

Universal Production Corp.

1776 Tamarack Road
Newark, Ohio 43055

PH. 740-522-1147
FAX 740-522-6144

May 29, 2012

The Honorable Todd Snitchler
Chairman, PUCO
180 East Broad St., 12th Floor
Columbus, OH 432515

RE: AEP – Ohio's Capacity
Case No. 10-2929-EL-UNC
AEP –Ohio's Rate
Case No. 11-0346-EL-UNC

RECEIVED-DOCKETING DIV
2012 JUN -8 PM 2:41
PUCO

Dear Mr. Snitchler,

Our Company, Universal Veneer Mill Corporation, commenced its operation in 1979 at its current location in Newark, Ohio. Subject to customer specifications, the company cuts logs from American hardwoods into veneer, which is subsequently marketed and sold to wholesalers or end-user in the furniture, flooring, paneling and edge-banding industry.

To place this into a better perspective of clarity, our Company is within the top five (5) veneer companies in the North American market, and we have established an excellent name and reputation for quality and service on a global basis, since eighty-percent (80%) of our consolidated revenues are generated from the export markets.

The operation is highly capital and labor intensive, and has gone from approximately 280 plus employees during its peak years, to its current level of 172 employees. Although we have a Joint Venture in China since 2003-2004, we have essentially brought back our production from this market, since we can serve that customer segment base from our operation on a more controlled and cost effective basis, and are currently in preliminary discussions to dissolve that Partnership. We are and have been a substantive contributor to the local economy, and provided contributions of computer equipment to local schools, as well as mulch to local community schools and/or playgrounds. Our Company is proud to have established a scholarship program administered through the Licking County Foundation for employees and their eligible

**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 Date Processed JUN 08 2012**

A MEMBER OF THE UNIVERSAL VENEER GROUP OF COMPANIES

dependents that allows them to advance their trade skills or their academic or educational goals, which will assist them in their future endeavors.

We are opposed to the rate increases that have been approved, as well as the pending capacity and rate case matters, which are subject for consideration by the Public Utilities Commission of Ohio (PUCO). It has been, is and continues to be a material financial impact to small and mid-size businesses, which (A) are unable to pass these increases on due to the competitive challenges of global market conditions to retain customers, and (B) other operational increases we have been subject to, but not limited to, such as group medical insurance, Workman's Comp. rates, regulatory and environmental matters, as well as in – out bound freight costs. The retroactive AEP – rate increases that impacted our Company through 2011, can serve as a testimonial of the challenges we are confronted with in our operations, which ostensibly could mirror many other operations within the State of Ohio.

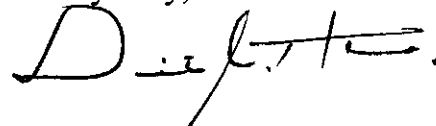
As a three (3) shift operation, our monthly electric bill was around \$37,000.00. As a two (2) shift operation from April 25, 2011, through year-end 2011, our monthly electric bill was close to \$54,000.00. On a comparative basis, with less billable production, our cost basis is higher. Notwithstanding, we are looking at net dollars that on an annualized basis translates to a \$204,000.00 increase. A staggering amount for a company of our size.

For our state to retain and to create jobs, and equally to compete in a competitive global market environment, we are simply choking off abilities for small and mid-size companies to exist or to venture by taking more or added risks to expand their operations. Statistical comparison clearly supports that these are the companies that always have created and accounted for the largest employment segment percentage of jobs for our country.

We appeal that logic should prevail for consideration to unconditionally reject the within stated capacity and rate cases.

Thank you.

Very truly,

A handwritten signature in black ink, appearing to read "Dieter E. Heren". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke extending to the right.

Dieter E Heren,
C.E.O.

cc: Kevin Schmidt – OMA