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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

PUCO

2011 JAN 18 PM 3:22

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In the Matter of the Commission's Review of)
the Rules Concerning Long-Term Forecast)
Reports Contained in Chapters 4901:5-1;) Case No. 10-2912-GE-ORD
4901:5-3; 4901:5-5; and 4901:5-7, Ohio)
Administrative Code)

INITIAL COMMENTS OF OHIO EDISON COMPANY
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
AND THE TOLEDO EDISON COMPANY

Come Now Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company ("Companies") and respectfully submit their comments regarding revisions to the long-term forecast report rules contained in Chapters 4901:5-1, 4901:5-3, 4901:5-5, and 4901:5-7, Ohio Administrative Code, pursuant to the Public Utilities Commission of Ohio ("Commission") Entry dated December 15, 2010.¹

I. Rule 4901:5-5-03(C)(4)(b)

The Companies seek clarification regarding how "price responsive demand" (defined in Rule 4901:5-5-01(U) as changes in a retail customer's demand, whose retail rate is tied to wholesale pricing, in response to changes in the wholesale price of electricity) is supposed to be reflected or applied as that term is used in Rule 4901:5-5-03(C)(4)(b). Rule 4901:5-5-03(C)(4)(b) references a "demand function" between "peak load" and "dynamic retail pricing" which captures the impact of price responsive demand. It is unclear what the Rule is seeking to be addressed as a Special Topic. The rule does not define whether "retail rate" includes only generation rates, or

¹ The Companies also incorporate by reference the changes they proposed be made to the long term forecast rules, which were not previously adopted, in Case No. 08-888-EL-ORD, which is pending before the Commission on rehearing.

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the sum of generation, distribution and transmission rates, what “wholesale price” is to be used, or the nature of the dynamic retail pricing (existing tariffs or expected future tariffs?). The Companies request the Rule 4901:5-5-03(C)(4)(b) be removed from the rule because, unlike parts (a) and (c) that are derived directly from the requirements of the Ohio Revised Code, part (b) is not. If Rule 4901:5-5-03(C)(4)(b) is to be retained, then at a minimum a definition of “demand function” should be provided as well as guidelines about how to apply that demand function to the forecast.

II. Rule 4901-5-5-04(D)(1) and (2); Form FE3-T9 [section (1)] and FE3-T10 [Section (2)].

Because the information is readily available to the PUCO on-line through the MISO and PJM websites, the Companies request that these forms and along with the supporting text be removed and that they not be submitted as part of an individual company’s long term forecast report, or, alternatively, that referencing the MISO and PJM websites, as applicable, be sufficient to meet the requirements of these rules.

III. Rule 4901-5-5-04(E)(1)

Rule 4901-5-5-04(E)(1) requires a description and transcription diagrams of the base case load flow studies of the transmission owner’s transmission system in Ohio: one for the current year and one as projected either three or five years into the future. This Rule also requires that base case load flow studies be provided on computer disks in PSSE or PSLF format, along with transcription diagrams for the base cases. The Companies recommend that since these models are readily available on-line to MISO and PJM members, that the utilities only be required to submit the diagrams as part of an individual company’s long-term forecast report. Utilizing the on-line models provided by MISO and PJM would provide one standard source for models

thereby avoiding the chance that different versions of the models would be submitted by individual companies.

IV. Rule 4901-5-5-06(A) Resource Plans

The Companies request clarification that if an electric utility purchases all of the power required to supply standard offer service to its retail generation customers who have not shopped with a competitive supplier, then forms required by Rule 4901:5-5-06(A) related to interruptibles, reserve margins, and available reserve and available capability are not applicable. The only interruptible load the Companies can provide is what they have contracted for through tariffs/riders (e.g. through an ESP). If a competitive supplier has a contract for interruptible load with a retail customer, even though it may be considered part of the "available capability", the Companies would be unable to reasonably forecast such load in a long-term forecast under regulatory framework.

V. Conclusion

In conclusion, the Companies respectfully request that the Commission modify the rules as described above.

Respectfully submitted,



James W. Burk, Counsel of Record
FIRSTENERGY SERVICE COMPANY
76 South Main Street
Akron, OH 44308
Phone: (330) 384-5861
Fax: (330) 384-3875
burkj@firstenergycorp.com
On behalf of Ohio Edison Company,
Cleveland Electric Illuminating Company,
and The Toledo Edison Company