

NC
FILE

18

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Complaint of
The Lincoln Electric Company,

Complainant,

v.

The Cleveland Electric Illuminating Company,

Respondent.

)
)
) Case No. 09- 86 -EL-CSS
)

) COMPLAINT
)
)

SERVICE COMPLAINT AND REQUEST FOR RELIEF

PUCO

RECEIVED-DOCKETING DIV
2009 FEB -2 PM 4:44

Statement of Facts

The Lincoln Electric Company ("Lincoln") is engaged in the business of manufacturing a full line of welding and cutting products. Lincoln requires electricity to operate its Ohio manufacturing facilities. Lincoln obtains its electric supply from The Cleveland Electric Illuminating Company ("CEI"). On December 31, 2008, Lincoln was a firm service customer of CEI at its manufacturing facilities located in Euclid and Mentor, Ohio.

CEI is, among other things, an "electric light company", "electric distribution utility", "electric utility" and an "electric supplier" as defined by Section 4928.01(A), Revised Code, and is a public utility subject to the regulatory and supervisory jurisdiction of the Commission.

Lincoln's most recent service relationship with CEI was established pursuant to a "reasonable arrangement" approved by the Public Utilities Commission of Ohio

{C27170}

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 Ann Date Processed 2/3/09

("Commission" or "PUCO") in Case No. 96-1081-EL-AEC.¹ This reasonable arrangement addresses the prices and service terms and conditions for firm service and refers to CEI's Large General Service Schedule and incorporates certain provisions of CEI's Large General Service Schedule. Through a mutual and bilateral written amendment dated December 17, 2001, the term of this reasonable arrangement was extended by Lincoln and CEI so that it would continue for so long as CEI collected regulatory transition charges ("RTC").²

On December 22, 2008, CEI filed a notice pursuant to Section 4928.143(C)(2)(a), Revised Code, withdrawing and terminating an application for approval of an Electric Security Plan ("ESP") filed in Commission Case No. 08-935-EL-SSO.

The Commission has issued entries and orders in Case No. 08-935-EL-SSO as a result of CEI withdrawing and terminating its proposed ESP. Among other things, the Commission has determined that upon such withdrawal and termination, the most recent SSO and rate schedules (including their provisions, terms and conditions) continue until a subsequent SSO is authorized by the Commission in accordance with Section 4928.142, Revised Code or Section 4928.143, Revised Code.³

¹ The reasonable arrangement approved by the Commission is attached hereto as Complaint Exhibit A. The Commission issued an Opinion and Order approving the reasonable arrangement on May 8, 1997. Through Section 4928.34(A)(6), Revised Code, the General Assembly established a transitional rate cap for customers with reasonable arrangements for the term of the arrangement. During the Market Development Period, the unbundled rates subject to this rate cap formed the basis for the standard service offer ("SSO"). Section 4928.35(D), Revised Code.

² The bilateral amendment is attached hereto as Complaint Exhibit B.

³ See *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. 08-935-EL-SSO, Finding and Order (January 7, 2009) and Entry (January 14, 2009).

Prior to the Commission issuing its January 7, 2009 Finding and Order in Case No. 08-935-EL-SSO, parties to the proceeding advised the Commission that CEI and its affiliated electric distribution utilities ("EDU") had altered and were altering existing service relationships in ways that negatively affected the price and availability of their service. These parties asked the Commission to proactively prevent CEI and its affiliates from altering pricing and service quality. In the January 7, 2009 Finding and Order in Case No. 08-935-EL-SSO, the Commission found, in effect, that these issues were not ripe. The Commission has suggested that customers may file complaints for the purpose of seeking relief from unjust, unreasonable and unlawful actions taken by CEI.

CEI is currently billing and collecting RTCs pursuant to authorization by the Commission.

By a letter dated December 23, 2008, postmarked December 24, 2008 and received on January 5, 2009, CEI notified Lincoln that Lincoln's reasonable arrangement would terminate on December 31, 2008 and otherwise issued several notices demanding that Lincoln take action or be subjected to CEI's determinations regarding the price and service quality that CEI would otherwise impose on Lincoln if Lincoln did not meet CEI's demands.

It is Lincoln's understanding that as a result of CEI's determination that Lincoln's reasonable arrangement terminated on December 31, 2008, CEI initially placed Lincoln on CEI's Small General Service rate schedule effective on or about January 1, 2009. In response, Lincoln requested information on the Large Industrial and Industrial rate schedules but CEI refused to make these rate schedules available to Lincoln.

Ultimately, CEI advised Lincoln that it would be placed on CEI's Large General Service Schedule after Lincoln executed documents pursuant to CEI's demand.⁴

Section VI of CEI's tariff, Original Sheet No. 4, 1st Revised Page 4 of 24, states that CEI will assist a customer in determining the most advantageous rate schedule when two or more alternative rate schedules apply.

CEI's Large Industrial Schedule, Original Sheet No. 73, 1st Revised Sheet 1 of 3, states that the Large Industrial Schedule is available to customers of sufficient size (demand in excess of 5,000 kilowatts) if the customers are on an existing special contract approved by the Commission. CEI has excluded the Large Industrial Schedule from the list of alternative rate schedules available to Lincoln. Lincoln's total electric demand at its Euclid and Mentor facilities are each in excess of 5,000 kilowatts.

Statement of Law

Section 4905.22, Revised Code, obligates every public utility to furnish necessary and adequate service and facilities and requires each public utility to furnish and provide such instrumentalities and facilities as are adequate and, in all respects, just and reasonable. It requires that all charges demanded for any service rendered be just and reasonable and not more than the charges allowed by law or by order of the PUCO. It also prohibits any utility from demanding or imposing any charge that is unreasonable or unjust.

⁴ The document executed by Lincoln included the following statement: "We have returned the forms that you required us to execute to avoid being placed on even a more unfavorable rate than the Large General Service Schedule. Thus, by completing the form we are trying to mitigate the increase in our electric cost that you would otherwise impose. This action should not be understood as Lincoln Electric's agreement with CEI's position regarding the rate schedules which are available to Lincoln Electric."

Section 4905.32, Revised Code, states that “[n]o public utility shall charge, demand, extract, receive, or collect a different rate, rental, toll, or charge for any service rendered, or to be rendered, than that applicable to such service as specified in its schedule filed with the public utilities commission which is in effect at the time.” As indicated above, a determination of the rate schedule that is in effect requires application of Section 4928.143(C)(2)(a), Revised Code , in the present context.

Section 4905.26, Revised Code, provides the Commission with the power to remedy unreasonable or unlawful rates, regulations, practices and inadequate service provided by a public utility. Section 4928.16, Revised Code, makes it clear that the scope of the Commission’s jurisdiction under Section 4905.26, Revised Code, extends to issues related to compliance with Chapter 4928, Revised Code. Section 4933.83(B), Revised Code, also provides the Commission with the ability to address service that is or will be inadequate.

Unlawful, Unreasonable and Unlawful Actions

CEI’s position that Lincoln’s reasonable arrangement terminated on December 31, 2008 is unreasonable, unjust and unlawful. CEI’s termination is in conflict with the plain language of the reasonable arrangement which has a term equal to the duration of CEI’s collection of RTCs. CEI’s position regarding the termination of Lincoln’s arrangement also conflicts with the requirements of Section 4928.143(C)(2)(a), Revised Code. Accordingly, any attempt by CEI to bill or collect for electric service on a basis other than permitted by such reasonable arrangement is unreasonable and unlawful.

In the event Lincoln's position regarding CEI's termination of the reasonable arrangement between CEI and Lincoln is not sustained by the Commission, CEI's unilateral placement of Lincoln on CEI's Small General Service and then its Large General Service Schedule effective January 1, 2009 is unreasonable, unjust and unlawful because neither of these Schedules is the rate schedule most favorable to Lincoln. Assuming typical load and usage characteristics, Lincoln's total bill for electric service would be significantly less under CEI's Large Industrial Schedule and likely less under a reasonable application of CEI's market-based rate schedule. Notwithstanding the fact that CEI and its affiliated EDUs have repeatedly claimed that they do not own or control generation assets, they have refused to permit customers to purchase more than thirty percent (30%) of their electric requirements pursuant to the market-based rate schedule. The totality of CEI's conduct is inconsistent with its duty to provide safe and reliable service at reasonable rates while advancing the objectives in Section 4928.02, Revised Code. Accordingly, any attempt by CEI to bill and collect for service provided to Lincoln based on CEI's Small or Large General Service Schedules is unreasonable, unjust and unlawful.

Relief Requested

Lincoln urges the Commission to find that CEI's position that Lincoln's reasonable arrangement terminated on December 31, 2008 is unreasonable, unjust and unlawful and that any attempt by CEI to charge, demand, extract, receive, or collect for electric service on a basis other than permitted by such reasonable arrangement is unreasonable, unjust and unlawful.

In the event Lincoln's position regarding CEI's termination of the reasonable arrangement between CEI and Lincoln is not sustained by the Commission, Lincoln urges the Commission to find that CEI's unilateral placement of Lincoln on CEI's Small or Large General Service Schedules effective January 1, 2009 is unreasonable, unjust and unlawful and that any attempt by CEI to charge, demand, extract, receive, or collect for electric service based on such Schedules is unreasonable, unjust and unlawful.

In addition to granting the relief requested above, Lincoln urges the Commission to impose forfeitures on CEI in the maximum amount permitted by law. Lincoln believes that the maximum forfeiture is appropriate in this circumstance.

In addition to granting the relief requested above, Lincoln urges the Commission to direct CEI to compensate Lincoln for all costs incurred to prepare and prosecute this complaint and find that such costs shall not be a recoverable expense for ratemaking purposes.

In addition to granting the relief requested above, Lincoln urges the Commission to direct CEI, pending the resolution of this complaint, to only charge, demand, extract, receive, or collect for electric service in accordance with Lincoln's reasonable arrangement and to negotiate in good faith with Lincoln to establish a mechanism to place in escrow monthly an amount that reasonably and fairly represents the difference between the amount due pursuant to such arrangement and the amount due based on application of the otherwise applicable rate most favorable to Lincoln.

In addition to the relief requested above, Lincoln urges the Commission to appoint an attorney examiner who shall be responsible for resolving quickly the issues raised by this complaint through an alternative dispute resolution process.

In addition to the relief requested above, Lincoln urges the Commission to find that Lincoln has stated reasonable grounds to support its complaint and to establish a process by which the issues raised in such complaint shall be resolved as promptly as possible.

Respectfully submitted,

A handwritten signature in cursive script, reading "Samuel C. Randazzo", is written over a horizontal line.

Samuel C. Randazzo, Esq.
MCNEES, WALLACE & NURICK
Fifth Third Center
21 East State Street, Suite 1700
Columbus, OH 43215-4228
(614) 719-2840 (T)
(614) 469-4653 (Fax)
sam@mwncmh.com

Attorney for The Lincoln Electric Company

**PRODUCTION INCENTIVE AGREEMENT
BETWEEN
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
AND
THE LINCOLN ELECTRIC COMPANY**

This Production Incentive Agreement ("Agreement") is made and entered into this 23 day of September, 1996, by and between The Cleveland Electric Illuminating Company, a corporation organized and existing under the laws of the State of Ohio, hereinafter the "Company", and The Lincoln Electric Company, a corporation organized and existing under the laws of the State of Ohio, hereinafter the "Customer". The Company and the Customer shall collectively be known as the "Parties" and individually as "Party".

WITNESSETH

WHEREAS, the Customer receives electric service from the Company for the following manufacturing plants, hereinafter known collectively as the "Facilities" and each respectively known as "Facility".

<u>Address</u>	<u>Primary Company Acct. No.</u>
22800 St. Clair Avenue Euclid, Ohio	147-0001237-013
22801 St. Clair Avenue Euclid, Ohio	150-0001231-011
6500 Heisley Road Mentor, Ohio	162-0001886-011

WHEREAS, the Parties entered into an Electric Service Agreement for the Facilities on February 13, 1992 which was approved by the Commission in Case No.92-334-EL-AEC on May 21, 1992 ("Prior Agreement"); and,

WHEREAS, the Customer and the Company desire to enter into this new Production Incentive Agreement, hereinafter known as the "Agreement", which will cancel and supersede the Prior Agreement and encourage the continued operation and future expansion of the Customer's Facilities; and,

WHEREAS, the electric industry is undergoing significant change that may affect the Company and the Customer, and both Parties, recognizing the changing industry, accept this long-term Agreement;

WHEREAS, the Customer is confronting increased competition in its global markets and has a pressing and current need to address issues that affect the quality and price of electricity furnished by the Company; and,

WHEREAS, the Customer desires to purchase firm power for its Facilities which requires special conditions not provided for by the electric schedules of the Company, and the Company is willing to supply such firm power under the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, it is agreed as follows:

1. EXISTING AGREEMENTS

This Agreement shall supersede and cancel the Prior Agreement between the Parties for the supply of Electric Power to the Facilities as of the Effective Date of this Agreement.

2. DEFINITIONS.

This Agreement shall be subject to the following definitions in addition to the definitions contained in PUCO No. 12, Electric Service.

- 2.1 Electric Power. Electric Power means electric energy and capacity.
- 2.2 Load. Load means electric demand measured in kilowatts. The Customer's demand for billing purposes ("Monthly Billing Demand") shall be the highest thirty (30) minute integrated kWd attained during that monthly billing period. The 30-minute period is determined by Company approved metering, beginning on each hour and each half-hour unless mutually changed.
- 2.3 Firm Electric Power. Electric Power which is not subject to interruption, except during System Emergencies.
- 2.4 Large General Service Schedule. This term shall mean the rates, terms and conditions of the Large General Service Schedule contained in PUCO No. 12, sheets no. 113.1 through 113.4, which is attached as Appendix A to this Agreement.
- 2.5 System Emergency. Any situation where the Company initiates its Emergency Electrical Procedures outlined in its General Rules and Regulations of PUCO No. 12, as may be amended or revised.

3. SERVICE CONDITIONS:

- 3.1 The Company shall provide Electric Power to the Facilities under the provisions of the General Rules and Regulations, including Paragraph 7 thereto, of PUCO No. 12, Electric Service, and under the rates, charges, riders, including Rider No. 1, terms and conditions of the Large General Service Schedule of PUCO No. 12, Electric Service ("Tariff"). The rates and charges included in the Large General Service Schedule, as applied to this Agreement, shall not be adjusted during the term of this Agreement. Rider No. 1, the Electric Fuel Component Rate, and Rider No. 8, the Interim Emergency, Temporary Recovery Method for PIPP Arrearages, may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO). The Customer agrees to accept and pay for such service as provided for herein, subject to the incentive provided for by Section 6. In the event of a conflict between this Agreement and the provisions of such Tariff, the provisions of this Agreement shall prevail.

4. CONTRACT LOAD:

- 4.1 The Contract Load for each Facility shall be set initially equal to the average Monthly Billing Demand for that Facility during the 1995 calendar year and shall be adjusted in accordance with Sections 4.2 and 9 of this Agreement.
- 4.2 If the Monthly Billing Demand at a Facility in any month exceeds the Contract Load then in effect for that Facility, that Monthly Billing Demand shall become the new Contract Load for that Facility.

5. BILLING ADJUSTMENT:

- 5.1 Electric service rendered to the Facilities shall be charged and billed separately.
- 5.2 The Company will calculate the monthly bill for each of the Facilities utilizing the Large General Service Schedule with the application of the following discounts per kilowatthour (kWh):

<u>Year(s)</u>	<u>22800 St. Clair</u>	<u>22801 St. Clair</u>	<u>Heisley Road</u>
1996	\$0.020	\$0.026	\$0.020
1997 - 1999	\$0.024	\$0.029	\$0.024
2000 - 2002	\$0.026	\$0.032	\$0.026
2003 - 2006	\$0.029	\$0.035	\$0.029

5.3 Base Charges Adjustment:

- (a) If the current Electric Fuel Component Rate as determined by the PUCO ("EFC") is less than or equal to \$0.02 per kWh and greater than or equal to \$0.009 per kWh, then the Base Charges Adjustment ("BCA") will be equal to \$0.0145 minus the EFC, multiplied by the total monthly kWh for the Facilities. If the resulting BCA is a positive value, the absolute value of the BCA shall be added to the electric bill for that month. If the resulting BCA is a negative value, the absolute value of the BCA shall be subtracted from the electric bill for that month.
- (c) If the EFC is greater than \$0.02 per kWh, the BCA will equal \$0.0055 multiplied by the total monthly kWh for the Facilities. The BCA so determined shall be subtracted from the electric bill for that month.
- (d) If the EFC is less than \$0.009, then the BCA will equal \$0.0055 multiplied by the total monthly kWh for the Facilities. The BCA so determined shall be added to the electric bill for that month.

6. MINIMUM CHARGE:

- 6.1 The monthly minimum charge for each of the Facilities shall be the Kilowatt Demand Billing Charge multiplied by fifty percent (50%) of the Adjusted Contract Load for that Facility as defined in Section 8.
- 6.2 This Minimum Charge shall apply for the entire term of the Agreement, except for a partial or total shutdown.

7. TEMPORARY COMPETITIVE LOAD:

- 7.1 The Customer may request that the Company quote a rate for temporary competitive load which can be used by the Customer for competitive bidding for new business. The rate quoted shall be influenced by such factors as the size of the electric load, duration, the time of day the load will occur, the Company's generating facilities available, and the controllability of potential, among others. The rate quoted shall be greater than the Company's marginal energy and capacity costs. If the Customer is successful in acquiring the new business, the Company will be obligated to supply Electric Power at the quoted rate for the temporary competitive load for a period not to exceed twenty-four (24) months. If the Customer is unsuccessful in acquiring the specific new business, the rate quoted by the Company will automatically be withdrawn.

8. SOLE ELECTRIC POWER REQUIREMENT :

- 8.1 For the period beginning with the bill issued for the month of October 1996 and concluding with the bill issued for the month of December 2000, the Customer agrees to have the Company as the sole supplier of all Electric Power to the Facilities and the Company agrees to supply all of the Electric Power to the Facilities. All such Electric Power shall be Firm Electric Power.
- 8.2 In the event that the Ohio Certified Territory Act, R.C. Section 4933.81 et. seq., is amended or repealed to permit electric suppliers other than the Company to furnish, make available, render, or extend its electric service for use in electric load centers located within the Company's certified territory, the Customer may at its option in January 2001, and every January thereafter for the remaining term of this Agreement, reduce the Contract Load purchased from the Company to the following percentage of the Contract Load as established prior to January 2001 (adjusted for Section 8.3(b)):

<u>Year</u>	<u>Contract Load</u>
2001	90%
2002	80%
2003	70%
2004	60%
2005	50%

Under these circumstances, the Customer may secure the remainder of its electrical needs from sources other than the Company.

- 8.3 Adjusted Contract Load is defined as the Contract Load adjusted for:
- (a) Revisions made in accordance with Section 8.2 and
 - (b) Revisions made as a result of partial or total permanent plant closures. Adjustment for partial plant closures will be based on historical usage.

9. TERM AND EFFECTIVE DATE:

This Agreement shall become effective with the bill issued for usage in the month of October 1996 ("Effective Date") and shall continue thereafter for ten (10) years, terminating with the bill issued for usage in the month of September 2006.

Initialed: Fls

10. NEW LOADS:

The Customer may, during the term of this Agreement, add new load at its Facilities or build, either by itself or in joint partnership (through a reasonable level of affiliation), another facility which, at the Customer's option, will also be eligible for service under the terms of this Agreement. Any new facility must have a Monthly Billing Demand of at least 10,000 kWd in order to be eligible for such service.

11. OTHER TERMS AND CONDITIONS:

- 11.1 Assignment. This Agreement may be assigned or otherwise transferred by the Customer to another, including, without limitation, any successor owner or occupant of the Facility, with the written consent of the Company. Such consent shall not be unreasonably withheld.

This Agreement may be assigned or otherwise transferred by the Company to another, including, without limitation, any successor in interest, with the written consent of the Customer. Such consent shall not be unreasonably withheld. The benefits and obligations of the Company may, however, be assigned by the Company to the successor in interest of The Cleveland Electric Illuminating Company of Cleveland, Ohio without the written consent of the Customer upon final regulatory approval of the Company's pending merger with The Toledo Edison Company.

- 11.2 Notices. Any notice required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

The Lincoln Electric Company

22801 St. Clair Ave.

Cleveland, Ohio 44117

Attention: Sr. Vice President
General Counsel & Secretary

and, if to the Company, at:

Director- Large Industrial & Large Commercial Sales
Cleveland Electric Illuminating Company
P.O. Box 94661
Cleveland, Ohio 44101-4661

- 11.3 Force Majeure. If because of Force Majeure, any Party shall be unable to carry out any of its obligations under this Agreement or fully to deliver or utilize the electric service of the Company contemplated herein, then the obligations of that Party shall be suspended to the extent made necessary by Force Majeure. The Party affected by Force Majeure shall give notice to the other parties as promptly as practical of the nature and probable duration of such Force Majeure. "Force Majeure" shall mean acts of God, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or facilities, or other causes of similar nature which are beyond the reasonable control of the Party and which wholly or partially prevent the supplying of electricity by the Company or the receiving or utilization of such electricity by the Customer, provided that the effect of such Force Majeure shall be eliminated insofar as possible with all reasonable dispatch; provided further, that performance by the parties hereunder shall be excused only to the extent made necessary by the Force Majeure condition; provided further, that none of the parties shall be required to settle a labor dispute on terms unacceptable to the Party affected; and provided further, that none of the parties shall be required to rebuild all or a major portion of its facilities which are destroyed or substantially impaired by a Force Majeure condition.
- 11.4 Confidentiality of Information. All information provided in, or in connection with, this Agreement, whether printed or written, shall be held in confidence and used only for the business purpose for which it was provided, except to the extent made public by the PUCO.
- 11.5 Governing Law. The validity, construction and performance of this Agreement shall be determined in accordance with the laws of the State of Ohio.
- 11.6 Clause Heading. The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.
- 11.7 Governmental Approvals. This Agreement is subject to all applicable laws, rules and regulations, and all necessary approvals or authorizations, of any governmental authority. The Company will use its best efforts to secure any necessary approval of this Agreement by the PUCO with the assistance and cooperation of the Customer. The Company and the Customer shall also use their best efforts to secure any other approvals or authorizations from any other governmental authorities, which approvals or authorizations may be necessary at any time during the continuance of this Agreement.
- 11.8 Modification. This Agreement shall be modified only by a written amendment signed by both Parties hereto.

11.9 No Waiver. Except as expressly provided herein, neither Party shall, by any act, omission or otherwise, be deemed to have waived any of its rights or remedies under this Agreement unless such waiver shall be in writing and signed by a duly authorized officer of the Party against which such act, omission or waiver is asserted. Such written waiver on one occasion shall not be construed as a waiver of any rights or remedies which a Party shall otherwise have on any subsequent occasion.

11.10 Redistribution and Submetering Prohibited. The Electric Power furnished under this Agreement is for the sole use of the Customer, who shall not sell any of such service to any other person, or permit any other person to use the same without the written consent of the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

THE LINCOLN ELECTRIC COMPANY

By: _____

F. G. Stueben

Title: _____

FREDERICK G. STUEBEN
Senior Vice President
General Counsel
and Secretary

THE CLEVELAND ELECTRIC
ILLUMINATING COMPANY

By: _____

Devin H. Smith

Title: _____

Vice President

Amendment to The Cleveland Electric Illuminating Company
and Lincoln Electric Co. Electric Service Agreement

This Amendment to an existing Electric Service Agreement is made and entered into as of the 17th day of December 2001, by and between The Cleveland Electric Illuminating Company, hereinafter called the "Company", and The Lincoln Electric Co. hereinafter called the "Customer".

WITNESSETH

WHEREAS, the Customer and Company have entered into an Electric Service Agreement (Agreement), which is filed with the Public Utilities Commission of Ohio (PUCO); and,

WHEREAS, the Company is prepared and willing to extend the Agreement through the date which Regulatory Transition Costs are recovered for the Company as provided for in the Company's Stipulation and Recommendation dated April 13, 2000, included in Paragraph 3, page 5, entitled Contract Options; and,

WHEREAS, the Stipulation and Recommendation, in addition to the above, also allows the Customer to cancel its contract without penalty, or continue with the original Agreement term; and,

WHEREAS, the Customer has requested an extension of the existing Agreement through the date at which Regulatory Transition Charges (RTC) cease for the Company; and,

WHEREAS, the PUCO has agreed to these terms as part of its approval of the Company's Stipulation and Recommendation dated April 13, 2000 and filing of this Amendment to the PUCO is for information purposes only; and,

WHEREAS, the Company desires to extend the existing Agreement through the date which RTC ceases for the Company.

NOW, THEREFORE, in consideration of the promises made herein, the parties hereto agree with each other as described:

1. This Agreement, as amended, shall terminate with the bill rendered for the electric usage through the date which RTC ceases for the Company.
2. Except as expressly amended by this Amendment, all rates, terms and conditions of said Agreement between the Company and Customer are and remain in full force and effect as if rewritten herein in their entirety.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of the day and year first above written.

THE CLEVELAND ELECTRIC
ILLUMINATING COMPANY

The Lincoln Electric Company
(Customer)

By: [Signature]

By: [Signature]

Title: ASSISTANT CORPORATE SECRETARY

Title: Vice President, Materials

Account No(s). 6-150-02-004409-0-01-0, 6-190-13-000421-0-01-1, 6-150-02-004346-1-01-4

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Service Complaint and Request for Relief* was served upon the following individuals this 2nd day of February 2009, via electronic transmission, hand-delivery, or ordinary U.S. mail, postage prepaid.


Samuel C. Randazzo

James W. Burk, Counsel of Record
Arthur Korkosz, Senior Attorney
Mark A. Hayden, Attorney
Ebony L. Miller, Attorney
FirstEnergy Service Company
76 South Main Street
Akron, OH 44308

The Honorable Alan Schriber
Chairman
Public Utilities Commission of Ohio
180 East Broad Street, 12th Floor
Columbus, OH 43215