Before

**The Public Utilities Commission of Ohio**

In the Matter of the Application of Ohio )

Edison Company, The Cleveland Electric )

Illuminating Company and The Toledo )

Edison Company for Authority to Provide ) Case No. 12-1230-EL-SSO

for a Standard Service Offer Pursuant to )

R.C. § 4928.143 in the Form of an Electric )

Security Plan. )

**POST-HEARING BRIEF OF**

**INDUSTRIAL ENERGY USERS-OHIO**

Samuel C. Randazzo (Counsel of Record)

Frank P. Darr

Matthew R. Pritchard

McNees Wallace & Nurick LLC

21 East State Street, 17th Floor

Columbus, OH 43215-4228

Telephone: (614) 469-8000

Telecopier: (614) 469-4653

sam@mwncmh.com

fdarr@mwncmh.com

mpritchard@mwncmh.com

June 22, 2012 Attorneys for Industrial Energy Users-Ohio

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# POST-HEARING BRIEF OF

**INDUSTRIAL ENERGY USERS-OHIO**

On April 13, 2012, Ohio Edison Company (“OE”), The Cleveland Electric Illuminating Company (“CEI”), and The Toledo Edison Company (“TE”) (collectively, “FirstEnergy”) filed an Application to establish a standard service offer (“SSO”) in the form of an electric security plan (“ESP”). Concurrently with the filing of the Application, FirstEnergy and several signatory parties filed a Stipulation and Recommendation (“Stipulation”) to set forth their understanding and agreement and to recommend approval of the Stipulation.

 The Public Utilities Commission of Ohio (“Commission”) previously approved an ESP for FirstEnergy for the period of June 1, 2011 through May 31, 2014.[[1]](#footnote-1) In *ESP II*, the Commission authorizedFirstEnergy to set its SSO price for the period covered by *ESP II* by means of a forward-looking competitive bidding process (“CBP”).[[2]](#footnote-2) This forward-looking CBP has worked systematically to reduce electric bills for SSO customers in line with conditions in the wholesale electric market and it provides clear price signals to customers so that they can compare the electric bills produced by the SSO option with offers from Competitive Retail Electric Service (“CRES”) providers, including governmental aggregators. The Stipulation recommended and the Application proposed to, in effect, continue and extend *ESP II* through May 31, 2016.[[3]](#footnote-3) As discussed below, extension of *ESP II* is something that would happen by operation of law unless a new and lawful SSO is put in place as a successor to *ESP II*. The Stipulation and Application also provided additional terms and conditions for the CBP that will be utilized to establish the SSO price during the term of the ESP.

 As indicated above, Section 4928.143(C)(2)(b), Revised Code, mandates that the terms and conditions of *ESP II* continue if nothing is done to bring a new SSO proposal to the Commission, the Commission rejects the Application or if the Application is withdrawn as a result of the Commission’s modification and approval.[[4]](#footnote-4) Accordingly, the CBP process used to set the generation supply price portion of the SSO will likely continue one way or another. The Stipulation invites the Commission to take some of the guesswork out of the future and provide clarity regarding the structure of the CBP that will set SSO rates through May 31, 2016. In other words, the Application and the Stipulation offer the Commission an opportunity to apply the law in a common sense way and to provide consumers with reliable and actionable information that they can use to make good electricity choices.

When measured by the long-standing criteria the Commission has used to evaluate settlements and based on the law and evidence, the Stipulation warrants approval by the Commission. Accordingly, IEU-Ohio urges the Commission to approve the Stipulation thereby approving the proposed successor ESP.

 Respectfully submitted,

 /s/ Samuel C. Randazzo

Samuel C. Randazzo (Counsel of Record)

Frank P. Darr

Matthew R. Pritchard

McNees Wallace & Nurick LLC

21 East State Street, 17th Floor

Columbus, OH 43215-4228

Telephone: (614) 469-8000

Telecopier: (614) 469-4653

sam@mwncmh.com

fdarr@mwncmh.com

mpritchard@mwncmh.com

 Attorneys for Industrial Energy Users-Ohio

**Certificate of Service**

I hereby certify that a copy of the foregoing *Post-Hearing Brief of Industrial Energy Users-Ohio,* was served upon the following parties of record this 22nd day of June 2012, *via* hand-delivery, electronic transmission, or first class mail, U.S. postage prepaid.

 /s/ Samuel C. Randazzo

 Samuel C. Randazzo

James W. Burk, Counsel of Record

Arthur E. Korkosz

FIRSTENERGY SERVICE COMPANY

76 South Main Street

Akron, OH 44308

burkj@firstenergycorp.com

korkosza@firstenergycorp.com

James F. Lang

Laura C. McBride

CALFEE, HALTER & GRISWOLD LLP

1405 East Sixth Street

Cleveland, OH 44114

jlang@calfee.com

lmcbride@calfee.com

David A. Kutik

JONES DAY

901 Lakeside Avenue

Cleveland, OH 44114

dakutik@jonesday.com

**Counsel for Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company**

Colleen L. Mooney

Ohio Partners for Affordable Energy

231 West Lima Street

PO Box 1793

Findlay, OH 45839-1793

cmooney2@columbus.rr.com

**Counsel for Ohio Partners for Affordable Energy**

Joseph M. Clark, Counsel of Record

Direct Energy

6641 North High Street, Suite 200

Worthington, OH 43085

jmclark@vectren.com

Asim Z. Haque

Christopher L. Miller

Gregory H. Dunn

Alan G. Starkoff

Ice Miller LLP

250 West Street

Columbus, OH 43215

christopher.miller@icemiller.com

asim.haque@icemiller.com

Gregory.dunn@icemiller.com

**Counsel for Direct Energy Services, LLC and Direct Energy Business, LLC**

Larry S. Sauer, Counsel of Record

Terry L. Etter

Melissa R. Yost

Assistant Consumers’ Counsel

Office of the Ohio Consumers’ Counsel

10 West Broad Street, Suite 1800

Columbus, OH 43215-3485

sauer@occ.state.oh.us

etter@occ.state.oh.us

yost@occ.state.oh.us

**Counsel for the Office of the Ohio**

**Consumers' Counsel**

Vincent Parisi

Matthew White

Interstate Gas Supply, Inc.

6100 Emerald Parkway

Dublin, OH 43016

vparisi@igsenergy.com

mswhite@igsenergy.com

Barth E. Royer

Bell & Royer Co., LPA

33 South Grant Avenue

Columbus, OH 43215-3927

BarthRoyer@aol.com

**Counsel for Interstate Gas Supply, Inc.**

M. Howard Petricoff

Vorys, Sater, Seymour and Pease LLP

52 East Gay Street

PO Box 1008

Columbus OH 43216-1008

mhpetricoff@vorys.com

Sandy I-ru Grace

Assistant General Counsel

Exelon Business Services Company

101 Constitution Avenue N.W.

Suite 400 East

Washington, DC 20001

sandy.grace@exeloncorp.com

Stephen Bennett

Retail Policy Manager

Exelon Generation Company, LLC

300 Exelon Way

Kennett Square, PA 19348

Stephen.bennett@exeloncorp.com

David I. Fein

Vice President, State Government Affairs-East

Exelon Corporation

550 West Washington Boulevard, Suite 300

Chicago, IL 60661

David.fein@constellation.com

Cynthia Brady

Senior Counsel

Constellation Energy Resources, LLC

550 West Washington Boulevard, Suite 300

Chicago, IL 60661

Cynthia.brady@constellation.com

David M. Stahl (for Exelon)

Eimer Stahl LLP

224 S. Michigan Avenue, Suite 1100

Chicago, IL 60604

dstahl@eimerstahl.com

**Counsel for Exelon Generation Company, LLC and Constellation NewEnergy, Inc.**

Christopher J. Allwein, Counsel of Record

Williams, Allwein and Moser, LLC

1373 Grandview Avenue, Suite 212

Columbus, OH 43212

callwein@wamenergylaw.com

Robb W. Kapla

Sierra Club

Environmental Law Program

85 Second Street, Second Floor

San Francisco, CA 94105-3459

Robb.kapla@sierraclub.org

**Counsel for Natural Resources Defense Council and the Sierra Club**

Leslie A. Kovacik

City of Toledo

420 Madison Avenue, Suite 100

Toledo, OH 43604-1219

leslie.kovacik@toledo.oh.gov

Thomas R. Hays

John Borrell

Lucas County Prosecutor’s Office

700 Adams Street, Suite 251

Toledo, OH 43604

Trhayslaw@gmail.com

**Counsel for the Northwest Ohio Aggregation Coalition**

Glenn S. Krassen

Bricker & Eckler LLP

1375 East Ninth Street, Suite 1500

Cleveland, OH 44114

gkrassen@bricker.com

Matthew W. Warnock

Bricker & Eckler LLP

100 South Third Street

Columbus, OH 43215

mwarnock@bricker.com

**Counsel for Northeast Ohio Public Energy Council**

Judi L. Sobecki

Randall V. Griffin

The Dayton Power and Light Company

1065 Woodman Drive

Dayton, OH 45432

Judi.sobecki@DPLINC.com

Randall.griffin@DPLINC.com

**Counsel for The Dayton Power and Light Company**

David F. Boehm

Michael L. Kurtz

Jody M. Kyler

Boehm, Kurtz & Lowry

36 East Seventh Street, Suite 1510

Cincinnati, OH 45202

dboehm@BKLlawfirm.com

mkurtz@BKLlawfirm.com

jklyer@BKLlawfirm.com

**Counsel for Ohio Energy Group**

Lisa G. McAlister, Counsel of Record

J. Thomas Siwo

Bricker & Eckler LLP

100 South Third Street

Columbus, OH 43215-4291

lmcalister@bricker.com

tsiwo@bricker.com

**Counsel for the OMA Energy Group**

Michael D. Dortch

Kravitz Brown & Dorth, LLC

65 East State Street, Suite 200

Columbus, OH 43215

mdortch@kravitzllc.com

**Counsel for AEP Retail Energy Partners, LLC**

Trent Dougherty, Counsel of Record

Cathryn N. Loucas

The Ohio Environmental Council

1207 Grandview venue, Sutie 201

Columbus, OH 43212-3449

Trent@theoec.org

Cathy@theoec.org

**Counsel for the Ohio Environmental Council**

Jeanne W. Kingery

Associate General Counsel

Amy B. Spiller

Deputy General Counsel

Duke Energy Business Services LLC

139 East Fourth Street, 1303-Main

Cincinnati, OH 45202

Jeanne.Kingery@duke-energy.com

Amy.spiller@duke-energy.com

**Counsel for Duke Energy Commercial Asset Management, Inc.**

Amy B. Spiller, Counsel of Record

Deputy General Counsel

Jeanne W. Kingery

Associate General Counsel

Duke Energy Business Services LLC

139 East Fourth Street

Cincinnati, OH 45202

Amy.spiller@duke-energy.com

Jeanne.Kingery@duke-energy.com

**Counsel for Duke Energy Retail Sales, LLC**

Matthew J. Satterwhite

Steven T. Nourse

Marilyn McConnell

American Electric Power Service Corporation

1 Riverside Plaza, 29th Floor

Columbus, OH 43215

mjsatterwhite@aep.com

stnourse@aep.com

mmconnell@aep.com

**Counsel for Ohio Power Company**

M. Howard Petricoff

Michael J. Settineri

Lija Kaleps-Clark

Vorys, Sater, Seymour and Pease LLP

52 East Gay Street

PO Box 1008

Columbus OH 43216-1008

mhpetricoff@vorys.com

mjsettineri@vorys.com

lkalepsclark@vorys.com

**Counsel for Retail Energy Supply Association**

Gregory J. Poulos

EnerNOC, Inc.

471 E. Broad Street, Suite 1520

Columbus, OH 43215

gpoulos@enernoc.com

**Counsel for EnerNOC, Inc.**

Theodore S. Robinson

Citizen Power, Inc.

2121 Murray Avenue

Pittsburgh, PA 15217

robinson@citizenpower.com

**Counsel for Citizen Power, Inc.**

Craig I. Smith

15700 Van Aken Blvd, Suite #26

Cleveland, OH 44120

vttpmlc@aol.com

**Counsel for Materials Science Corporation**

Mark S. Yurick

Taft Stettinius & Hollister LLP

65 E. State Street, Suite 1000

Columbus, OH 43215-4213

myurick@taftlaw.com

**Counsel for The Kroger Co.**

Douglas M. Mancino

McDermott Will & Emery LLP

2049 Century Park East, Suite 3800

Los Angeles, CA 90067-3218

dmancino@mwe.com

Gregory K. Lawrence

McDermott Will & Emery LLP

28 State Street

Boston, MA 02109

glawrence@mwe.com

**Counsel for Morgan Stanley Capital Group Inc.**

Glenn S. Krassen

Bricker & Eckler LLP

1001 Lakeside Avenue East, Suite 1350

Cleveland, OH 44114-1142

gkrassen@bricker.com

Matthew W. Warnock

Bricker & Eckler LLP

100 South Third Street

Columbus, OH 43215

mwarnock@bricker.com

**Counsel for Ohio Schools Council**

Morgan E. Parke, Counsel of Record

Michael R. Beiting

FirstEnergy Service Company

76 South Main Street

Akron, OH 44308

mparke@firstenergycorp.com

beitingm@firstenergycorp.com

**Counsel for FirstEnergy Solutions Corp. (“FES”)**

C. Todd Jones

Gregory H. Dunn

Christopher L. Miller

Asim Z. Haque

Ice Miller LLP

250 West Street

Columbus, OH 43215

Gregory.dunn@icemiller.com

christopher.miller@icemiller.com

asim.haque@icemiller.com

**Counsel for the Association of Independent Colleges and Universities of Ohio and the City of Grove City, Ohio**

Dane Stinson

Bailey Cavalieri LLC

One Columbus

10 West Broad Street, Suite 2100

Columbus, OH 43215

dane.stinson@baileycavalieri.com

**Counsel for GEXA Energy-Ohio, LLC**

M. Howard Petricoff

Stephen M. Howard

Vorys, Sater, Seymour and Pease LLP

52 East Gay Street

PO Box 1008

Columbus OH 43216-1008

mhpetricoff@vorys.com

smhoward@vorys.com

Glen Thomas

1060 First Avenue, Suite 400

King of Prussia, PA 19406

gthomas@gtpowergroup.com

Laura Chappelle

4218 Jacob Meadows

Okemos, MI 48864

laurac@chappelleconsulting.net

**Counsel for PJM Power Providers Group (“P3”)**

Allen Freifeld

Viridity Energy, Inc.

100 West Elm Street, Suite 410

Conshohocken, PA 19428

afreifeld@viridityenergy.com

**Counsel for Viridity Energy, Inc. (Participant in “Demand Response Coalition”)**

Justin M. Vickers

Robert Kelter

Environmental Law & Policy Center

35 East Wacker Drive, Suite 1600

Chicago, IL 60601

jvickers@elpc.org

rkelter@elpc.org

**Counsel for Environmental Law & Policy Center (“ELPC”)**

Matthew R. Cox

McDonald Hopkins LLC

600 Superior Avenue, East

Suite 2100

Cleveland, OH 44114

mcox@mcdonaldhopkins.com

**Counsel for Council of Smaller Enterprises (“COSE”)**

Garrett A. Stone

Michael K. Lavanga

Brickfield, Burchette, Ritts & Stone, P.C.

1025 Thomas Jefferson Street, NW

8th Floor, West Tower

Washington, DC 20007

gas@bbrslaw.com

mkl@bbrslaw.com

**Counsel for Nucor Steel Marion, Inc.**

Robert J. Triozzi, Director of Law

City of Cleveland

Cleveland City Hall

601 Lakeside Avenue, Room 106

Cleveland, OH 44114-1077

RTriozzi@city.cleveland.oh.us

**Counsel for The City of Cleveland**

Richard L. Sites

General Counsel & Senior Director of Health Policy

Ohio Hospital Association

155 E. Broad Street, 15th Floor

Columbus, OH 43215-3620

ricks@ohanet.org

Thomas J. O’Brien

Bricker & Eckler LLP

100 South Third Street

Columbus, OH 43215

tobrien@bricker.com

**Counsel for the Ohio Hospital Association (“OHA”)**

Cheri B. Cunningham

Director of Law

City of Akron

161 South High Street, Suite 202

Akron, OH 44308

CCunningham@AkronOhio.gov

Joseph Oliker

McNees Wallace & Nurick LLC

21 E. State Street, 17th Floor

Columbus, OH 43215

joliker@mwncmh.com

**Counsel for the City of Akron**

Christopher Horn

3030 Euclid Avenue, Suite 406

Cleveland, OH 44118

chorn@mcsherrylaw.com

**Counsel for The Empowerment Center of Greater Cleveland, Cleveland Housing Network and Consumers Protection Association**

Barth E. Royer

Bell & Royer Co., LPA

33 South Grant Avenue

Columbus, OH 43215-3927

BarthRoyer@aol.com

**Counsel for The Cleveland Municipal School District**

Thomas McNamee

Public Utilities Section

Ohio Attorney General's Office

180 East Broad Street, 6th Floor

Columbus, OH 43215

thomas.mcnamee@puc.state.oh.us

**Counsel for the Staff of the Public Utilities Commission of Ohio**

Mandy Willey

Gregory Price

Public Utilities Commission of Ohio

180 East Broad Street, 12th Floor

Columbus, OH 43215

mandy.willey@puc.state.oh.us

greg.price@puc.state.oh.us

**Attorney Examiners**

1. *In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan*, Case No. 10-388-EL-SSO, Opinion and Order (Aug. 25, 2010) (hereinafter “*ESP II*”). [↑](#footnote-ref-1)
2. *ESP II*, Opinion and Order at 8, 34-35 (Aug. 25, 2010). [↑](#footnote-ref-2)
3. Application at 2. [↑](#footnote-ref-3)
4. *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant Section 4928.143, Revised Code, in the Form of an Electric Security Plan*, Case Nos. 11-346-EL-SSO, *et al.*, Entry on Rehearing at 12 (Feb. 23, 2012). [↑](#footnote-ref-4)