

FILE

April 21, 2010

Public Utilities Commission of Ohio
Attn: Docketing Department
180 E. Broad Street
Columbus, OH 43215

2
RECEIVED-DOCKETING DIV
2010 APR 27 AM 9:36
PUCO

RE: CASE NUMBER 10-388-EL-SSO

Dear PUCO Commission:

Please note that my husband and I are in complete agreement with concerns the OCC has brought to our attention in their letter of April 14, 2010.

As for the proposal outlined in the attached letter from the OCC with the First Energy application to set generation rates under the electric Security Plan is an outrage. To penalize consumers for using energy efficient appliances and then raising customer's rates to benefit the Cleveland Clinic Foundation and the automakers, who have already received a bail out, is beyond comprehension.

We are on Social Security and have already had to endure First Energy rescinding their life time agreement of a lesser rate for all electric homes. As a result our kW h rate has increased steadily each month from 2008 to present. The increase has gone from 1.7 per kWh in 2008 to as much as 7.55 per kWh in August of 2009. Our bill in March of 2010 has the rate of 5.16 kWh. The rate is an increase of 300% which is a tremendous burden on us financially.

It is easy to see how First Energy and their stockholders have benefited with a huge profit in 2009.

Let this letter serve as our voice in disagreement with the proposed increases.

Sincerely,

Raymond Paluch
Adeline Paluch

Raymond Paluch & Adeline Paluch
14621 Cherokee Trail
Middleburg Hts., OH 44130

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 AK Date Processed 4-27-2010



Office of the Ohio Consumers' Counsel

Your Residential Utility Consumer Advocate

Janine L. Migden-Ostrander
Consumers' Counsel

April 14, 2010

Dear Consumer:

On March 23, 2010, FirstEnergy filed an application and stipulation/agreement with the Public Utilities Commission of Ohio (PUCO) to set its generation rates under a new Electric Security Plan (ESP) from June 2011 to May 2014. The ESP also proposed to set new delivery charges and settle other FirstEnergy cases currently pending at the PUCO.

FirstEnergy, the PUCO staff, the City of Cleveland, Ohio Manufacturers' Association and others signed the agreement. ~~The Office of the Ohio Consumers' Counsel (OCC) and other members of the Ohio Consumer and Environmental Advocates (OCEA) did not sign the agreement because of concerns that several aspects of the case will negatively affect customers.~~

The OCC's concerns with the proposal include:

- **Delivery Capital Recovery Rider** – FirstEnergy wants to collect up to \$390 million over approximately two and a half years for capital investment in the electric delivery system. The OCC believes these types of investments should be reviewed in a distribution rate case where the PUCO and other parties can examine them carefully. In a rate case, the utilities' total costs are reviewed, and any decreased costs can offset the increase requested.
- **Payment for Transmission Expansion Costs** – FirstEnergy has proposed moving its transmission assets from the Midwest Independent Transmission System Operator regional transmission organization (RTO) to the PJM Interconnection. An RTO manages utilities' transmission systems in a region to ensure the fair flow of electricity from power plants to customers. The OCC believes this is a FirstEnergy *business decision* and its shareholders should be responsible for the costs associated with the change not consumers. The Federal Energy Regulatory Commission should make that determination. "Forgiveness" of a portion of such charges, a touted benefit of the settlement, would therefore not provide customers any benefits.
- **Lost Revenues** – FirstEnergy wants to recover additional lost revenues resulting from a decline in energy usage due to energy efficiency programs. These costs could run higher than \$100 million.
- **Economic Development** – FirstEnergy wants to provide special rates to several organizations calling them economic development and job retention deals. This includes allowing Cleveland Electric Illuminating to charge residential customers for the first \$70 million spent on the electric system for the Cleveland Clinic Foundation and allowing domestic automakers to lower their electric rates if they **increase electricity usage above what was used in 2009**. Residential customers would pay FirstEnergy a surcharge for these discounted rates to automakers and others.