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James W. Burk Senior Attorney

September 21, 2009

Ms. Renee J. Jenkins Director, Administration Department Secretary to the Commission Docketing Division The Public Utilities Commission of Ohio 180 Broad Street Columbus, OH 43215-3793

Dear Ms. Jenkins:

Ohio Edison Company's, The Toledo Edison Company and The Re: Cleveland Electric Illuminating Company's Reply to NOPEC's **Unauthorized Comments** Case No. 09-462-EL-UNC

Enclosed for filing, please find the original and seventeen (17) copies of Ohio Edison Company's, The Toledo Edison Company and The Cleveland Electric Illuminating Company's Reply to NOPEC's Unauthorized Comments. Please file the enclosed Reply, time-stamping the two extras and returning 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,

mes W. Buch

James W. Burk

JWB/jhp Enclosures

cc: Parties of Record

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BEFORE THE PUBLIC UTILITIES COMMISSION OF ORIO

In the Matter of an Application for the Approval of a Corporate Separation Plan Section 4928.17, Revised Code and 4901:1-37, Ohio Administrative Code.

Case No. 09-462-EL-UNC

OHIO EDISON COMPANY'S, THE TOLEDO EDISON COMPANY AND THE CLEVELAND ELECTRIC ILLUMINATING COMPANY'S REPLY TO NOPEC'S UNAUTHORIZED COMMENTS

Come Now Ohio Edison Company, The Toledo Edison Company, and The Cleveland Electric Illuminating Company ("Companies") and hereby file their reply comments to the Northeast Ohio Public Energy Council's ("NOPEC") comments filed in this proceeding on September 1, 2009.

In this proceeding, the Public Utilities Commission of Ohio ("Commission") did not authorize the filing of comments. Despite this, NOPEC included comments in their Motion to Intervene while specifically acknowledging on page 9 that the Commission did not provide for such comments. The criticisms contained in NOPEC's Motion and unauthorized comments are insufficient as a basis for a hearing, and appear to be more directed at lamenting about having to compete for customers rather than any specific shortcoming of the Companies' practices as described in the Corporation Separation Plan ("Plan"). NOPEC complains that there is not sufficient detail for NOPEC to understand the Plan, rather than that the Plan does not comply with the requirements of the rules. For these reasons, and based on the further detail set forth below, the Commission should give no consideration to NOPEC's unauthorized comments.

Contrary to NOPEC's assertions, S.B. 221 made only two changes to R.C. 4928.17, only one of which applies to the Companies. First, S.B. 221 subjected R.C. 4928.17 to the provisions of R.C. 4928.142 and R.C. 4928.143. Therefore any provision of R.C. 4928.142 and 4928.143 controls over R.C. 4928.17. Second, S.B. 221 amended R.C. 4928.17 to provide that the Commission must approve the sale or transfer of any generating asset by an electric distribution utility. The Companies own no generation assets, therefore this provision does not impact the Companies or their Plan. Other than these two changes, S.B. 221 did not change R.C. 4928.17. Consistent therewith, while a new chapter was created in 4901:1-37 for corporate separation rules, in substance similar rules already existed as part of previously existing 4901:1-20-16, which the Companies have been complying with since 2000. S.B. 221 did not create a new standard that must be met through a corporation separation plan and did not provide new additional authority to the Commission in this regard.

Without repeating the content of the Plan as previously filed in this proceeding, the Companies' Plan is designed to prohibit practices that may give an undue advantage to their competitive affiliates and to restrict the flow of information consistent with the code of conduct. These requirements specifically address NOPEC's concerns, and the Plan as filed achieves these purposes.

NOPEC's primary complaint in its unauthorized comments, at least related to the Plan, is that the Plan is not long enough, i.e., it does not contain enough pages. The fact that the Plan was written in a concise understandable fashion that clearly sets forth the actions the Companies will take to comply with the corporate separation rules is neither a basis for a hearing or amendment to the Plan as suggested by NOPEC. NOPEC also claims the Plan lacks any detail related to how the Companies will comply with a handful of rule provisions. To the contrary,

pages 2 through 9 of the Plan lay out a detailed description of how rule requirements will be met, including discussions of the provisions of the code of conduct, financial arrangements, structural safeguards, etc. The code of conduct policy, which NOPEC says the Plan is lacking, is set forth on pages 8-9 of the Plan. As part of this policy, the Companies have committed to use reasonable efforts to ensure retail electric service consumers protection against unreasonable sales practices, market deficiencies, and market power by working with Staff to address misleading advertising by both governmental aggregators and competitive suppliers. Companies will continue to fulfill this commitment into the future under the Plan.

NOPEC's unauthorized comments overall are more directed at its disdain for competing for customers and the length of the Companies' Plan, rather than any shortcomings in the Companies' implementation of the corporation separation rules. The Companies' Plan addresses all of the elements of the Commission's rules and lays out how the Companies will comply with those rules.

Accordingly, the Companies respectfully request that the Commission give no weight or consideration to the improper and erroneous comments filed by NOPEC, and that the Commission approve the Plan proposed by the Companies without modification.

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On behalf of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing Reply Comments was served upon the parties listed below this 21st day of September 2009 by regular U.S. Mail, first class, postage prepaid.

James W. Burk

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