## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Edison	)		
Company, The Cleveland Electric Illuminating	)	Case Nos.	09-1820-EL-ATA
Company and The Toledo Edison Company for	)		09-1821-EL-GRD
Approval of Ohio Site Deployment of the	)		09-1822-EL-EEC
Smart Grid Modernization Initiative and Timely	)		09-1923-EL-AAM
Recovery of Associated Costs	}		1823

# NUCOR STEEL MARION, INC.'S MOTION FOR INTERVENTION, MEMORANDUM IN SUPPORT, AND COMMENTS

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#### I. MOTION FOR INTERVENTION

Pursuant to Ohio Revised Code ("RC") § 4903.221 and Ohio Administrative Code ("OAC") 4901-1-11, Nucor Steel Marion, Inc. ("Nucor") respectfully moves the Commission for leave to intervene in the above-captioned dockets, for the reasons more fully set forth in the below Memorandum in Support.

#### II. MEMORANDUM IN SUPPORT

From the standpoint of both the substantive merits and timeliness of its request, Nucor respectfully submits that it is entitled to intervene in these proceedings. For purposes of considering requests for leave to intervene in a Commission proceeding, OAC 4901-1-11(A) provides that:

Upon timely motion, any person shall be permitted to intervene in a proceeding upon a showing that: ... (2) The person has a real and substantial interest in the proceeding, and the person is so situated that the disposition of the proceeding may, as a practical matter, impair or impede his or her ability to protect that interest, unless the person's interest is adequately represented by existing

parties.

Further, RC § 4903.221(B) and OAC 4901-1-11(B) provide that the Commission, in ruling upon applications to intervene in its proceedings, shall consider the following criteria:

(1) The nature and extent of the prospective intervener's interest; (2) The legal position advanced by the prospective intervener and its probable relation to the merits of the case; (3) Whether the intervention by the prospective intervener will unduly prolong or delay the proceedings; (4) Whether the prospective intervener will significantly contribute to full development and equitable resolution of the factual issues.

OAC 4901-1-11(B) also provides that an additional factor in considering a request to intervene will be the extent to which the person's interest is represented by existing parties.

Nucor is a large industrial consumer of electricity delivered to it by the Ohio Edison Company ("Ohio Edison"). Nucor uses electricity throughout its operations, but in particular, uses substantial quantities of electricity to melt steel scrap, recycling it to make new steel. Nucor pays Ohio Edison millions of dollars per year for electricity. The cost of electricity is critical to Nucor's competitiveness in the national and international steel markets.

In the above-captioned proceedings, Ohio Edison, the Cleveland Electric Illuminating Company, and the Toledo Edison Company (collectively "FirstEnergy") seek approval of certain elements of FirstEnergy's Smart Grid Modernization Initiative, including specific programs that will be implemented in FirstEnergy's Ohio service territory and cost recovery provisions. Depending on how it is resolved, FirstEnergy's Application could affect the cost of electric service to Nucor and the terms and conditions under which Nucor takes service. Accordingly, Nucor has direct, real, and substantial interests in this proceeding. Moreover, the disposition of this proceeding without Nucor's participation would prejudice and impede Nucor's ability to protect its substantial business interests.

Further, others participating in this proceeding do not represent Nucor's interests. Inasmuch as others participating in these proceedings cannot adequately protect Nucor's interests, it would be inappropriate to determine this proceeding without Nucor's participation. Nucor submits that its unique perspectives will contribute to the full, equitable, and expeditious resolution of these proceedings. Lastly, Nucor's timely intervention will not unduly delay the proceedings, or unjustly prejudice the interests of any existing party to this proceeding.

### III. COMMENTS

Pursuant to the Entry issued December 30, 2009 inviting comments on FirstEnergy's application, Nucor submits the following comments limited to cost allocation and rate design.

At this point Nucor takes no position on any other issues in this proceeding.

Nucor supports FirstEnergy's proposal to exclude General Service — Transmission customers from Rider AMI. Our comments in this regard are consistent with the comments of the Ohio Energy Group. The Smart Grid Modernization initiative costs are distribution-level costs. These costs are not caused by and are not attributable to customers served at transmission voltages. As a result, transmission level customers should not be responsible for such costs.

Further, for any industrial rate schedules not exempt from Rider AMI, Nucor generally agrees with the Rider AMI modifications recommended by Industrial Energy Users — Ohio. Specifically, costs of this type should be allocated among all non-exempt customer classes based upon their current proportional responsibility for base distribution revenues. Any costs allocated to commercial and industrial rate schedules not otherwise exempt from Rider AMI should be recovered through a customer charge (or possibly an increase in the monthly

distribution demand charge).

#### IV. CONCLUSION

For the reasons set forth above, Nucor respectfully requests the Commission to grant Nucor's request to intervene in the above-captioned proceeding, and that the Commission consider Nucor's comments in deciding this case.

Respectfully submitted,

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#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following parties of record or as a courtesy, via U.S. Mail postage prepaid, express mail, hand delivery, or electronic transmission on January 13, 2010.

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