

FILE

From: webmaster@puc.state.oh.us  
 To: ContactThePUCO  
 Subject: 67240  
 Received: 6/14/2012 3:48:08 PM  
 Message:  
 WEB ID: 67240 AT:06-14-2012 at 03:47 PM

11-346-EL-SSO  
 11-348-EL-SSO

Related Case Number:

TYPE: complaint

NAME: Ms. Pam Orwick

CONTACT SENDER ? Yes

MAILING ADDRESS:

- 1800 Industrial Dr
- PO Box 952
- Findlay , Ohio 45840
- USA

PHONE INFORMATION:

- Home: 419-425-4906
- Alternative: *(no alternative phone provided?)*
- Fax: 419-425-1704

E-MAIL: porwick@ohiologistics.com

INDUSTRY:Electric

ACCOUNT INFORMATION:

- Company: Findlay's Tall Timbers Distribution Center Inc
- Name on account: dba Ohio Logistics
- Service address: multiple
- Service phone: multiple
- *(no account number provided?)*

COMPLAINT DESCRIPTION:

On November 18th, 2011, Ohio Logistics ("OL") successfully negotiated a third party supply arrangement for lowering its electric spend at an array of warehousing facilities situated throughout the state of Ohio. The fixed-pricing secured from a certified retail electric supplier (CRES) was based on energy markets and capacity prices as revealed by PJM's auctions. On average, our facilities have been realizing a 22% reduction versus the respective Price-To-

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 PUCO

Compares (PTC's), with several locations capturing better than 30% discounts. Needless to say, this supply arrangement has resulted in positive cash flow to the benefit of our operations, as we continue to compete in these challenging economic times.

The energy consultant called upon to assist OL with the initiative to secure competitive supply, has kept us apprised of the uncertainties coinciding with AEP's capacity case and electric security plan. It is our understanding that even though OL has been realizing notable savings, our CRES has been forced to incur losses resulting from Commission entries that extend AEP excessive capacity pricing; roughly 16 times the amount revealed by the aforementioned PJM auctions. We have been informed that all interveners in the AEP capacity case agree that market pricing should prevail, and even the Commission Staff promotes RPM Capacity (market pricing). However, for reasons that are not clear and certainly not understood, the Commission continues to extend AEP unwarranted premiums (capacity prices), and in the event this anti-competitive nonsense continues, our supply arrangement may ultimately be nullified, thereby bringing our favorable supply rate to an abrupt end.

OL strongly encourages the Commission to embrace competitive markets by requiring AEP to compete for our business. Much the same as when other companies are forced to compete for AEP's business, electric deregulation was intended to advance competition between the respective investor-owned utilities. What is most perplexing, is to understand that AEP's unregulated marketing arm is currently pursuing customers served by other electric distribution utilities (EDU's); a pursuit that is predicated on the fact energy markets present opportunities for customers to save. But as it relates to AEP, the PUCO seems determined to protect AEP from competition, so how can anyone possibly point to that scenario and find it to be equitable? Simply put, the PUCO is essentially extending AEP a monopoly, while we are expected to remain content as AEP's "captive" customers. This is wrong in more ways than anyone should care to contemplate, but in the event it becomes the ultimate outcome for OL and other AEP customers, certainly litigation will follow.

This anti-competitive nonsense needs to end, and there is no better time than the present. It is time for the PUCO to serve the public interest, and it is time for AEP to compete