

FILE



United States Department of Agriculture
Rural Development • Columbus, Ohio

RECEIVED-SOCKETING DIV

2012 MAY -4 PM 1:38

10-501-EL-FOR PUCO
10-502-EL-FOR
May 3, 2012

Chairman Todd A. Snitchler
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: In the Matter of the Long-term Forecast Reports of Ohio Power Company and Columbus Southern Power Company and Related Matters (PUCO Case Nos. 10-501-EL-FOR and 10-502-EL-FOR)

Dear Chairman Snitchler:

As the state director of the U.S. Department of Agriculture's Ohio Rural Development Agency — the economic development branch of the USDA in Ohio — I am writing to express my strong support for the Turning Point Solar (TPS) project presently before the Commission.

The USDA's Rural Utilities Service (RUS), which has provided project funding for rural electric cooperatives and investor-owned utilities for more than 75 years, is considering funding a significant portion of the TPS project if approved by the PUCO.

In fact, RUS's consideration of the project is proceeding apace. On April 27, the RUS published a "Finding of No Significant Impact" (FONSI) for the Environmental Assessment (EA) associated with the Turning Point Solar generation project. The EA evaluates environmental impact on the Noble County site associated with a potential loan or loan guarantee to Turning Point Solar LLC. Should the PUCO elect to approve TPS, the completion of this EA now allows for prompt consideration of a potential financing package. A announcement of the FONSI is published in the April 27 Federal Register and can be viewed online at <http://www.rurdev.usda.gov/UWP-ea.htm>

As you know, the principal mission of Ohio Rural Development is to assist in building a sustainable infrastructure for robust economic growth in small-town Ohio. Our investments in expanded broadband service, reliable water and septic systems, housing and community facilities have helped fortify small communities, making them more attractive to outside businesses and local entrepreneurs. Renewable energy projects are an important facet of this mission. By their very nature, utility-scale solar, wind and biomass projects are best located in the open areas of rural Ohio.

The rural focus of the TPS project is one of its principal attributes. The benefits of the Turning Point Solar project primarily will be enjoyed by rural and small-town residents in economically-challenged parts of Appalachian and northwestern Ohio. TPS plans to construct and install the 49.9 MW project in Noble County and establish a panel

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
technician SJA Date Processed MAY 04 2012

manufacturing factory in Napoleon (Henry County). In fact, the developers of the TPS project believe that close to 85 percent of the goods and services required for the construction of the project will be sourced in Ohio.

We believe that the Appalachian region of Ohio is best served by a balanced energy generation strategy. While shale gas production will bring substantial job and wealth creation to the Appalachian Ohio region in the short run, the area is uniquely poised to benefit in the long term from advanced energy technologies including hydropower, biomass, waste heat recovery, clean coal, and solar. The TPS array will provide the foundation for a balanced approach to energy generation in Southeastern Ohio.

Southeastern Ohio possesses an abundance of reclaimed strip mined lands – more than 200,000 acres according to ODNR records. This land is largely unsuitable for residential, commercial, or row crop agricultural use. The TPS development group and AEP deserve praise for turning this perceived liability into a great asset by committing 700 acres of reclaimed land for use as a solar array platform. Indeed, large stretches of Appalachian Ohio might now be viewed as prime sites for utility-scale renewable energy projects. The fact that these lands are crisscrossed by transmission lines – lines that were needed in a previous era to bring electricity to the giant shovels – is an attribute that should not be lost to Ohio's electrical systems planners.

In conclusion, USDA enthusiastically supports the Turning Point Solar project, as both a necessary addition to Ohio's electric generation portfolio and as a driver for rural economic development for this and future generations. If approved by the PUCO, we look forward to collaborating with our Ohio partners to move this project off the drawing board and into 21st century reality.

Please docket this letter in PUCO Case Nos. 10-501-EL-FOR and 10-502-EL-FOR.

Sincerely,



J. Anthony Logan, State Director
USDA Ohio Rural Development

-2-