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2012 MAY 30 AM 11:39

PUCO

May 25, 2012

The Honorable Todd Snitchler
Chairman, PUCO
180 East Broad Street, 12th Floor
Columbus, OH 43215

Dear Mr. Snitchler,

Subject: AEP – Ohio's Capacity Case: 10-2929-EL-UNC
AEP – Ohio's Rate Case: 11-0346-EL-SSO

On behalf of our company, I am writing to you recommending the rejection of AEP proposals in the two cases referenced above. AMG Vanadium, Inc. is a wholly-owned subsidiary of AMG Advanced Metallurgical Group N.V. ("AMG", Euronext Amsterdam: "AMG"), a global leader in the production of highly engineered specialty metal products and advanced vacuum furnace systems. Located in Cambridge, Ohio since 1952, AMG Vanadium specializes in the environmentally beneficial conversion of oil refinery and power plant waste products into specialty metals used by global steel producers in automotive, energy transmission and infrastructure applications. By converting materials which would otherwise be discarded as hazardous waste into saleable products, we encourage environmental stewardship, energy conservation and resource recovery. We are the environmental leader in this global industry. We are proud to be the North American ferrovanadium market share leader and we have two primary product lines: FEROVAN[®], our ferrovanadium alloy used in the production of steel to improve its strength, and FeNiMoly[®] which is a valuable additive utilized in the production of stainless and carbon steels.

We currently employ 125 people with an annual payroll exceeding \$8 million. Our annual state and local property tax contribution is \$46,000. We purchase in excess of \$7 million of local (Ohio) goods and services each year. While we are not the largest employer or energy user in Ohio, we have been a good and long-time corporate citizen that strives to provide high quality products and high quality manufacturing employment in Ohio.

American Electric Power (AEP) has been a valuable business partner and energy supplier to us for over 60 years; however, I am writing to urge the rejection of AEP Ohio's Capacity and Rate Case proposals. Their proposals are not only highly inflationary, but extreme in comparison to current market conditions. If the proposals are approved, our operating costs will increase by

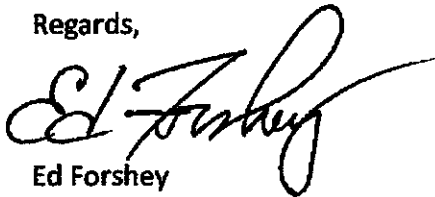
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\$2.5 million over the next three years, which will make our company less competitive in a global market place. Power is over 20% of our operating cost, and as you no doubt know, "low cost" wins. We are not able to absorb the increases internally and we simply cannot pass these potential cost increases on to our customers.

The significant increase we have experienced during the last three years, combined with the proposal for the next three years, could put our viability as an Ohio company at risk.

Thank you for your serious considerations in regard to AEP's Ohio proposals, and again, AMG Vanadium urges your rejection of the current proposals.

Regards,

A handwritten signature in black ink, appearing to read "Ed Forshey", with a large, sweeping flourish extending from the end of the name.

Ed Forshey
Director of Energy and Asset Management

Cc: Governor John R. Kasich
Senator Troy Balderson
Representative Andy Thompson