

FILE

May 27, 2009

The Public Utilities Commission of Ohio
Attention: Docketing Division
Betty McCauley
180 East Broad Street
Columbus, OH 43215

Re: Case Nos. 08-935-EL-SSO
07-551-EL-AIR

RECEIVED-DOCKETING DIV
2009 MAY 29 AM 9:00
PUCO

Dear Ms. McCauley:

Regarding the cases listed above, please find attached bill messages and a bill insert detailing the June 1 changes for Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company.

The bill messages explain the new pricing for Residential and Non-Residential customers. The bill insert specifically addresses Residential customers who previously received special rates.

Please file one copy under Case No. 08-935-EL-SSO, one copy under Case No. 07-551-EL-AIR, one copy to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division and return two time stamped copies in the enclosed envelope.

Thank you.

Sincerely,



William R. Ridmann
Director, State Regulatory Affairs

Enclosures

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 And Date Processed 5/29/09

OHIO GENERATION RATE CHANGE MESSAGE

Regular Residential Customers

June 1, 2009

OHIO EDISON

The price for generation and transmission was determined through a competitive bidding process to secure generation from 6/1/09 to 5/31/11 for customers who choose not to shop. As a result, the total bill for a standard residential customer using 750 kWh a month will decrease by approximately 15.9% on an annual basis. (The amount of your change will be more or less depending on the timing and level of your usage.) Your generation charge is part of the new Bypassable Generation and Transmission Related Component line item. In addition, your bill now contains an Economic Development Component and Cost Recovery Charges reflecting further changes approved by the PUCO as part of the company's electric security plan (Case No. 08-935-EL-SSO). Definitions for these terms appear on page 2 of your bill. A new Delivery Service Improvement charge also went into effect in April, together with a commitment to not increase distribution rates before January 1, 2012. For a residential customer using 750 kWh a month, the increase associated with this charge is approximately \$1.50 per month. For more information, please call us at 1-800-633-4766.

TOLEDO EDISON

The price for generation and transmission was determined through a competitive bidding process to secure generation from 6/1/09 to 5/31/11 for customers who choose not to shop. As a result, the total bill for a standard residential customer using 750 kWh a month will decrease by approximately 12.8% on an annual basis. (The amount of your change will be more or less depending on the timing and level of your usage.) Your generation charge is part of the new Bypassable Generation and Transmission Related Component line item. In addition, your bill now contains an Economic Development Component and Cost Recovery Charges reflecting further changes approved by the PUCO as part of the company's electric security plan (Case No. 08-935-EL-SSO). Definitions for these terms appear on page 2 of your bill. A new Delivery Service Improvement charge also went into effect in April, together with a commitment to not increase distribution rates before January 1, 2012. For a residential customer using 750 kWh a month, the increase associated with this charge is approximately \$1.50 per month. For more information, please call us at 1-800-447-3333.

THE ILLUMINATING COMPANY

As a result of recently approved rate changes (described below), the bill on average for a residential customer, will increase by approximately 2.7% on an annual basis. (The amount of your change will be more or less depending on the timing and level of your usage.) On 6/7/07, we filed an Application (Case No. 07-551-EL-AIR) with the PUCO to increase distribution rates to recover the costs associated with the company's investment since the current rates were established in 1996. The PUCO granted a revenue increase on 1/21/09, effective for usage on or after 5/1/09. Also effective June 1, the Regulatory Transition Charge has decreased overall by 55%. The price for generation and transmission was determined through a competitive bidding process to secure generation from 6/1/09 to 5/31/11 for customers who choose not to shop. Your generation charge is part of the new Bypassable Generation and Transmission Related Component line item. In addition, your bill now contains an Economic Development Component and Cost Recovery Charges reflecting further changes approved by the PUCO as part of the company's electric security plan (Case No. 08-935-EL-SSO). Definitions for these terms appear on page 2 of your bill. A new Delivery Service Improvement charge also went into effect in April, together with a commitment to not increase distribution rates before January 1, 2012. For more information, please call us at 1-800-589-3101.

OHIO GENERATION RATE CHANGE MESSAGE

Non-Residential Customers

June 1, 2009

OHIO EDISON

The price for generation and transmission was determined through a competitive bidding process to secure generation from 6/1/09 to 5/31/11 for customers who choose not to shop. As a result, your total bill will change and the amount of the change will depend on the timing and level of your usage and the rate schedule under which service is provided. Your generation charge is part of the new Bypassable Generation and Transmission Related Component line item. In addition, your bill now contains an Economic Development Component and Cost Recovery Charges reflecting further changes approved by the PUCO as part of the company's electric security plan (Case No. 08-935-EL-SSO). Definitions for these terms appear on page 2 of your bill. A new Delivery Service Improvement charge also went into effect in April, together with a commitment to not increase distribution rates before January 1, 2012. For more information regarding your specific bill changes, please call us at 1-800-633-4766.

TOLEDO EDISON

The price for generation and transmission was determined through a competitive bidding process to secure generation from 6/1/09 to 5/31/11 for customers who choose not to shop. As a result, your total bill will change and the amount of the change will depend on the timing and level of your usage and the rate schedule under which service is provided. Your generation charge is part of the new Bypassable Generation and Transmission Related Component line item. In addition, your bill now contains an Economic Development Component and Cost Recovery Charges reflecting further changes approved by the PUCO as part of the company's electric security plan (Case No. 08-935-EL-SSO). Definitions for these terms appear on page 2 of your bill. A new Delivery Service Improvement charge also went into effect in April, together with a commitment to not increase distribution rates before January 1, 2012. For more information regarding your specific bill changes, please call us at 1-800-447-3333.

THE ILLUMINATING COMPANY

As a result of recently approved rate changes (described below), your bill will change and the amount of the change will depend on the timing and level of your usage and the rate schedule under which service is provided. On 6/7/07, we filed an Application (Case No. 07-551-EL-AIR) with the PUCO to increase distribution rates to recover the costs associated with the company's investment since the current rates were established in 1996. The PUCO granted a revenue increase on 1/21/09, effective for usage on or after 5/1/09. Also effective June 1, the Regulatory Transition Charge has decreased overall by 55%. The price for generation and transmission was determined through a competitive bidding process to secure generation from 6/1/09 to 5/31/11 for customers who choose not to shop. Your generation charge is part of the new Bypassable Generation and Transmission Related Component line item. In addition, your bill now contains an Economic Development Component and Cost Recovery Charges reflecting further changes approved by the PUCO as part of the company's electric security plan (Case No. 08-935-EL-SSO). Definitions for these terms appear on page 2 of your bill. A new Delivery Service Improvement charge also went into effect in April, together with a commitment to not increase distribution rates before January 1, 2012. For more information regarding your specific bill changes, please call us at 1-800-589-3101.

Important Information about Your Special Rate

for Electric Heating, Water Heating, Load Management and Time of Day Customers

On March 25, 2009, FirstEnergy's Ohio electric utilities received approval from the Public Utilities Commission of Ohio (PUCO) for their Electric Security Plan (ESP). This plan will be used to set the price of electricity for customers of Ohio Edison, The Illuminating Company and Toledo Edison. As a result, effective June 1, **special electric heating, water heating and load management rates have been eliminated**, which means your previously discounted electric rate is no longer available and you may see an increase in your electric rate.

These specially discounted rates were introduced at a time when there was only a limited competitive electricity market and the electric utility owned the generating plants. Since that time, the cost of producing and delivering electricity has increased dramatically. As a result, these discounted rates are no longer an accurate reflection of the true cost to provide the service. In addition, the declining block rate structures – rates that decrease as the total consumption increases – have been eliminated because it does not encourage conservation.

Pricing and Credits

Effective June 1, 2009, you are receiving pricing for the generation and transmission component of your bill. Under terms of the ESP, a competitive bidding process has been conducted to secure electric generation supply and pricing from June 1, 2009 through May 31, 2011.

To help reduce the impact of being transitioned to this pricing, you might receive credits as part of the distribution and/or generation charges on your bill. These credits are determined by the electric heating equipment used in your home, the type of rate you were receiving, the

month of the year, and whether you receive generation from your utility. Definitions for any new line items on the bill appear on page 2.

Other Changes

- Although the load management and Time of Day pricing provisions have been eliminated, a Time-of-Day option might be offered at a later date.
- Bills for generation service will be based primarily on consumption – demand will generally no longer factor into the generation portion on customers' bills.
- The number of summer months is being reduced from four to three – June, July and August.
- All customers will see three new line items: Bypassable Generation and Transmission Related Component, Economic Development Component and Cost Recovery Charges. For shopping customers the Bypassable Generation and Transmission Related Component will have no charge associated with it.
- Customers of The Illuminating Company received a change to the distribution rate on May 1, 2009; this change was effective for Ohio Edison and Toledo Edison customers in January 2009. In addition, Illuminating Company customers are receiving an overall decrease of 55 percent in the Regulatory Transition Charge.

Tips and Tools to Help You Save Energy

Customers looking for ways to use electricity more efficiently and reduce energy costs can find helpful information – including an online energy calculator – at www.firstenergycorp.com.

For More Information

If you have questions about these rate changes, or if you are having problems paying your bills and would like to learn about our payment assistance programs, please call us at the toll-free number for your utility company:

- **Ohio Edison:** 1-800-633-4766
- **Toledo Edison:** 1-800-447-3333
- **The Illuminating Company:** 1-800-589-3101

