

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 ) Case Nos. 10-176-EL-ATA  
Edison Company for Approval of a New )  
Rider and Revision of an Existing Rider. )

THIRD ENTRY ON REHEARING

The Commission finds:

- (1) Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (FirstEnergy or the Companies) are public utilities as defined in Section 4905.02, Revised Code, and, as such, are subject to the jurisdiction of this Commission.
- (2) On February 12, 2010, FirstEnergy filed an application in this proceeding to revise its current tariffs in order to provide rate relief to certain all-electric customers.
- (3) On March 3, 2010, the Commission issued its Finding and Order in this proceeding, approving FirstEnergy's application as modified by the Commission.
- (4) Section 4903.10, Revised Code, states that any party to a Commission proceeding may apply for rehearing with respect to any matters determined by the Commission within 30 days of the entry of the order upon the Commission's journal.
- (5) On March 8, 2010, the Ohio Consumers' Counsel (OCC) filed a request for clarification and, in the alternative, application for rehearing. On April 6, 2010, the Commission granted rehearing for the purpose of further consideration of the matters raised in the application for rehearing. Subsequently, the Commission denied rehearing on April 15, 2010.
- (6) On April 2, 2010, FirstEnergy filed an application for rehearing, alleging that the Finding and Order was unreasonable and unlawful on two separate grounds.

No memoranda contra were filed with respect to FirstEnergy's application for rehearing.

- (7) In its first assignment of error, FirstEnergy argues that the Commission erred in the use of language in the Finding and Order authorizing new deferrals by the Companies in that such authorizing language needs to be in terms of the deferral of an incurred cost.

In this assignment of error, FirstEnergy seeks a technical change in the language authorizing the Companies to modify their accounting procedures. The Commission will clarify that FirstEnergy is authorized to modify its accounting procedures to defer incurred purchased power costs equal to the difference between the rates and charges to be charged to the all-electric residential customers as the result of the Commission's Finding and Order in this proceeding and the rates and charges that would otherwise be charged to those customers. Accordingly, the Commission finds that FirstEnergy's first assignment of error should be granted.

- (8) In its second assignment of error, FirstEnergy alleges that the Finding and Order is in error regarding the reference to bill impacts in the Finding and Order, in that such bill impacts should apply only during the winter billing periods, consistent with the historic application of similar discounts.

Rehearing on this assignment of error should be granted. FirstEnergy is correct that our intent was to provide rate relief for the winter billing periods only. Therefore, the Commission will clarify that FirstEnergy should file tariffs for the all-electric residential subscribers that will provide winter bill impacts commensurate with FirstEnergy's December 31, 2008, charges for those customers.

- (9) Finally, in the Second Entry on Rehearing, issued on April 15, 2010, in this proceeding, the Commission directed FirstEnergy to file revised tariffs by April 22, 2010. On April 16, 2010, FirstEnergy filed a motion for an extension of time to file the revised tariffs and a request for expedited consideration. FirstEnergy contends that additional time is necessary to complete the programming changes to its computer systems in order to implement the Commission's directives. Accordingly, FirstEnergy requests that the deadline for filing revised tariffs be extended to May 7, 2010.

No memoranda contra were filed with respect to FirstEnergy's motion.

- (10) By entry dated April 22, 2010, the attorney examiner granted a seven-day extension of the deadline for filing revised tariffs in order to allow time for the Commission to consider FirstEnergy's motion for an extension of time.
- (11) The Commission finds that the motion for an extension of time is reasonable and should be granted. Accordingly, FirstEnergy is directed to file, by May 7, 2010, revised tariffs consistent with the Finding and Order and all entries on rehearing in this proceeding.

It is, therefore,

ORDERED, That the application for rehearing filed by FirstEnergy be granted. It is, further,

ORDERED, That FirstEnergy's motion for an extension of time to file revised tariffs consistent with the Commission's decisions in this proceeding be granted. It is, further,

ORDERED, That a copy of this Third Entry on Rehearing be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

  
Alan R. Schriber, Chairman

  
Paul A. Centolella

  
Valeria A. Lemmie

  
Steven D. Lesser

  
Cheryl L. Roberto

GAP/sc

Entered in the Journal

**APR 28 2010**

  
Renee J. Jenkins  
Secretary