BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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 R.C. § 4928.143 in the Form of an Electric Security Plan

RECEIVED BOCKETING DIV 2010 MAR 23 PM 5: 20 PUCO Case No. 10- 0388

16

MOTION FOR WAIVER OF RULES, REQUEST FOR EXPEDITED TREATMENT AND MEMORANDUM IN SUPPORT THEREOF

Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (hereinafter collectively referred to as the "Companies"), have filed their Application requesting regulatory authority to establish a standard service offer ("SSO") pursuant to R.C. § 4928.141 and, more particularly, pursuant to and consistent with the provisions of R.C. § 4928.143, to implement a comprehensive electric security plan. As is explained in the Application, time is of the essence and the Commission must act quickly on the Application - by May 5, 2010 - as such expedited approval is required in order to permit the Companies to proceed with implementing the competitive bidding process to take advantage of historically low market prices for wholesale electric generation, to the benefit of customers.

The Companies have made a good faith effort to conform their Application to substantive requirements of rules adopted by the Commission pursuant to R.C. § 4928.143(A) or other applicable Revised Code sections. However, to effect expedited consideration and approval, certain of the Commission's rules and procedures will

> 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 Date Processed _ Technician

FILE

₽. . .

require waiver. The waiver of such Commission rules is particularly appropriate because the electric security plan ("ESP") proposed in the Application is the result of a Stipulation reflecting the participation of numerous interested parties who already have considerable familiarity of the subject matter and issues presented, such waivers will not present undue prejudice and, in the circumstances is reasonable and warranted. As follows, the Companies, pursuant to O.A.C. 4901:1-35-02(B), specifically herein request the following waivers for good cause shown. Additionally, pursuant to O.A.C. 4901-1-12(C), expedited consideration of this Motion is requested.¹

A. O.A.C. 4901:1-35-03(C)

., 7

(C)(2) *Financial Projections*. The Companies are unable, upon the filing of their Application, to provide pro forma financial projections of the effect of the ESP's implementation and thus hereby request a waiver of such provision.

(C)(4) Corporate Separation Plan. The Commission approved the Companies' interim corporate separation plan by Opinion and Order issued on July 19, 2000 in Case Nos. 99-1212-EL-ETP *et al.* (the "ETP Order"). The Companies' corporate separation plan currently is in full force and effect and is in compliance with statutory and rule requirements. Additionally, the Companies' corporate separation plan was filed in Case No. 09-462-EL-UNC and was also presented in the record of Case No. 09-906-EL-SSO, which the Signatory Parties, as defined in the Recommendation and Stipulation have requested be incorporated by reference into this proceeding. The Companies specifically request a waiver of (C)(4) to the extent that such provision contemplates additional information to satisfy this requirement.

¹ As the Application initiating this matter is being filed contemporaneously with this Motion, formal intervention has not yet been granted and the undersigned counsel makes no representation regarding the position of any such potential intervenors with respect to the Commission's expedited consideration.

(C)(5) Operational Support Plan. The Companies' operational support plan was implemented as directed by the Commission in the ETP Order and related orders. There are no outstanding problems with the implementation. The Companies specifically request a waiver of (C)(4) to the extent that such provision contemplates additional information to satisfy this requirement.

(C)(6) Governmental Aggregation. The Companies will continue to maintain systems necessary to account for customer participation in governmental aggregation programs. The Companies herein request a waiver of the provision to provide a description as to how the Companies propose to implement divisions (I), (J), (K) of R.C. § 4928.20.

(C)(7) Impact of Unavoidable Generation Charge on Large-Scale Governmental Aggregation. The overall effect of the ESP's nonavoidable charge(s)² is beneficial to customers served by large-scale aggregation groups, just as it is beneficial for all customers. The nonavoidable generation charge(s) help provide the risk mitigation arrangements that are essential for the Companies to have the financial capacity to propose the ESP in its present form for the benefit of all customers. Such charge(s) have no disproportionate effect on large scale governmental aggregation.

(C)(8) State Policy. The Companies herein request a waiver of a discussion as to how the state policy is advanced by the ESP, to the extent a waiver is required. Am. Sub. S.B. 221 does not impose a requirement that every Electric Security Plan application achieve the policy goals set forth in R.C. § 4928.02, and those policies

 $^{^{2}}$ R.C. § 4928.20(K) directs the Commission to consider the effect on large-scale governmental aggregation of non-bypassable generation charges established by an electric security plan, except for those non-bypassable generation charges that relate to a cost whose deferral was authorized by the Commission prior to July 31, 2008.

can conflict in practice. If the Commission affirmatively determines the ESP is more favorable in the aggregate than an MRO, as required to approve the ESP, then the proposed ESP is not only consistent with the statute, but necessarily advances state policy.

(C)(9) The Companies specifically request a waiver of (C)(9) to the extent that such provision requiring "Specific Information" may be applicable to the ESP and not otherwise provided for in the Companies' Application, Stipulation, or supporting testimony.

(C)(10) The Companies specifically request a waiver of (C)(10) to the extent that such provision requiring "Additional Required Information" may be applicable to the ESP and not otherwise provided for in the Companies' Application, Stipulation, or supporting testimony.

B. O.A.C. 4901:1-35-03(F)

· · ,

As stated above in O.A.C. 4901:1-35-03(C)(4), the Commission approved the Companies' interim corporate separation plan by Opinion and Order issued on July 19, 2000 in Case Nos. 99-1212-EL-ETP *et al.* (the "ETP Order"). The Companies' corporate separation plan currently is in full force and effect and is in compliance with statutory and rule requirements. Additionally, the Companies' corporate separation plan was filed in Case No. 09-462-EL-UNC. The Companies specifically request a waiver of (C)(4) to the extent that such provision contemplates additional information to satisfy this requirement.

C. O.A.C. 4901:1-35-03(G)

• • .

The Companies have provided work papers with their Application. However, the Companies specifically request a waiver of (G) to the extent that such provision contemplates certain work papers not filed as part of the Companies' Application.

D. O.A.C. 4901:1-35-04

The Companies will publish a notice for newspaper publication as ordered by the Attorney Examiner(s). However, to the extent more is required to be included with the Application, the Companies herein request a waiver of this rule requirement.

E. O.A.C. 4901:1-35-06

As stated above, expedited approval is required in order to permit the Companies to proceed with implementing the competitive bidding process to take advantage of historically low market prices. In an effort to facilitate such a procedural schedule the Companies herein request to waive the forty-five day period for intervention and instead request that all interventions be due by April 5, 2010. The Companies have been actively working with numerous interested parties and such parties have had an opportunity to familiarize themselves with the Companies' Application. In fact, the Stipulation evidences the fact that such parties have had sufficient opportunity to intervene.

F. Additional Waivers

In addition to the matters specifically itemized above, to the extent waiver of the requirements of any other provisions of the Commission's rules may be required in order to accommodate the Commission's expeditious consideration of the Application, such waiver is also herein requested.

5

For the foregoing reasons, the Companies request the Commission issue its Entry granting the Motion as requested herein.

. . . .

ames a Burk

James W. Burk, Counsel of Record Arthur E. Korkosz Mark A. Hayden Ebony L. Miller FIRSTENERGY SERVICE COMPANY 76 South Main Street Akron, OH 44308

James F. Lang Laura C. McBride CALFEE, HALTER & GRISWOLD LLP 1400 KeyBank Center 800 Superior Ave. Cleveland, OH 44114

David A. Kutik JONES DAY 901 Lakeside Avenue Cleveland, OH 44114

ATTORNEYS FOR APPLICANTS, OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY

CERTIFICATE OF SERVICE

This is to certify that the foregoing Application has been served upon all of the parties of record in Case No. 09-906-EL-SSO by electronic mail and by U.S. Mail, postage prepaid this **73** day of March. 2010.

u Ba

nes W. Burk Senior Attorney

Service List

Public Utilities Commission of Ohio Robert Fortney Tammy Turkenton 180 East Broad St. 3rd Floor Columbus, OH 43215 E-mail: robert.fortnev@puc.state.oh.us Tammy.turkenton@puc.state.oh.us

Richard Cordray Duane W. Luckey Thomas McNamee William L. Wright Asst. Attorneys General Public Utilities Section 180 E. Broad St., 6th Fl. Columbus, OH 43215 E-mail: duane.luckey@puc.state.oh.us thomas.mcnamee@puc.state.oh.us william.wright@puc.state.oh.us

Ohio Energy Group (OEG) Michael L. Kurtz David F. Boehm Kurt J, Boehm Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202 mkurtz@BKLlawfirm.com dboehm@BKLlawfirm.com

Ohio Consumers' Counsel Jeffrev L. Small Gregory J. Poulos

Richard C. Reese Ohio Consumers' Counsel 10 West Broad Street 18th Floor Columbus, OH 43215-3485 small@occ.state.oh.us poulos@ occ.state.oh.us reese@occ.state.oh.us

Kroger Co John W. Bentine Mark S. Yurick Matthew S. White Chester Wilcox & Saxbe, LLP 65 E. State St., Suite 1000 Columbus, OH 43215 jbentine@cwslaw.com myurick@cwslaw.com mwhite@cwslaw.com

Ohio Environmental Council Barth E. Rover Nolan Moser Trent A Dougherty Bell & Royer, LPA 33 South Grant Avenue Columbus, OH 43215 barthroyer@aol.com nmoser@theoec.org trent@theoec.org

Industrial Energy Users (IEU) Samuel C. Randazzo Lisa G. McAlister

Daniel J. Neilsen Joseph M. Clark McNees Wallace & Nurick LLC 21 East State St., 17th Floor Columbus, OH 43215 E:mail: sam@mwncmh.com <u>Imcalister@mwncmh.com</u> jclark@mwncmh.com

Ohio Partners for Affordable Energy

David C. Rinebolt Colleen L. Mooney (OPEA) 231 West Lima Street PO BOX 1793 Columbus, OH 43215 E-mail: drinebolt@aol.com cmooney2@columbus.rr.com

Nucor Steel Marion, Inc.

Garrett A. Stone Michael K. Lavanga Brickfield, Burchette, Ritts & Stone 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, DC 20007-5201 E-mail: <u>gas@bbrslaw.com</u> mkl@bbrslaw.com

Northwest Ohio Aggregation Coalition (NOAC)

Toledo Leslie A. Kovacik 420 Madison Ave., Suite 100 Toledo, OH 43604-1219 Phone: 419.245.1893 Fax: 419.245.1853 E-mail: leslie.kovacik@toledo.oh.gov

Constellation Energy Commodities Group,

Inc., and Constellation NewEnergy, Inc. M. Howard Petricoff Stephen M. Howard Vorys, Sater, Seymore and Pease, LLP 52 East Gay Street PO Box 1008 Columbus, OH 43216-1008 E-mail: <u>mhpetricoff@ vorys.com</u>

Cynthia A. Brady David I. Fein Constellation Energy Resources, LLC 550 West Washington Blvd., Suite 300 Chicago, IL 60661

Direct Energy Services, Inc,

M. Howard Petricoff Stephen M. Howard Vorys, Sater, Seymore and Pease, LLP 52 East Gay Street PO Box 1008 Columbus, OH 43216-1008 E-mail: <u>mhpetricoff@ vorvs.com</u>

Teresa Ringenbach Direct Energy Services, LLC 5400 Frantz Rd., Suite 250 Dublin, OH 43016 E-mail: teresa.ringenbach@directenergy.com

Ohio Hospital Association

Richard L. Sites 155 E. Broad Street, 15th Floor Columbus, OH 43215-3620 Phone: (614) 221-7614 Email: ricks@ohanet.org

Thomas J. O'Brien Bricker & Eckler LLP 100 S. Third St. Columbus, OH 43215 E-mail: <u>tobrien@bricker.com</u>

Neighborbood Environmental Coalition, Consumers for Fair Utility Rates, United Clevelanders Against Poverty, Cleveland Housing Network, The Empowerment Center of Greater Cleveland (Citizens Coalition) Joseph P. Meissner The Legal Aid Society of Cleveland 1223 West 6th Street Cleveland, OH 44113 Phone: 216.687.1900 Email: jpmeissn@lasclev.org

The Ohio Manufacturers' Association Thomas J. O'Brien Bricker & Eckler LLP 100 S. Third St. Columbus, OH 43215 E-mail: tobrien@bricker.com

Kevin Schmidt The Ohio Manufacturers' Association 33 North High Street Columbus, OH 43215-3005 kschmidt@ohiomfg.com

Material Sciences Corporation Craig I. Smith 2824 Coventry Road Cleveland, Ohio 44120 Tel. (216) 561-9410 Email: <u>wis29@yahoo.com</u>

GEXA Energy – Ohio, LLC

Dane Stinson Bailey Cavalieri LLC 10 West Broad Street, Suite 2100 Columbus, Ohio 43215 Dane.Stinson@BaileyCavalieri.com

The City of Cleveland Robert J. Triozzi Steven L. Beeler City of Cleveland Dept. of Law 601 Lakeside Ave., Room 106 Cleveland, OH 44114 E-mail: <u>rtriozzi@city.cleveland.oh.us</u> sbeeler@city.cleveland.oh.us

Citizen Power Theodore S. Robinson 2121 Murray Avenue Pittsburgh, PA 15217 Email: robinson@citizenpower.com

Ohio Schools Council, Glenn S. Krassen Matthew W. Warnock Bricker & Eckler LLP 1375 E. 9th St., Suite 1500 Cleveland, OH 44114 Email:<u>gkrassen@bricker.com</u> <u>mwarnock@bricker.com</u>

NOPEC

Glenn S. Krassen Matthew W. Warnock Bricker & Eckler LLP 1375 E. 9th St., Suite 1500 Cleveland, OH 44114 Email: <u>gkrassen@bricker.com</u> mwarnock@bricker.com

Morgan Stanley Capital Group Inc.

Douglas M. Mancino McDermott Will & Emory LLP 2049 Century Park East Suite 3800 Los Angeles, CA 90067-3218 Email: <u>dmancino@mwe.com</u>

Gregory K. Lawrence

28 State Street McDermott Will & Emory LLP Boston, MA 02109 Email: glawrence@mwe.com

Steven Huhman Morgan Stanley 2000 Westchester Ave. Purchase, NY 10577 E-mail: <u>steven.huhman@morganstanley.com</u>

Natural Resources Defense Council, Henry W. Eckhart 50 West Broad Street, #2117 Columbus, Ohio 43215 henryeckhart@aol.com

Association of Independent Colleges and Universities of Ohio Gregory J. Dunn Christopher Miller Andre T. Porter Schottenstein Zox & Dunn Co., LPA 250 West St. Columbus, OH 4321 5 E-mail: <u>gdunn@szd.com</u> <u>cmiller@szd.com</u> aporter@szd.com

Duke Energy Ohio

Amy Spiller Duke Energy Business Services, Inc. 221 E. Fourth St., 25 Fl. Cincinnati, OH 45202 E-mail: <u>amy.spiller@duke-energy.com</u>

Duke Energy Retail Sales, LLC

Michael D. Dortch Kravitz, Brown & Dortch, LLC 63 E. State St., Suite 200 Columbus, OH 43215 E-mail: <u>mdortch@kravitzllc.com</u>

PJM Power Providers Group

M. Howard Petricoff Stephen M. Howard Vorys, Sater, Seymore and Pease, LLP 52 East Gay St. PO Box 1008 Columbus, OH 43216-1008 E-mail: <u>mhpetricoff@vorys.com</u> showard@vorys.com

FirstEnergy Solutions Michael Beiting Morgan Parke FirstEnergy Service Company 76 S. Main St. Akron, OH 44308 E-mail: <u>beitingm@firstenergycorp.com</u> <u>mparke@firstenergycorp.com</u>

Daniel R. Conway Porter Wright Morris & Arthur 41 S. High St. Columbus, OH 43215 E-mail: <u>dconway@porterwright.com</u>