

FILE

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From: ContactThePUCO@puc.state.oh.us
Sent: Thursday, April 29, 2010 9:26 AM
To: Docketing
Subject: Docketing

Public Utilities Commission of Ohio
Investigation and Audit Division

Memorandum

Date: 4/29/2010

Re: Joesph Pierson
15565 Woodcreek Dr

Chardon, OH 44024

Docketing Case No.:10-388-EL-SSO

Notes:

Iâ?Td like to submit these comments as part of the record in opposition to First Energyâ?Ts application regarding Case Number 10-388-EL-SSO.

The loss of electric rate discounts and load management discounts is getting plenty of attention already. I am opposed to First Energy eliminating these programs. However, my primary complaint regarding this rate case involves the ability for First Energy to charge customers for â?olost distribution revenueâ? related to their implementation of conservation and efficiency actions. This issue is not receiving as much attention in the press but it is equally as ridiculous.

Letâ?Ts take the CFL program as the example where this was first attempted. We, as consumers, would have been required to pay for the bulbs. That would amount to somewhat less than 5 dollars if you bought them in the store. In addition to paying for the materials of the program (the bulbs), we would have also been required to pay for the lost revenue to compensate First Energy for the electricity they didnâ?Tt sell. This was going to cost consumers an additional amount of over 16 dollars spread over three years. Thus, consumers would be required to pay over 21 dollars â?" even if they didnâ?Tt receive or use the bulbs â?" and not receive any economic benefit to the program. Any savings in electricity usage is being returned to First Energy as this â?olost distribution revenueâ? charge. Thus, First Energy is the only one who benefits from these programs while consumers must pay twice â?" once for the materials and once to reimburse First Energy for the electricity they didnâ?Tt sell. No matter in which intellectual and rational way you try to look at this, it doesnâ?Tt make any sense.

Which begs the question â?" how do they know how much revenue was lost, or how many people actually installed the bulbs? You canâ?Tt meter something that doesnâ?Tt exist. But seriously, conservation and efficiency programs should benefit both First Energy and the consumers alike. It is just fundamentally wrong for the consumers to shoulder the entire cost of these programs while First Energy is the only beneficiary. If the PUCO wants to see these programs be successful and embraced by the consumer, then both parties should benefit equally.

Even our state senator, Tim Grendell, has stated in the press that First Energy is trying to take advantage of a

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loop-hole in the bill â?" the stated language in the bill was never intended for this. First Energy doesnâ?Tt have any skin in the game the way they are currently trying to interpret the bill, but instead will receive a wind-fall of revenue from their hypothetical calculations for this lost revenue charge. Therefore it is clear that the ability of First Energy to abuse this language in the bill must be removed.

In summary, I am opposed to any attempt or formula that would allow First Energy to charge consumers for this hypothetical â?lost revenueâ? .

Sincerely,

Joseph D. Pierson

Please docket the attached in the case number above.