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FAX**To:** PUCO Docketing**Date:** December 18, 2006**Fax #:** 614-466-0313**From:** James W. Burk**Pages:** 6, including this cover page**Subject:** *PUCO Case No. 06-1335-EL-ATA*

Ohio Edison Company, The Cleveland Electric Illuminating Company, and
The Toledo Edison Company Memo Contra Office of The Consumers' Counsel
Motion to Intervene

Comments: Please docket this letter in the abovementioned Case No. 06-1335-EL-ATA. The original and required number of copies will be sent via overnight mail for delivery on Tuesday, December 19, 2006. If you have any questions, please call me at 330 384-5861. Thank you.

**NOTE: IF YOU DO NOT RECEIVE ALL OF THE PAGES MENTIONED ABOVE,
PLEASE CALL CONFIRMATION NO. 330-384-5861 or 330-384-5308.**

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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 AW Date Processed 12-18-06

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December 18, 2006

FAX

VIA OVERNIGHT MAIL

Ms. Renee J. Jenkins
Director, Administration Department
Secretary to the Commission
Docketing Division
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

RE: PUCO Case No. 06-1335-EL-ATA
Ohio Edison Company, The Cleveland Electric Illuminating Company, and The
Toledo Edison Company Memo Contra Office of The Consumers' Counsel
Motion to Intervene

PUCO

2006 DEC 18 AM 11:44

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Dear Ms. Jenkins:

Enclosed for filing please find the original and twelve (12) copies of *Motion to Intervene* regarding the above-referenced case which was fax-filed today. Please file the attached. File-stamp the two extra copies and return them to the undersigned in the enclosed envelope.

Thank you for your assistance in this matter. Please contact me if you have any questions concerning this matter.

Very truly yours,

James W. BurkJWB:ls
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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) Case No. 06-1335-EL-ATA
Edison Company for Approval of)
Adjustment to Shopping Credit Adder)
Rider.)

**OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING
COMPANY AND THE TOLEDO EDISON COMPANY MEMO CONTRA OFFICE OF
THE CONSUMERS' COUNSEL MOTION TO INTERVENE**

Now Come Ohio Edison Company, The Cleveland Electric Illuminating Company,
and The Toledo Edison Company ("Companies") and respectfully submit this
Memorandum Contra the Office of the Consumers' Counsel Motion to Intervene filed in
this matter on December 14, 2006.

While styled as a Memo Contra OCC's Motion to Intervene, the Companies
do not necessarily oppose the intervention of the OCC in this proceeding, although
OCC does not oppose the Shopping Credit Adder as proposed by the Companies.
OCC moved to intervene to make two requests: first, that the Commission confirm that
the amounts associated with the cost of fuel being deferred by the Companies, as
approved in the RCP proceeding, Case No. 05-1125-EL-ATA et seq., are not being
considered for recovery as part of this proceeding; and second, that OCC be provided
the same monthly fuel cost deferral information that the Commission ordered be
provided to the Commission Staff as part of its approval of the RCP.

Rate Recovery of Fuel Deferrals is not sought as part of this proceeding.

The Companies are not seeking to recover fuel deferral amounts in retail rates as a part of this proceeding. The Shopping Credit Adder was approved by the Commission in the RCP case. In the RCP proceeding, the Commission also authorized the Companies to defer fuel costs for recovery in a future base rate case. As is stated in the RCP Stipulation, at the time the Companies do seek to recover the fuel deferrals in retail rates, no party is precluded from challenging the "reasonableness of the level of a particular type of expenditure included in the deferrals." *RCP Stipulation* at page 11. The Commission need not make any determination or declaration in this proceeding regarding the reasonableness of the fuel costs or the recovery of the fuel deferral amounts in retail rates, since all parties will have the opportunity to challenge the level of a particular type of expenditure included in the deferrals in a later proceeding.

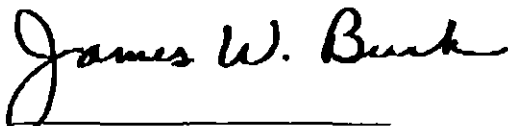
Fuel Deferral Information given to Commission Staff.

The Commission ordered the Companies to provide monthly fuel cost information to the Commission Staff, at the Staff's request, as part of its RCP Order, to allow the Staff to determine the actual fuel cost increase for use in establishing both the deferral amount and for use in determining the shopping credits. *RCP Order* at page 7. The disclosure of monthly fuel data to the Commission Staff was a change to the RCP as originally proposed and the disclosure of this information on a limited basis was accepted as part of the Companies' decision to go forward with the RCP as modified. The OCC now seeks the Commission to change this aspect of its RCP Order.

The Companies oppose OCC's request to be provided fuel cost information on an ongoing monthly basis and ask the Commission to deny the request for the following reasons. First, it was contemplated that the sensitive fuel cost information would be provided only to the Commission Staff, and the Commission Staff is already receiving and reviewing the information for its use to support the Shopping Credit Adder, which is the scope of this proceeding. Second, changes to the Shopping Credit Adder occur on an annual basis, but only through 2008. Therefore, there will only be one additional adjustment to the Shopping Credit Adder before it expires at the end of 2008. In other words, this will not be an ongoing adjustment. Third, no amount of fuel cost deferrals is being included for recovery from customers at this time, and parties will not be precluded from challenging the reasonableness of the level of a particular type of expenditure included in the fuel deferrals during the rate proceeding where such deferrals are included in rate base for recovery.

While the Companies will cooperate with the OCC in a review of the information in the future Shopping Credit Adder application for 2008, they do not believe it is necessary or advisable to provide sensitive monthly fuel information to OCC for this purpose, and such would be inconsistent with the RCP Order.

Respectfully submitted,

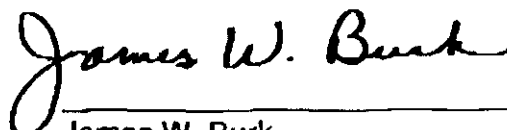


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Certificate of Service

I hereby certify that a copy of the foregoing Memo Contra was served upon The Office of Consumers' Counsel via first class U.S. Mail, postage prepaid, this 18th day December 2006.



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Senior Attorney

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