

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application for )  
Establishment of a Reasonable Arrangement ) Case No. 09-80-EL-AEC  
Between the Ohio Edison Company and )  
V&M Star. )

ENTRY ON REHEARING

The Commission finds:

- (1) On January 29, 2009, V&M Star (V&M) filed an application to establish a reasonable arrangement with the Ohio Edison Company (OE) for electric service to its steel-producing facility located in Youngstown, Ohio. V&M requested that the Commission establish an arrangement or schedule for electric service, which will permit V&M to successfully expand its operation in Ohio.
- (2) On March 4, 2009, the Commission issued its opinion and order (Order), approving, with certain modifications, a reasonable arrangement agreed to by V&M, OE, and the staff of the Commission as part of a stipulation entered into among these parties. The only other party to the proceeding, the Office of the Ohio Consumers' Counsel (OCC), did not support the stipulation.
- (3) On March 23, 2009, pursuant to the Order, V&M filed a March 18, 2009, executed contract under seal, as well as a redacted version for the public docket (March 18th contract), for service to be provided under the reasonable arrangement.
- (4) Section 4903.10, Revised Code, provides that any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined by filing an application within 30 days after the entry of the order upon the journal of the Commission.
- (5) On April 3, 2009, OCC filed an application for rehearing. OCC states that it is not opposed to V&M's project, but that the Commission, in considering applications for reasonable arrangements, should apply recently adopted rules and require accountability, transparency, and verification. Specifically, OCC

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argues that the Commission should modify its Order to reflect changed circumstances since the Commission issued its Order. OCC states that, after the issuance of the Order, V&M has made it known publicly that it will delay its expansion plans. OCC argues that the March 18th contract filed with the Commission contains a provision for an effective date that conflicts with the terms of the approved arrangement. OCC also argues that V&M's application did not provide all the information required by the Commission's recently adopted rules in Chapter 4901:1-38, Ohio Administrative Code (O.A.C.), and that the stipulation relieves V&M of reporting requirements set forth in Rule 4901:1-38-06, O.A.C. Further, OCC believes that the Commission erred in keeping the contract pricing information confidential.

- (6) On April 13, 2009, V&M filed a memorandum contra the application for rehearing. V&M argues that the Commission should dismiss the application for rehearing because most of the issues raised by OCC were addressed by the Commission in its Order. It also states that V&M has not given up its efforts to expand its facilities in Youngstown and that the arrangement is still appropriate. V&M also notes that OE's other customers will not be paying for any delta revenue associated with this project unless and until V&M begins taking service under the arrangement.
- (7) With regard to OCC's concerns with any delay in V&M's project and the change in the effective date of V&M's service under the approved arrangement, the Commission does not believe these actions merit a withdrawal of the Commission's approval of the arrangement. The Order provided that the effective date for service under the arrangement would be the day the executed contract is filed with the Commission. However, the March 18th contract provided for an effective date of when V&M obtains corporate approval to proceed with the Ohio-based expansion project and provides written notice to OE (Contract at page 2). The Commission finds that a change of the effective date is reasonable given the possibility of a delay in moving forward with the project. The Commission will require that service under this arrangement not become effective until twenty days after OE files written notice in this docket that it has received notice from V&M that corporate approval to

proceed with the expansion project has occurred. Accordingly, the Commission grants rehearing to adopt this change.

- (8) With respect to the reporting requirements raised by OCC, we have made it clear in our Order that V&M and OE are required to comply with the reporting requirements in Rule 4901:1-38-06, O.A.C., notwithstanding any provision in the stipulation that may vary from those requirements. Regarding the other issues raised by OCC, the Commission has addressed these issues in its Order and OCC has not raised any new arguments not considered by the Commission.

It is, therefore,

ORDERED, That OCC's application is granted in part and denied in part and that OE comply with the directives set forth in finding (7) of this entry on rehearing. It is, further,

ORDERED, That a copy of this entry on rehearing be served upon the applicant, OE, OCC, and all interested persons of record.

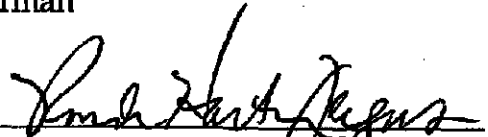
THE PUBLIC UTILITIES COMMISSION OF OHIO



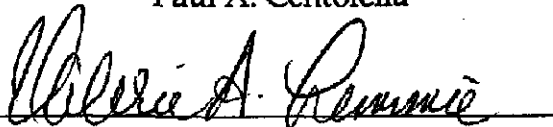
Alan R. Schriber, Chairman



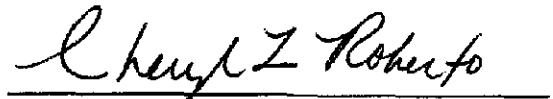
Paul A. Centolella



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RRG:ct

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Renee J. Jenkins  
Secretary