs here this hearing. If you do
15 plan to testify, please speak plainly and clearly so
16 that she can accurately reflect your comments.
17 Also, if you have prepared a written statement, it
18 would be helpful if you provide a copy of that to
19 the court reporter.

20 We sincerely appreciate your participation
21 in the hearing tonight. And we do wish everyone who
22 wants to testify to have the opportunity to do so.
23 So please try and keep your comments to a reasonable
24 amount of time.

25 Are there any questions about the process

1 that we will follow tonight before we get started?

2 All right. At this time, Chairman
3 Snitchler will begin calling witnesses forward.

4 Thank you.

5 MR. TODD SNITCHLER: Mr. William Daugherty.

6 MR. DAUGHERTY: Do you want to swear me in?

7 MS. MANDY WILLEY: Would you please state
8 your name and address for the Record.

9 MR. DAUGHERTY: William Daugherty, 5689
10 Eastview Street, Northeast, Louisville, Ohio.

11 MS. MANDY WILLEY: Will you also spell your
12 last name for the record, please.

13 MR. DAUGHERTY: D A U G H E R T Y.

14 MS. MANDY WILLEY: Thank you. Please raise
15 your right hand.

16 (William Daugherty was duly sworn.)

17 MS. MANDY WILLEY: Thank you.

18 MR. DAUGHERTY: Good evening. Can you hear
19 me in the back? I'm normally loud. I don't need a
20 mike most of the time.

21 Well, here we go again. I was here about
22 three months ago about the AEP insurance plan or, as
23 they call it, the security plan. You know, I feel
24 like I'm spitting in the wind. As I heard then and
25 as I know now, I will hear how giving AEP is to

1 provide grants to colleges and how they help
2 Canton's Hall of Fame activities with the Chamber of
3 Commerce. And, boy, this sounds good. But whose
4 money is this?

5 The only money you get is consumers' must
6 -- money. And isn't that right? So it's easy to
7 give away money to have people sing your praises.

8 But AEP did overcharge us to a tune of 787
9 million dollars in overcharges which the PUCO
10 wrongly approved, so said the Ohio Supreme Court.
11 And AEP should pay the customers back. But will AEP
12 pay us the full amount? No. The PUCA -- PUCO cut a
13 deal with them to pay only 75 million which I think
14 amounts to about 12 cents to each customer over a
15 three-month billing cycle.

16 What I want to know is why the Ohio
17 Consumers' Counsel had to bring this to court, not
18 to PUCO. Are they not our watch dogs? Right now
19 the Ohio Consumers' Counsel has had its fundings
20 cut. As you see, they're not represented here by
21 anybody.

22 I have no faith in PUCO to look out for our
23 customers. You are now just a rubber stamp when it
24 comes to rate increases, just like all government
25 officials who never oppose a tax increase.

1 Let's take a look at what AEP wants to get
2 from us now. We now pay \$3.82 a month and it's
3 known as a customer charge. AEP wants to raise it
4 to \$8.57 a month. This is an increase of \$4.75.
5 They say it's a 50-percent increase. I say it's a
6 hundred percent. I'd like to hear what they're
7 going to do with this increase. Will we get better
8 service? Or is it just for profit?

9 Last night I lost power for about four
10 hours. And I had no power and I had no power
11 because I lost it and did not use it. Will I be
12 charged for that four hours because you don't want
13 to lose any money under your security plan?

14 Let's "sock it to the people." Who do you
15 think we are? Stupid? That we're going to sit back
16 and do nothing but listen to the spin you put out in
17 your gospel?

18 This rate is over the top. I'm looking at
19 a sales tax increase. The schools need more taxes.
20 I have not had a cost of living increase in two
21 years. Everybody's telling me there's no cost of
22 living. Have you gone to the store? Have you
23 bought food? It's gone up. We've all been told we
24 have to suffer. But all I hear is "let's take more
25 from me." Things are not getting any better but

1 worse.

2 So bring on the love fest. Spin how good
3 the company is. AEP is bringing it on but it will
4 fail -- fall on my dead ears -- deaf ears. I've
5 heard it all before. I know what I say will fall on
6 deaf ears at the PUCO. It does not give a damn what
7 the public thinks or how much we suffer.

8 But I have to have my say. So, you know,
9 you can't full -- you can't fool all of the people.
10 Thank you very much.

11 MR. TODD SNITCHLER: Our next witness is
12 Steven Silver.

13 MS. MANDY WILLEY: Please state and spell
14 your name.

15 MR. SILVER: Steven E. Silver.

16 MS. MANDY WILLEY: Spell your last name.

17 MR. SILVER: S I L V E R.

18 MS. MANDY WILLEY: Thank you. Please raise
19 your right hand.

20 (Steven E. Silver was duly sworn.)

21 MR. SILVER: Mr. Snitchler, PUCO
22 Commissioner, AEP, and fellow consumers, I first
23 want to thank the PUCO for holding this meeting and
24 the three others around the state.

25 I would like you to look out at the crowd

1 and see a very pittance of AEP customers. Why is
2 this, No. 1? How have you notified the consumers
3 about these meetings? If you truly want to hear
4 from the people, the consumers, put a notice in
5 their AEP bill. I guarantee you will fill this
6 room. I only heard about it this morning on the
7 radio and had to cancel something in order to come
8 tonight. So I request personally that for all
9 future meetings you put a notice in the electric
10 company's bill to consumers. That way there's no
11 if's and but's about it; we will know.

12 I now would like to ask you about something
13 from your mission statement that Mr. Snitchler read
14 a little bit earlier, something about reliable
15 utilities' services at fair prices. Those "fair
16 prices" are being stipulated by a big business of
17 representation we have in the front row right where
18 I'm sitting.

19 Those are not representation of the common
20 man or woman. And 99.98 percent of the consumers
21 for AEP are the common people. We are the people
22 that are footing this bill. We are the people that
23 are paying for the clothes on their back and for
24 everything. We, the people, are. So I'm asking you
25 to be fair. I'm a simple, common man. Increasing

1 my bill will cause a hardship to myself, my
2 household, as well as I am sure for many many
3 consumers.

4 You have already allowed AEP to increase
5 their rates in 2009. This -- well, I'll just give
6 you the figures for Ohio Power. Since 2009, for the
7 last three years, AEP has increased their rates 23
8 percent. For Columbus Southern Power, they've
9 increased their rates in the last three years for 19
10 percent. I assume that that would have to be okayed
11 by PUCO.

12 According to your electric service -- or,
13 I'm sorry, your electric security plan, in 2011 --
14 and you didn't really mention this -- but in 2011,
15 unless I'm reading this incorrectly, they were
16 requesting an increase of 6.3 percent for Ohio Power
17 customers and 3 percent in 2011 for Columbus
18 Security -- or, I'm sorry, Columbus Southern Power
19 Company customers. That was -- I don't know if
20 that's on top of what you said they're now asking
21 which was 17.3 percent for Ohio Power, 9.5 percent
22 for Columbus Southern Power. All I know is I don't
23 know anyone whose salaries have gone up by 23
24 percent in the last three years. Maybe someone here
25 or someone in the front row but certainly not mine.

1 Anybody back there, if your salary's gone
2 up 23 percent in the last three years, please raise
3 your hand for me.

4 (Crowd response.)

5 MR. SILVER: Everything is going up. Three
6 years ago AEP was asking for a 45-percent increase
7 of their rates. I remember that, 45 percent over a
8 three-year period. So they got half of that, 23
9 percent for Ohio Power. It's time to put an end to
10 this. It's time that they learn to live within
11 their means, because we have to.

12 No more increases. And from now on, again,
13 I request the PUCO be fair, not only to us and the
14 consumers that are speaking now, but be fair by
15 letting us know by a mailer of these meetings.
16 Thank you.

17 MS. MANDY WILLEY: Thank you for your
18 comments. That concludes the witnesses who signed
19 up to testify.

20 Is there anyone in the audience now that
21 would like to testify?

22 Seeing no one, I'd like to thank everyone
23 for coming out here this evening. This will
24 conclude this evening's public hearing. And this
25 transcript from this hearing will be submitted on

1 the record for the Commission's consideration in
2 this case.

3 I would encourage the company
4 representatives to stay after for a few minutes.
5 And the Commission staff, Chairman Snitchler, and I
6 will also stay around for a few minutes if you have
7 any questions of us. Thank you and have a nice
8 evening.

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10 (The hearing concluded at 6:25 p.m.)
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C E R T I F I C A T E

STATE OF OHIO

COUNTY OF STARK

I, Jocelyn S. Harhay, RPR, Notary Public in and for the State of Ohio, do hereby certify that the PUCO hearing held October 18, 2011, was to the best of my ability reduced to machine shorthand, afterwards transcribed under my direction by means of computer, and that to the best of my ability the foregoing is a true and correct transcript of the PUCO hearing held October 18, 2011.

I further certify that this PUCO hearing held October 18, 2011 was taken at the time and place in the foregoing caption specified.

I further certify that I am not a relative or employee of an attorney of any of the parties in the above-captioned action and that I am not, nor is the court reporting firm with which I am affiliated, under a contract as defined in Ohio Civil Rule 28(D).

IN WITNESS WHEREOF, I have hereunto set my hand at Hartville, Ohio, on October 30, 2011.


Jocelyn S. Harhay, RPR,
Notary Public

My Commission expires: June 15, 2013.

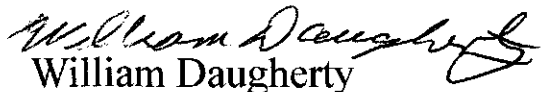
Well here we go again. I was here about 3 months ago about the AEP'S insurance plan or as they call it security plan. You know I feel like I'm spitting into the wind. As I heard then and as I know now I will hear how giving AEP is to provide grants, to collages, how it helps the Canton hall of fame activities with the chamber of commerce, boy this sounds good but who money is this? The only money you get is customer money right? So it is easy to give away money to have people sing your praises. But did AEP over charge us by the tune of \$787 million in over charges which the PUCO wrongly approved so said the Ohio Supreme Court and AEP should pay the customer back. But will AEP pay us the full amounts NO the PUCO cut a deal to pay us only \$75 million. Which I think amount to about 12 cent over 3 months billing cycle.

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Lets take a look at what AEP wants to get from us right now we pay \$3.82 for customer charge, AEP wants to rise it to \$8.57 this is a increase of \$4.75 That over a 100%. I like to hear what they will do with the increase, will we get better service or will it be just profit. Well last night we lost power for about 4 hrs under the new security plan will I be charged for the 4 hrs I had no power because you lost 4hrs that I did not use? We know you don't want to lose any charges. Let's sock it to the people. Who do you think we are stupid that we will sit back and do nothing but listen to the spin you put out as gospel. This rate is over top I'm look at a sales tax increase , schools need more taxes,. I have not had a cost of living increase in 2yrs but every thing goes up and up. We are told all

have to suffer, but all I hear is let's take more from me. Things are not getting better but worse.

So bring on the love fest spin how good a co. AEP is bring it on but it will fall on my dead ears because I heard it all before. I know what I say will fall on deaf ears at the PUCO does not give a dam what the public thinks or how much we suffer but I had my say so you know you can't full all the people. Thank You



William Daugherty

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