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PUCO

February 18, 2016

Thomas W. Johnson
Commissioner - P U C O
180 East Broad Street
Columbus, Ohio 43215

Re. -- PUCO Case #s: 14-1297-EL-SSO; 14-1693; 14-1694-EL-RDR

I am totally opposed to my electric bill increasing to pay for AEP's and FirstEnergy's old power plants. The utilities claim they are losing money on their aging plants, and now they're demanding that consumers cover the cost of their bad decisions not to invest in cheaper, cleaner power, like natural gas. Gee -- Isn't FirstEnergy the same utility whose lack of proper maintenance of their infrastructure caused the blackout of the Eastern Half of the U.S. in 2003 ? ?

FirstEnergy championed deregulation just seven years ago. It even threatened to sue the state if the State tried to re-regulate prices. But that was before shale gas became a more economical option. FirstEnergy's old coal and nuclear plants haven't been winning those wholesale auctions that gas-fired plants now dominate. The company has said it might have to shut down the old plants if they are not subsidized.

I am now retired after spending my career in Healthcare Finance and Administration. I started out working as a Medicare cost and compliance auditor. The primary service that hospitals sell is inpatient days. And inpatient days are costly. As advances were made in the rendering of patient care, Inpatient days were reduced. Hospitals raised prices to offset losses. As I am sure you are aware, Congress passed several legislative changes enabling Medicare to do all that it could to reduce the cost of healthcare, and it succeeded. Over the last four decades, it succeeded to the extent that 14 former Medical & Surgical hospitals representing 2,796 beds in the Cleveland area alone, either changed their purpose or closed outright. And it appears that Lakewood Hospital is next.

Instead, should billions of dollars have been charged to all N.E.Ohio citizens so that these Hospitals could have remained open ? NO ! Absolutely not !

It's outrageous that my electric bill will go up while these giant utilities are earning billions of dollars and also paying hefty dividends to their shareholders.

Please stand up for Ohio consumers and reject AEP's and FirstEnergy's proposals.

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February 5, 2016

The Honorable John Kasich
Governor of the State of Ohio
Riffe Center, 30th Floor
77 South High Street
Columbus, OH 43215

Dear Governor Kasich:

Upon taking office, you declared Ohio open for business. You set a bold course to attract new companies, create opportunities for home-grown businesses, and foster economic growth.

Companies have been enticed by the healthy, competitive market in Ohio. In fact, some of the largest investments here have come from independent electric power generators that invest in today's existing generating plants and build new, clean, and efficient power plants to meet Ohioans' needs.

Members of our organization, Alliance for Energy Choice, are part of your success, bringing jobs and prosperity to Ohio through these investments that are cost-effectively powering millions of homes and business.

That's why we're alarmed that the State of Ohio is on the verge of reversing course on Ohio's economic comeback by allowing First Energy and AEP to place a significant and costly burden on Ohio's businesses and consumers with no real, measurable impact on electric reliability.

We vehemently oppose the sole-source, above-market power purchase agreements (PPAs) that AEP and FirstEnergy are demanding from the Public Utilities Commission of Ohio (PUCO). These PPAs will force consumers and businesses into paying an estimated \$6 billion more than needed over eight years to subsidize plants that the utilities claim are not making enough money. In contrast, our members have invested private capital - not consumers' money - in many of these same plants, and have no plans to shut them down. Additionally, the plants co-owned with our members can't be unilaterally shut down by AEP as they claim will happen.

It's clear that the monopoly utilities don't want to face a competitive environment. Now, they long for the good old days and expect Ohio residential consumers and business owners to give them handouts, guarantee double-digit profits, and protect shareholder dividends. Furthermore, if their argument is to protect their investment-grade credit ratings, their shareholders should bear the burden by reducing the companies' generous shareholder dividends, reducing unnecessary overhead or issuing more equity, rather than taxing consumers. To allow that to happen would be contrary to free-market economic principles that you, and we, strongly support.

The State of Ohio should not be in the business of unfairly rewarding these companies while power-generating companies like ours successfully compete in the market without subsidies.

Adding this "energy tax" to the price Ohio businesses pay for electricity makes it exceedingly difficult for them to compete in the global marketplace. Those private businesses, along with the power generation companies that have helped to fuel economic growth and ensure the state's reliable power will turn to other, more business-friendly states to invest, innovate, and hire.

Consumers are taking notice, and the utility handouts are extremely unpopular with Ohio voters. Recent polling shows that more than 75% of Ohio voters oppose allowing AEP and FirstEnergy to charge customers extra to subsidize their power plants.

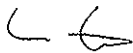
Governor Kasich, you've advocated for business, capitalism and free markets on many occasions, so we're sure you would agree that a healthy economy in Ohio is one that attracts private investment and private sector jobs, not expensive government funded subsidies and jobs.

Recently from the campaign trail you said it best in the context of energy efficiency: "We need to drive efficiency in this country. We should have been doing it ... 40 years ago." We couldn't agree more – a fundamental benefit of competition is efficiency.

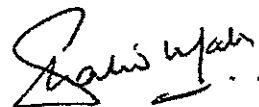
To that end, you appointed all five PUCO Commissioners, so we know they understand and respect your vision. We urge you to remind them of your vision for a competitive Ohio. Only the rejection of AEP's and FirstEnergy's ploys, which come at the expense of all Ohio families and companies, will ensure your vision is realized. Businesses around the country are watching what happens in Ohio.

Should you require any additional information from us or would like to meet to discuss, we stand ready to assist you in continuing Ohio's positive economic recovery and growth.

Sincerely,



Paul Farr
President and Chief Executive Officer
Talen Energy, Inc.



Shahid Malik
President
PSEG Energy Resources & Trade, LLC



Robert Flexon
President and Chief Executive Officer
Dynegy Inc.



Thad Hill
President and Chief Executive Officer
Calpine, Inc.

cc: Lt. Gov. Mary Taylor
Senate President Keith Faber
House Speaker Cliff Rosenberger
Public Utilities Commission of Ohio
 Commissioner Andre T. Porter, Chair
 Commissioner Asim Z. Haque
 Commissioner Lynn Slaby
 Commissioner M. Beth Trombold
 Commissioner Thomas W. Johnson ✓
Rep. Al Landis, Chair, Ohio House Energy & Natural Resources Committee
Sen. Troy Balderson, Chair, Ohio Senate Energy & Natural Resources Committee