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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 Approval of a New Rider and Revision of an Existing Rider.

Case No. 10-176-EL-ATA

NOTICE OF FILING DEPOSITIONS

Pursuant to Rule 4901-1-21(N), Ohio Administrative Code, Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company hereby provide notice that they are filing with the Commission, concurrently with this Notice, the transcripts of the depositions of Larry Frawley (deposition taken on January 20, 2011), Joan Heginbotham (January 19, 2011), Anthony Yankel (January 20, 2011), Jesse Willetts (January 21, 2011), and Sue Steigerwald (January 21, 2011).

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Dated: January 24, 2011

Respectfully submitted,



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## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Notice of Filing Depositions was delivered to the following persons by e-mail this 24th day of January, 2011:

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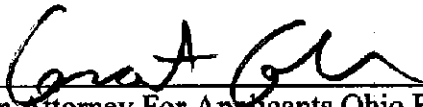
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An Attorney For Applicants Ohio Edison  
Company, The Cleveland Electric Illuminating  
Company, and The Toledo Edison Company



BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of Ohio  
Edison Company, The Cleveland Electric  
Illuminating Company, and the Toledo  
Edison Company for Approval of a New  
Rider and Revision of an Existing Rider.

Case No. 10-176-EL-ATA

~~~~~

Deposition of  
LAWRENCE H. FRAWLEY, SR.

January 20th, 2011

9:05 a.m.

Taken at:

Corcoran & Associates  
8501 Woodbridge Court  
North Ridgeville, Ohio

Kelly A. Hill, Notary Public

Page 2

Page 4

## 1 APPEARANCES:

2  
3 On behalf of the Applicants (via  
4 telephone conference):

5 Jones Day, by  
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7 North Point, 901 Lakeside Avenue  
8 Cleveland, Ohio 44114-1190  
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11  
12 On behalf of the Defendant:

13 Corcoran & Assoc., Co., L.P.A., by  
14 KEVIN CORCORAN, ESQ.  
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16 North Ridgeville, Ohio 44039  
17 (440) 225-8965  
18 corcoranlaw@yahoo.com  
19 ~~~~~

## 22 ALSO PRESENT:

23 Tamara Turkenton (via telephone)  
24 ~~~~~  
25

Page 3

Page 5

## 1 TRANSCRIPT INDEX

2  
3 APPEARANCES..... 2

4  
5 INDEX OF EXHIBITS ..... 4

6  
7 EXAMINATION OF LAWRENCE H. FRAWLEY, SR.:  
8 BY MR. KUTIK..... 4

9  
10 REPORTER'S CERTIFICATE..... 55

11  
12 EXHIBIT CUSTODY

13 NO EXHIBITS MARKED  
14  
15  
16  
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25

1 LAWRENCE H. FRAWLEY, SR., of lawful age,  
2 called for examination, as provided by the Ohio  
3 Rules of Civil Procedure, being by me first  
4 duly sworn, as hereinafter certified, depose  
5 and said as follows:

## 6 EXAMINATION OF LAWRENCE H. FRAWLEY, SR.

7 BY MR. KUTIK:

8 Q. What is your name?

9 A. Lawrence Howard Frawley, Sr.

10 Q. Mr. Frawley, where do you live?

11 A. 8042 Steven David Drive,

12 Strongsville, Ohio 44149.

13 Q. Are you currently employed?

14 A. Yes.

15 Q. Where are you employed?

16 A. Keller Williams, Greater Cleveland  
17 West.

18 Q. What is your office address?

19 A. 30400 Detroit Road, Suite 100,  
20 Westlake, Ohio 44145.

21 Q. Mr. Frawley, are you what might be  
22 termed an all-electric customer?

23 A. I am.

24 Q. How long have you lived in your  
25 house?

1 A. Since September of 09.

2 Q. Before that, did you live in  
3 Strongsville?

4 A. Yes.

5 Q. Were you an all-electric customer  
6 then?

7 A. No.

8 Q. Is this the first all-electric  
9 house that you have lived in?

10 A. No.

11 Q. When did you previously live in an  
12 all-electric home?

13 A. Probably about in the 1980s in  
14 North -- North Royalton.

15 Q. Do you remember the address?

16 A. No.

17 Q. How long did you live in that  
18 house?

19 A. About three years.

20 Q. Did you live in any other  
21 all-electric homes?

22 A. No.

23 Q. And when we talk about all-electric  
24 homes, sir, how would you define that term?

25 A. Heat source being electric, no

2 (Pages 2 to 5)

Page 6

Page 8

1 other utilities to the house.

2 Q. Okay. So in terms of energy, the  
3 only source of energy to your house is  
4 electricity?

5 A. Correct.

6 Q. And you're a customer of the  
7 Cleveland Electric Illuminating Company?

8 A. FirstEnergy, yes.

9 Q. Do you know who you take generation  
10 service from?

11 A. No.

12 Q. And do you know what I mean by  
13 generation service?

14 A. If you could explain.

15 Q. All right. You understand that  
16 there are two things that come with what used  
17 to be called generally electric service, one  
18 being generation or the electricity itself, and  
19 the other the delivery of the electricity to  
20 your house.

21 Does that -- do you understand  
22 that?

23 A. I do.

24 Q. And with respect to the generation  
25 or the electricity service and not the delivery

1 deposition taken before.

2 A. I believe so, then, yes.

3 Q. I don't want to get into any of the  
4 details of your divorce other than to know,  
5 approximately, how long ago did you testify in  
6 a deposition?

7 A. That would have been, best of my  
8 knowledge, probably in the late 1980s, 1988.

9 Q. Okay. So you may be rusty on the  
10 rules of the deposition so let me go through a  
11 few.

12 A. Okay.

13 Q. You've just taken an oath to tell  
14 the truth, and so what I'd like you to do is to  
15 make sure that you understand my questions  
16 before you answer them.

17 If you answer my questions, I can  
18 only assume that you understood them. So if  
19 you don't understand my question, will you let  
20 me know that, please?

21 A. I will.

22 Q. Also, since this deposition is  
23 being transcribed by a court reporter and also  
24 since we're doing this deposition by telephone,  
25 I will need you to answer my questions with

Page 7

Page 9

1 of the electricity to your house, which  
2 sometimes is called distribution, do you know  
3 who you take generation service from?

4 A. I believe my bill may say  
5 Illuminating Company.

6 Q. Okay. Have you ever testified  
7 before, sir?

8 A. No.

9 Q. Mr. Frawley?

10 A. Yes.

11 Q. Have you ever testified before,  
12 sir?

13 A. No.

14 Q. Have you ever had your deposition  
15 taken before?

16 A. Is it for -- you're talking  
17 something outside of just a PUCO hearing?

18 Q. No. I'm talking about what you're  
19 doing right now, sitting, answering questions  
20 from a lawyer under oath before a court  
21 reporter, but we're not in front of a judge.

22 Have you ever done that before?

23 A. I've been through a divorce. Does  
24 that count?

25 Q. I guess it would if you had your

1 words and not gestures or not phrases like  
2 um-hum and hu-hum, because those don't come out  
3 on the transcript very well.

4 Will you do that for me as well?

5 A. I will.

6 Q. And also because this is being  
7 taken down by a court reporter and also because  
8 we're on the telephone, I will ask you to wait  
9 until I finish asking my question before you  
10 answer, and I will try not to ask my next  
11 question before you finish your answer.

12 Does that sound fair?

13 A. That sounds fair.

14 Q. Okay. Thank you very much.

15 Sir, are you -- are you a college  
16 graduate?

17 A. No.

18 Q. I understand, sir, that you are a  
19 graduate of Columbia High School; is that true?

20 A. That is.

21 Q. And graduated in 1976?

22 A. Yes.

23 Q. After graduating from high school,  
24 did you -- or any time after high school, did  
25 you enter into the military?

3 (Pages 6 to 9)

Page 10

Page 12

1 A. No.  
 2 Q. Upon graduation from high school,  
 3 did you become employed?  
 4 A. Yes.  
 5 Q. Where did you -- where was your  
 6 first job?  
 7 A. Independent Oil & Tire in North  
 8 Ridgeville.  
 9 Q. Was that in 1976?  
 10 A. That would have been 1976, yes.  
 11 Q. What was your job?  
 12 A. Changed oil, pumped gas.  
 13 Q. How long did you have that job?  
 14 A. About a year and a half, two years.  
 15 Q. What was your next job?  
 16 A. I started driving a truck for  
 17 Johnson Star Route.  
 18 Q. And Star is S T A R?  
 19 A. Correct.  
 20 Q. How long were you a driver for  
 21 Johnson Star Route?  
 22 A. About one year.  
 23 Q. What was your next job?  
 24 A. I was a driver for Kuchenrither  
 25 Trucking in North Ridgeville.

1 Q. Did you have any supervisory or  
 2 management role in that inside job?  
 3 A. No.  
 4 Q. So am I correct to understand that  
 5 you retired from UPS in 2006?  
 6 A. Yes, January of 2006.  
 7 Q. Now, while working at UPS, did you  
 8 have any other jobs?  
 9 A. Yes.  
 10 Q. What other jobs did you have?  
 11 A. I got my real estate license from  
 12 Hondros College in 2003 and started selling  
 13 real estate.  
 14 Q. And to obtain your real estate  
 15 license -- well, you obtained a real estate  
 16 license, correct?  
 17 A. Yes.  
 18 Q. And to obtain a real estate  
 19 license, what did you have to do?  
 20 A. I took about 120 hours of -- of  
 21 credit that included law, principles and  
 22 practices. There was two other courses that  
 23 were in there. It's the minimum requirements  
 24 for a real estate license.  
 25 Q. So am I -- do I understand that

Page 11

Page 13

1 Q. Could you spell that, please?  
 2 A. KUCHENRITHER.  
 3 Q. And you said you were a driver?  
 4 A. Yes.  
 5 Q. How long were you a driver for  
 6 Kuchenrither?  
 7 A. Until 1984, so from 1978 to 1984.  
 8 Q. Then what did you do?  
 9 A. I became a driver for United Parcel  
 10 Service.  
 11 Q. And I understand that you worked  
 12 for United Parcel Service for 22 years; is that  
 13 correct?  
 14 A. Yes, that is.  
 15 Q. And you retired from UPS?  
 16 A. I did.  
 17 Q. Did you have any job at UPS other  
 18 than as a driver?  
 19 A. No.  
 20 Q. So you were a driver for your  
 21 entire 22 years with UPS, correct?  
 22 A. The last four months that I was  
 23 there I did go back and work inside the --  
 24 inside the hub or inside the building sorting  
 25 packages.

1 there were four courses, then?  
 2 A. Yes.  
 3 Q. And did you take those courses  
 4 online?  
 5 A. No.  
 6 Q. Where did you take those courses?  
 7 A. Hondros College.  
 8 Q. Where?  
 9 A. Independence, Ohio.  
 10 Q. Did any of the coursework deal with  
 11 mathematics or statistics?  
 12 A. Yes, part of the -- you know, part  
 13 of the requirements are mathematics, yes.  
 14 Q. How about statistics?  
 15 A. Not that I remember.  
 16 Q. So it's fair to say you didn't  
 17 receive any coursework in statistics?  
 18 A. That's correct.  
 19 Q. Are you a certified real estate  
 20 appraiser?  
 21 A. No.  
 22 Q. Do you know what the requirements  
 23 are to be a certified real estate appraiser?  
 24 A. Not really completely, no.  
 25 Q. So you couldn't tell me what those

4 (Pages 10 to 13)

Page 14

Page 16

1 criteria or qualifications are, correct?

2 A. I could tell you approximately, but  
3 I don't have the -- I don't have the exact  
4 requirements.

5 Q. And what's your -- what's your  
6 understanding of what you need to be qualified  
7 -- what you need to do to be qualified as a  
8 certified real estate appraiser?

9 A. There is a minimum education  
10 requirement. You have to work with an actual  
11 licensed appraiser as an apprentice. I don't  
12 know what that period of time is.

13 Q. So there's an educational  
14 requirement and an experiential requirement,  
15 correct?

16 A. I believe.

17 Q. And to the best of your  
18 understanding -- well, I'll back up.

19 And can I understand, then, that  
20 you have not fulfilled either the educational  
21 or experiential requirements to be certified as  
22 a real estate appraiser?

23 A. That's correct.

24 Q. Do you claim any expertise in  
25 statistic analysis?

1 Q. Okay. Can you give me any other  
2 definition of what a disrupted real estate  
3 market is?

4 A. No.

5 Q. So how would you characterize the  
6 market today?

7 A. By all experts the market has  
8 bottomed and it's starting to slowly increase.

9 Q. So would you define a disrupted  
10 market as a market that has hit bottom?

11 A. No. I would describe a disrupted  
12 market are the conditions that happen before it  
13 bottoms.

14 Q. Okay. So a disrupted market would  
15 be a market that's characterized by significant  
16 declines in values?

17 A. Correct.

18 Q. Now, am I correct to understand  
19 that in your career as working in real estate  
20 and selling real estate or helping folks sell  
21 real estate and buy real estate, that you have  
22 sold or helped to sell or purchased a number of  
23 all-electric homes?

24 A. I have some, but -- explain more.

25 What are you looking for?

Page 15

Page 17

1 A. No.

2 Q. If I use the phrase statistically  
3 significant, do you know what that means?

4 A. No.

5 Q. Do you know the difference between  
6 the term -- the terms mean, median or mode?

7 MR. CORCORAN: I'm sorry; was that  
8 a question?

9 MR. KUTIK: Yes.

10 Q. Do you know what those terms mean  
11 or the difference between them?

12 A. No.

13 Q. Do you know the difference between  
14 a median and an average?

15 A. Yes.

16 Q. What's the difference?

17 A. I guess I don't.

18 Q. Okay. Do you know what a disrupted  
19 real estate market is?

20 A. I assume I do.

21 Q. All right. What's your -- what  
22 would be your definition of a disrupted real  
23 estate market?

24 A. One that we're experiencing right  
25 now.

1 Q. I just want to know, in your  
2 career, have you helped folks purchase or sell  
3 all-electric homes?

4 A. I have.

5 Q. Can you hazard a number?

6 A. Less than ten homes in my career.

7 Q. And how many homes have you sold in  
8 your career total?

9 A. Somewhere -- somewhere right around  
10 the 200 -- a shade over 200 homes.

11 Q. So all-electric homes have,  
12 basically, been about five percent of the homes  
13 that you've either helped people buy or helped  
14 people sell?

15 A. Yes.

16 Q. Now, do you know what CKAP is?

17 A. I do.

18 Q. What is CKAP?

19 A. Citizens Keeping the All-Electric  
20 Promise.

21 Q. Okay. Are you a member of CKAP?

22 A. Yes, I signed up to get the  
23 e-mails.

24 Q. When did you become a member of  
25 CKAP?

5 (Pages 14 to 17)

Page 18

1 A. About nine months to a year ago,  
 2 something like that.  
 3 Q. So early 2010?  
 4 A. Early 2010, to the best of my  
 5 belief, yes.  
 6 Q. Why did you become a member of  
 7 CKAP?  
 8 A. Number one, I live in an  
 9 all-electric home, and, number two, it's my  
 10 business to -- to understand everything that  
 11 happens with -- within real estate.  
 12 Q. Do you support -- well, I'll back  
 13 up.  
 14 Do you understand that CKAP has  
 15 made some demands as to what they would like to  
 16 see happen at the PUCO?  
 17 A. Yes.  
 18 Q. And do you support those demands?  
 19 A. I support the fact that -- that the  
 20 -- the electric rate promise that has been in  
 21 place, it remains, yes.  
 22 Q. Well, with respect to the demands  
 23 that CKAP has made, would it be your position  
 24 that this PUCO should adopt all of the demands?  
 25 A. I don't have -- I don't have a list

Page 19

1 of all of those demands.  
 2 Q. Okay. To the extent you're  
 3 familiar with any, would it be your position  
 4 whichever ones you're familiar with that they  
 5 should be adopted by the PUCO?  
 6 A. Once again, I want just the promise  
 7 that was in place for the -- for the  
 8 all-electric home communities.  
 9 Q. And would that be -- would that  
 10 have been your position at the time you joined  
 11 CKAP?  
 12 A. Yes. Following an increase in  
 13 electric rates, you know, as the decline in --  
 14 in the attraction for all-electric homes. So,  
 15 yes, part of that's my education, part of  
 16 that's stuff that I need to know.  
 17 Q. So it would be fair to say that of  
 18 the demand you're aware of, which is to keep  
 19 the so-called all-electric promise intact, you  
 20 supported that from your -- the very start of  
 21 your membership in CKAP; fair to say?  
 22 A. Before.  
 23 Q. Yes.  
 24 A. Yes, before membership.  
 25 Q. Okay. And now, correct?

Page 20

1 A. And now, correct.  
 2 Q. When you signed up -- well, I'll  
 3 back up.  
 4 When you purchased your current  
 5 home -- that was in 2008, did you say?  
 6 A. 2009.  
 7 Q. Did you receive any discounts off  
 8 of your bill when you first came into your  
 9 house?  
 10 A. No.  
 11 Q. And I'm talking about your  
 12 electric --  
 13 A. No, not that I'm aware of. No.  
 14 Q. Did you receive any promises from  
 15 CEI about what would happen on your electric  
 16 bill?  
 17 A. No.  
 18 Q. Do you have -- well, I'll back up.  
 19 Could you describe your  
 20 relationship with Mr. Corcoran?  
 21 A. I actually met Kevin through one of  
 22 the first public -- one of the first public  
 23 hearings that were in Strongsville in January  
 24 of 2010.  
 25 The company I was working for at

Page 21

1 the time did sell a lot of Bob Schmitt Homes,  
 2 so I just happened to meet Kevin at that event.  
 3 Q. Did you meet him because of the --  
 4 the -- the issue of electric billing to  
 5 all-electric homes, or was this meeting for  
 6 some other purpose?  
 7 MR. CORCORAN: I'm going to object  
 8 to any of the questions about the relationship  
 9 between me and Mr. Frawley.  
 10 Q. Well, go ahead, Mr. Frawley.  
 11 A. What was the question?  
 12 Q. The question was: Did -- I just  
 13 want to know whether the meeting you had that  
 14 you just described with Mr. Corcoran was  
 15 related to the issue of all-electric homes and  
 16 electric billing, or was it for some other  
 17 purpose?  
 18 A. It was a public town hall meeting  
 19 in Strongsville about the all-electric homes.  
 20 Q. Have you dealt with Mr. Corcoran or  
 21 Bob Schmitt Homes in any other context other  
 22 than dealing with the issue of all-electric  
 23 homes and electric bills?  
 24 A. No.  
 25 Q. Do you view Mr. Corcoran as your

6 (Pages 18 to 21)

Page 22

Page 24

1 lawyer?  
 2 A. What was the question?  
 3 Q. Do you view Mr. Corcoran as your  
 4 lawyer?  
 5 A. No.  
 6 Q. Have you been retained by Mr.  
 7 Corcoran for purposes of this case?  
 8 A. Retained meaning?  
 9 Q. Well, do you not understand that  
 10 word, sir?  
 11 A. I'm asking you the question.  
 12 Retained meaning?  
 13 Q. Is that a word you're not familiar;  
 14 is that why you're having a problem?  
 15 MR. CORCORAN: I believe he doesn't  
 16 understand the question.  
 17 Q. Have you been retained by Mr.  
 18 Corcoran? Do you not understand that question?  
 19 A. Are you asking am I being paid by  
 20 Mr. Corcoran?  
 21 Q. No.  
 22 My first question is: Are you  
 23 retained by Mr. Corcoran? Have you been hired  
 24 by Mr. Corcoran?  
 25 A. No.

Page 23

1 Q. Then is it fair to say you're not  
 2 being paid by Mr. Corcoran?  
 3 A. That's correct.  
 4 Q. And let me be more specific; that  
 5 you're not being paid by Mr. Corcoran for the  
 6 preparation of your testimony, your testimony  
 7 today, or your testimony -- or your time for  
 8 your testimony today or your time for your  
 9 testimony at the hearing at the Public  
 10 Utilities Commission?  
 11 A. That's correct.  
 12 Q. Are you being paid for your time  
 13 and expenses relating to this case at all by  
 14 anyone other than yourself or your business?  
 15 A. Just me. I'm not being paid by  
 16 anybody.  
 17 Q. Now, my understanding is, sir, that  
 18 recently you've run for public office; is that  
 19 true?  
 20 A. That's not true. I'm just pulling  
 21 petitions now for Strongsville City Council,  
 22 yes.  
 23 Q. Okay. So this -- this would be  
 24 your first -- this potentially could be your  
 25 first run for office; is that true?

1 A. That's correct.  
 2 Q. And you're contemplating a run for  
 3 city council in Strongsville?  
 4 A. That's correct.  
 5 Q. And your ward would be Ward 3?  
 6 A. That's correct.  
 7 Q. Now, for purposes of this case, did  
 8 you receive any assignment from Mr. Corcoran or  
 9 from any member of CKAP?  
 10 A. No.  
 11 Q. Can you tell me, then, sir, how it  
 12 came to be that you -- or that Mr. Corcoran  
 13 filed testimony of you in this case?  
 14 A. Repeat that question.  
 15 Q. Sure.  
 16 How did it come to be that  
 17 testimony of Larry Frawley was filed in the  
 18 docket of the PUCO in this case?  
 19 A. I mean, I'm volunteering, you know,  
 20 my time and effortability with this. This is  
 21 -- my concern is about real estate values  
 22 falling. My concern is about real estate  
 23 values falling in Strongsville, a very large  
 24 concentration of all-electric homes.  
 25 Q. Were you asked by Mr. Corcoran to

Page 25

1 prepare testimony in this case?  
 2 A. Yes.  
 3 Q. Okay. And what were you asked to  
 4 do?  
 5 A. Any -- anything that would have  
 6 been, you know, knowledge that may have been  
 7 going on in the real estate industry and  
 8 all-electric homes.  
 9 Q. Were you asked to provide testimony  
 10 with respect to your view of how this  
 11 all-electric controversy has affected home  
 12 values in Strongsville?  
 13 A. Yes.  
 14 Q. Would that be a fair  
 15 characterization of what he asked you to do?  
 16 A. That would.  
 17 Q. When did he ask you to do that?  
 18 A. Probably sometime in September,  
 19 October. I'm not quite sure when.  
 20 Q. But sometime this fall?  
 21 A. Yes.  
 22 Q. Did you write your testimony on  
 23 your own?  
 24 A. I did.  
 25 Q. Did anyone review it with you?

7 (Pages 22 to 25)

Page 26

Page 28

1 A. Kevin did.  
 2 Q. Okay. Anyone else?  
 3 A. No.  
 4 Q. So would it be fair to say that you  
 5 attempted to study the effect of real estate  
 6 value -- the effect of this controversy on real  
 7 estate value in Strongsville for all-electric  
 8 homes?  
 9 A. Yes.  
 10 Q. It is fair also to say that the  
 11 data that you looked at was data from the  
 12 multiple listing service?  
 13 A. Yes.  
 14 Q. Did you look at any other data?  
 15 A. No.  
 16 Q. Now, I have -- I have several  
 17 printouts of documents that are entitled CMA  
 18 report.  
 19 You prepared those or had them  
 20 prepared?  
 21 A. I prepared them.  
 22 Q. And are -- are these attachments to  
 23 your testimony?  
 24 A. Yes.  
 25 Q. And the CMA report is something

1 used by those in the real estate industry to  
 2 look at data on properties, correct?  
 3 A. That's correct.  
 4 Q. Now, with respect to the report  
 5 that has the heading that I just read, can we  
 6 tell anything on this report that reflects the  
 7 condition of the properties?  
 8 A. No.  
 9 Q. Can we tell on this report whether  
 10 we're talking about a detached home or a  
 11 condominium?  
 12 A. On this report, no.  
 13 Q. There's one column a little bit to  
 14 the right of the center of the page that says  
 15 DOM/CDOM; do you see that?  
 16 A. Yes.  
 17 Q. What does that mean?  
 18 A. It's days on market and slash is  
 19 cumulative days on market.  
 20 Q. Okay. So the cumulative days on  
 21 market would be a situation where somebody  
 22 listed their house, then took it off the market  
 23 and put it back on the market, correct?  
 24 A. That is correct, but it has to  
 25 be -- if the property is longer -- longer than

Page 27

Page 29

1 that can be compiled by making inquiries of the  
 2 MLS system and then they print out the data you  
 3 have asked for, correct?  
 4 A. That's correct.  
 5 Q. So, for example, if we look at one  
 6 of these -- I'm looking at one that says  
 7 listing -- it says, CMA report sorted by area  
 8 (asc), Price (asc). This is listing as of  
 9 1-04-11 at 6:48 p.m.  
 10 And it goes on to say, Property  
 11 type: Residential area - and I can't tell if  
 12 that's a colon or semi-colon - Strongsville  
 13 status; closed (1-1-2008 to 12-31-2008)  
 14 heating fuel: Coal or dual or gas or none or  
 15 oil or other or pellets or propane or solar or  
 16 wood.  
 17 Do you see that, sir?  
 18 A. Yes.  
 19 Q. And where it's -- the phrase and  
 20 the information where it says, Property types  
 21 and goes on, what I've just read, that would  
 22 have been the query that you would have made to  
 23 the MLS, correct?  
 24 A. Yes.  
 25 Q. And the data in the MLS is commonly

1 45 days off the market, then it does go back in  
 2 as day one on cumulative days, yes.  
 3 Q. So, for example, the first property  
 4 under DOM/CDOM says 80/72; does that mean that  
 5 somebody has taken it off the market and then  
 6 it's on the market again either 12 days or it  
 7 had been on the market for the first time 12  
 8 days?  
 9 A. I'm not sure.  
 10 Q. It also has a column -- this report  
 11 has -- that says original price, correct?  
 12 A. Yes.  
 13 Q. And it also has a column list  
 14 price, correct?  
 15 A. The current list price when there  
 16 was a contract on it, yes.  
 17 Q. Okay. What's the difference  
 18 between original price and list price?  
 19 A. The original price was when the  
 20 contract was signed, what the home was listed  
 21 at. The list price was the current list price  
 22 before the contract came in for the sales  
 23 price.  
 24 Q. Okay. So the original price is the  
 25 first price and the list price was the price

8 (Pages 26 to 29)



Page 30

1 that was being shown as the list price when the  
2 -- when the contract was entered into?

3 A. That's correct.

4 Q. There's also a column -- the last  
5 column -- and unfortunately my copy is -- the  
6 name of the column is cut off. It starts with  
7 a percentage.

8 What's the rest of that column?

9 What's the rest of the title of that column?

10 A. I just see sales price -- yeah, I'm  
11 not sure.

12 Q. Okay. Is that a column or can we  
13 understand that column to mean the percentage  
14 that the sales price represented to either the  
15 original price or the list price?

16 A. I believe, yes.

17 Q. Okay. Now, would you agree with me  
18 that the -- well, the data on days on market or  
19 cumulative days on market would -- or could  
20 potentially reflect whether there were  
21 significant problems with selling a house?

22 A. I mean, it could be. It could be  
23 the market. It could be the house. There  
24 could be -- there could be a lot of factors.

25 Q. Right.

Page 31

1 But it could be one indicator,  
2 correct?

3 A. I mean, I'm sure there is probably  
4 some indicator, yes.

5 Q. Okay. And the same with the  
6 percentage of the sale price to list price or  
7 original price, correct?

8 A. Yes, that's correct.

9 Q. And those two pieces of data may be  
10 able to tell someone if -- if there are  
11 problems selling real estate or particular real  
12 estate, correct?

13 A. Yes.

14 Q. Let me have you turn to your  
15 testimony, and particularly on page 3.

16 Are you there, sir?

17 A. Yes.

18 Q. I want to direct you to the  
19 carry-over paragraph, and the sentence that  
20 begins on the second line. And it starts, For  
21 example, buyers wanted to make sure that they  
22 weren't going to see any "of those"  
23 all-electric homes that she'd been hearing  
24 about in the news. And then the next sentence  
25 says, They did buy a home in Strongsville, but

Page 32

1 it wasn't an all-electric home.

2 Did I read those two sentences  
3 correctly?

4 A. Yes.

5 Q. Can you tell me who that person or  
6 people were?

7 A. You need a name?

8 Q. Yes.

9 A. Matthew and Michael -- I'm sorry;  
10 Matthew and Melanie Gallagher.

11 Q. And where did they ultimately buy?  
12 Do you know the address of their house?

13 A. No. I know the street is Meadow in  
14 Strongsville.

15 Q. When did they buy their house?

16 A. Approximately -- probably May or  
17 June of 2010.

18 Q. And were you their realtor?

19 A. Yes.

20 Q. And they made these statements  
21 about not wanting to see any "of those"  
22 all-electric homes to you?

23 A. Yes.

24 Q. Mr. Frawley?

25 A. Yes.

Page 33

1 Q. They made these statements to you?

2 A. Yes, they did.

3 Q. Did they make the statements to  
4 anyone else that you know of?

5 A. Not that I'm aware of, no.

6 Q. Did they work with any other  
7 realtors?

8 A. Not that I'm aware of. They came  
9 by referral.

10 Q. From whom?

11 A. A past client of mine.

12 Q. Who is that?

13 MR. CORCORAN: If you remember.

14 A. I can't remember.

15 Q. Going back to page 3 of your  
16 testimony in that top carry-over paragraph,  
17 your testimony continues, A purchase of another  
18 all-electric home fell through because the  
19 media reports spooked the potential buyer and  
20 caused them to look elsewhere.

21 Did I read that sentence correctly?

22 A. Yes.

23 Q. Who were those buyers or who was  
24 that purchaser?

25 A. I don't have a name of that

9 (Pages 30 to 33)

Page 34

Page 36

1 purchaser.

2 Q. Was this someone that you were  
3 dealing with?

4 A. This story came from a real estate  
5 agent.

6 Q. So this is something that you heard  
7 from someone else?

8 A. Correct.

9 Q. The paragraph that we have been  
10 looking at continues, A potential buyer liked  
11 the house, but was concerned about the electric  
12 rates doubling.

13 Do you see that?

14 A. I do.

15 Q. Who was the name of that potential  
16 purchaser?

17 A. That was from an agent out of our  
18 Sheffield Lake office.

19 Q. Again, this was something that  
20 somebody told you about what a purchaser said,  
21 correct?

22 A. That's correct.

23 Q. Can you give me -- you say at the  
24 end of this paragraph, There are -- these are  
25 just a few examples of this type of behavior

Page 35

1 that is occurring throughout the all-electric  
2 market area.

3 What did you mean by all-electric  
4 market area?

5 A. Some of these stories have come  
6 outside of Strongsville.

7 Q. Okay. Do you have the specific  
8 names of any other buyers who were discouraged  
9 from purchasing all-electric homes?

10 A. No.

11 Q. Now, would it be fair to say that  
12 -- I think you said earlier that the real  
13 estate market has suffered some significant  
14 decline in housing values over the last few  
15 years, correct?

16 A. That's correct.

17 Q. And that's been a problem for all  
18 housing, not just all-electric housing,  
19 correct?

20 A. That is correct.

21 Q. Do you know whether an electrically  
22 heated home is competitive with gas in terms of  
23 total energy costs?

24 MR. CORCORAN: Objection. Are you  
25 asking about a specific home or generally?

1 MR. KUTIK: Generally.

2 A. Say that question again.

3 MR. KUTIK: Could you read it,  
4 please, Kelly?

5 (Record read.)

6 Q. Let me restate the question.

7 In terms of total energy costs, do  
8 you know how an electrically heated home  
9 compares with another type of home of similar  
10 size?

11 A. I mean, I guess homes vary, you  
12 know, by lots of conditions, how much  
13 insulation, those types of factors. I'm not  
14 sure quite where you're -- I'm not sure quite  
15 where you're going there.

16 Q. Well, I'm not going anywhere.

17 I was going to ask you whether you  
18 know whether -- or how energy costs compare for  
19 all-electric homes versus not all-electric  
20 homes?

21 A. I mean, mainly just with my own  
22 personal home.

23 Q. Okay. So would it be correct to  
24 say you haven't seen any data that compares  
25 energy costs for electrically heated homes

Page 37

1 versus other types of homes?

2 A. That would be correct.

3 Q. And so since you haven't seen any  
4 types of data, would it be fair to say that  
5 you've done no comparison of all-electric homes  
6 and other types of homes in terms of total  
7 energy costs?

8 A. Yes, that's correct.

9 Q. With regard to the data that you  
10 looked at for your testimony, you looked at  
11 data for 2008, 2009 and 2010?

12 A. That's correct.

13 Q. Did you look at data for any other  
14 year?

15 A. No, I didn't.

16 Q. Now, do you have some understanding  
17 of what happened to the bills of all-electric  
18 customers? By bills, I mean electric bills.

19 A. State that question again about the  
20 electric bills.

21 Q. Sure. Let me see if I can put it a  
22 different way.

23 A. Okay.

24 Q. Do you have any understanding of  
25 the bills of all-electric customers who were

10 (Pages 34 to 37)

Page 38

Page 40

1 enjoying any type of discounts prior to  
2 December of 2008?

3 A. So the question is: Did I look at  
4 bills prior to --

5 Q. No.

6 A. Okay.

7 MR. KUTIK: Kelly, could you read  
8 the question, please?

9 (Record read.)

10 MR. CORCORAN: Objection. David,  
11 the time frame that we're talking about, are we  
12 talking about -- I don't understand the  
13 question.

14 MR. KUTIK: Well, does the witness  
15 understand the question? So that's not a  
16 really valid objection.

17 MR. CORCORAN: Right. I  
18 understand.

19 A. Yeah, I don't understand the  
20 question. I don't know what you're -- what  
21 you're looking for. I don't know what that  
22 question means.

23 Q. Well, let me ask you this way --

24 A. Okay.

25 Q. -- do you have some understanding

Page 39

Page 41

1 that the bills or the rates charged to certain  
2 all-electric customers have changed in some  
3 way?

4 A. I know from a public town hall  
5 meeting from a year ago that they've changed  
6 quite a bit as I saw some of those folks  
7 bringing their bills. And I can tell you my  
8 wife with our January bill came down the  
9 hallway saying, I thought you said this was  
10 going to be affordable to live in?

11 Are those the kind of bills that  
12 you're talking about?

13 Q. Yeah. Other than the fact the  
14 bills increased, do you know whether the bills  
15 changed in any other way?

16 A. I don't.

17 Q. Okay. Do you know, for example,  
18 whether -- I'll back up.

19 You have some understanding, do you  
20 not, that certain all-electric customers  
21 received what some have called discounted rates  
22 prior to 2008, correct?

23 A. That's correct.

24 Q. And you understand that that  
25 discounted rate was changed in some way,

1 correct?

2 A. That's correct.

3 Q. And is it your understanding that  
4 prior to, I'll say December of 2009, the  
5 all-electric customers who had previously  
6 received some type of discount had all that  
7 discount removed?

8 A. Restate that question again.

9 MR. KUTIK: Kelly, can you read it,  
10 please.

11 (Record read.)

12 A. Yes.

13 Q. Do you know whether prior to 2009  
14 -- or is it your belief that prior to 2009 the  
15 all-electric customers who had previously  
16 received some type of discount paid the same  
17 rates as the rest of the residential customers?

18 A. Can I have that question again?

19 MR. KUTIK: Please read it.

20 (Record read.)

21 A. I mean, to my knowledge the rate  
22 was always -- the reduced rate was always  
23 there.

24 Q. Okay. So that customers who had  
25 received a discount continued to receive some

1 type of discount, correct?

2 A. Until 2009, correct.

3 Q. All right. And then in 2009 that  
4 discount was taken away, correct?

5 A. That's correct.

6 Q. And then until, let's say sometime  
7 in 2010, those customers were paying the same  
8 as the rest of the residential customers;  
9 that's your understanding, correct?

10 A. That's my understanding, correct.

11 Q. Sir, why did you only look at  
12 all-electric homes in Strongsville?

13 A. That's where I lived, that was kind  
14 of the center market of my area.

15 Q. So it's -- you chose Strongsville  
16 only because that was what you knew about the  
17 best, correct?

18 A. Yes. I mean, that's -- you know,  
19 that's the center of my -- my business market,  
20 and it's the place where I've resided in, yes.

21 Q. Now, I'm not sure if I asked you  
22 this question, and if I did, I apologize; do  
23 you know what the term statistical significance  
24 is or what that means?

25 MR. CORCORAN: David, I believe you

11 (Pages 38 to 41)

Page 42

Page 44

1 did ask that question.

2 Q. All right. Is it my understanding  
3 that you don't -- you don't know what the  
4 phrase statistically significantly different  
5 means?

6 A. That's correct.

7 Q. So would it be fair to say that  
8 with respect to the numbers that appear in  
9 tables 1 and 2, that you don't know whether  
10 they are statistically significantly different,  
11 correct?

12 A. It's just the factual data.

13 Q. Is the answer to my question yes?

14 A. What was the question?

15 Q. That you can't tell me whether the  
16 numbers in tables 1 and 2 are statistically  
17 significantly different?

18 A. Looking at the data they are  
19 statistically different, yes.

20 Q. I asked you whether they were  
21 statistically significantly different.

22 So can you tell me whether the  
23 numbers that appear in tables 1 and 2 are  
24 statistically significantly different?

25 A. Actually, yes, I can. Table 1,

Page 43

Page 45

1 there is an increase in all-electric homes on  
2 the market currently. And in table 2, there is  
3 statistically difference between 2009 and 2010  
4 price per square foot, yes.

5 Q. Well, sir, you've used the word  
6 statistically different and that wasn't my  
7 question.

8 My question is: Do you know --  
9 since you don't know what the term  
10 statistically significantly different means,  
11 isn't it true that you can't tell me whether  
12 the numbers that appear in table 1 or 2 are  
13 statistically significantly different?

14 A. I can tell you in table 2, just  
15 looking at the differential between 2009 and  
16 2010, yes, there is difference.

17 Q. Well, sir, I thought you told me  
18 that you didn't know what the phrase  
19 statistically significantly different means,  
20 correct?

21 A. I don't have Webster's  
22 Dictionary --

23 Q. Okay. Can you define it in any  
24 way, sir?

25 A. I just told you between table 1 and

1 table 2, there is difference, yes.

2 Q. Do you know whether the phrase  
3 statistically significantly different is a  
4 phrase that is used in statistics and  
5 statistical analysis?

6 A. No.

7 Q. All right. So would it be fair to  
8 say, then, that with respect to how that phrase  
9 might be used, that is, how the phrase  
10 statistically significantly different -- in a  
11 statistical analysis, you can't tell me whether  
12 these numbers in table 1 or table 2 are  
13 statistically significantly different using  
14 that type of definition, correct?

15 A. That's correct.

16 Q. Now, under table 1 on page 3 of  
17 your testimony, in that paragraph, the third  
18 sentence says, Table 1 demonstrates that  
19 all-electric homeowners have increased their  
20 attempts to sell their homes since the discount  
21 was removed, correct?

22 A. That's correct.

23 Q. When was the discount removed?

24 A. I believe October of 2009.

25 Q. And has the discount been

1 reinstated?

2 A. Yes.

3 Q. When did that happen?

4 A. I believe the official date was  
5 October of 2010.

6 Q. And is it correct to understand  
7 that the reason that you feel that homeowners  
8 -- that all-electric homeowners have increased  
9 their attempts to sell their homes is that  
10 all-electric homes represent a greater percent  
11 of active listings in 2010 than they did --  
12 excuse me.

13 That the -- let me start over.

14 Can we understand your conclusion  
15 about the fact that all-electric homeowners  
16 have increased their attempts to sell their  
17 homes is based on the fact that the percent of  
18 homes -- of all-electric homes on the market as  
19 a -- compared to all homes has increased?

20 A. That's what the data shows, yes.

21 Q. All right. But I want to make sure  
22 that the basis for your conclusion that  
23 all-electric homeowners have increased their  
24 attempts to sell their homes is -- comes from  
25 the data on table 1, correct?

12 (Pages 42 to 45)

Page 46

Page 48

1 A. Correct.  
 2 Q. Is there any other source?  
 3 A. No.  
 4 Q. Have you looked at the percent of  
 5 listings that all-electric homes represent  
 6 compared to all homes in any area other than  
 7 Strongsville?  
 8 A. No.  
 9 Q. And can I -- would it be fair to  
 10 say that you haven't looked at that type of  
 11 data in Strongsville for any year other than  
 12 2008, 2009, 2010 and active?  
 13 A. That's correct.  
 14 Q. Earlier, sir, we were talking about  
 15 the CMA reports, and if you could turn to those  
 16 now.  
 17 A. Okay.  
 18 Q. And if you could turn to the end of  
 19 what I'll call the first report, the report  
 20 that we had previously looked at, which  
 21 apparently represents non-all-electric homes  
 22 sold in 2008 in Strongsville.  
 23 Do you see that report?  
 24 A. I do.  
 25 Q. And there are seven pages to that

1 Q. Okay. Would a decrease in the  
 2 number of days on market on average from one  
 3 year to the next potentially indicate the  
 4 better market in the second year?  
 5 A. Yes, it could.  
 6 Q. Okay. Would an increase in the  
 7 average percent of list price from one year to  
 8 the next indicate an improving sales market?  
 9 A. Yes, it could.  
 10 Q. Would an improving median price  
 11 from one year to the next indicate an improving  
 12 sales market?  
 13 A. Yes.  
 14 Q. In your testimony on page 4 in  
 15 question 8 -- or I guess I should say in answer  
 16 8, you indicate, One of our Strongsville  
 17 residents has already successfully reduced his  
 18 property value and his property taxes.  
 19 Do you see that?  
 20 A. I do.  
 21 Q. Who is it -- who is that person?  
 22 A. Strongsville resident, past mayor  
 23 that testified at the PUCO hearing in  
 24 Strongsville.  
 25 Q. Okay. So that's the basis for your

Page 47

Page 49

1 particular report?  
 2 A. Correct.  
 3 Q. And if we go to the bottom of that  
 4 page, it tells us how many homes this report  
 5 represents, correct?  
 6 A. Correct.  
 7 Q. And that was 332?  
 8 A. Correct.  
 9 Q. Is that correct?  
 10 A. That's correct.  
 11 Q. Now, you mentioned before that  
 12 there are other data other than dollars per  
 13 square foot that are shown on this report,  
 14 correct?  
 15 A. That's correct.  
 16 Q. One of the pieces of data that we  
 17 looked at -- or we were talking about was the  
 18 days on market and cumulative days on market,  
 19 correct?  
 20 A. That's correct.  
 21 Q. Would an increase in the average  
 22 days on market for -- cumulative days on market  
 23 from one year to the next tell you anything?  
 24 A. It probably speaks of the market  
 25 itself.

1 statement?  
 2 A. That's correct.  
 3 Q. All right. And did you personally  
 4 witness that statement or did somebody tell you  
 5 about it?  
 6 A. I was there for the hearing, yes.  
 7 Q. And was the mayor talking about the  
 8 fact that he had reduced his property tax  
 9 values?  
 10 A. He was, yes.  
 11 Q. All right. Did he indicate how  
 12 much he reduced his taxes by?  
 13 A. I -- I don't remember.  
 14 Q. Did he indicate that he had  
 15 submitted information to the Board of Revision  
 16 to get his taxes reduced?  
 17 A. I believe he did, yes.  
 18 Q. Did he indicate that one of the  
 19 pieces of information that he provided was the  
 20 fact that he had an all-electric home?  
 21 A. Yes.  
 22 Q. Okay. And do you know what role  
 23 the fact that he had an all-electric home  
 24 played in the Board of Revision's determination  
 25 as to the value or assessment of his house?

13 (Pages 46 to 49)

Page 50

1 A. No, I'm not.  
 2 MR. CORCORAN: Did you hear that,  
 3 David?  
 4 MR. KUTIK: No, I didn't.  
 5 MR. CORCORAN: Go ahead. Say it  
 6 again.  
 7 A. I said, no, I'm not.  
 8 Q. At the bottom of page 4, in your  
 9 answer number 9, the third sentence says, The  
 10 biggest jump in sales and pricing occurred when  
 11 the discount was removed, and those trends are  
 12 continuing due to the uncertainty surrounding  
 13 the all-electric discount rate.  
 14 Now, would it be fair to say that  
 15 your conclusions stated in that sentence are  
 16 based upon the data shown in tables 1 and 2?  
 17 A. That is correct.  
 18 Q. Is there any other basis for that  
 19 statement?  
 20 A. I'm just going on the trend, no.  
 21 Q. Just give me one moment, please.  
 22 Sir, you have been in the real  
 23 estate business since 2003; is that correct?  
 24 A. That's correct.  
 25 Q. And the -- and you would refer to

Page 51

1 the last couple of years as a distressed or  
 2 declining real estate market, correct?  
 3 A. That's correct.  
 4 Q. Had you experienced other  
 5 distressed or declining markets other than the  
 6 last few years in your seven or eight years of  
 7 business?  
 8 A. No, I've not.  
 9 Q. Okay. So this has been the first  
 10 distressed or declining market you've  
 11 experienced in business, correct?  
 12 A. That's correct.  
 13 Q. Mr. Frawley, would you agree that  
 14 stigmas for certain types of houses come from  
 15 negative publicity about a feature of those  
 16 houses?  
 17 A. If you're asking could a stigma --  
 18 what was the question?  
 19 Q. Sure.  
 20 MR. KUTIK: Kelly, could you read  
 21 it?  
 22 (Record read.)  
 23 A. Yes.  
 24 Q. People hear about a particular type  
 25 of problem with houses, let's say through the

Page 52

1 media, buyers hear that and will then form  
 2 negative perceptions about the house that has  
 3 that type of feature, correct?  
 4 A. That is correct.  
 5 Q. And the more widespread that  
 6 publicity might be, the more likely buyers  
 7 might have that perception, correct?  
 8 A. That is correct.  
 9 MR. KUTIK: Mr. Frawley, I have no  
 10 further questions for you at this time.  
 11 Assuming that Mr. Corcoran has no questions --  
 12 or I should ask, I guess.  
 13 Kevin, do you have any questions?  
 14 MR. CORCORAN: No, I don't.  
 15 MR. KUTIK: And I don't believe  
 16 there's anyone else on the line.  
 17 So, Mr. Frawley, I will tell you  
 18 that as part of the deposition process, when we  
 19 have the court reporter prepare the transcript,  
 20 you have the right to review the transcript and  
 21 make corrections for stenographic errors in the  
 22 transcript. You can also waive that right.  
 23 At this time you can indicate on  
 24 the record, and you can confer with Mr.  
 25 Corcoran, whether you wish to waive the right

Page 53

1 or whether you wish to read the transcript.  
 2 MR. CORCORAN: Do you want to read  
 3 it to check for errors or not?  
 4 THE WITNESS: Yeah, I'd like to  
 5 read it to check for errors.  
 6 MR. KUTIK: Very good. Then we are  
 7 off the record. Thank you very much.  
 8 (The deposition was concluded.)  
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14 (Pages 50 to 53)

Page 54

Page 56

1 Whereupon, counsel was requested to give  
2 instruction regarding the witness's review of  
3 the transcript pursuant to the Civil Rules.  
4

## SIGNATURE:

5  
6 It was agreed by and between counsel and the  
7 parties that the Deponent will read and sign  
8 the transcript of said deposition.  
9

## TRANSCRIPT DELIVERY:

10  
11 Counsel was requested to give instruction  
12 regarding delivery date of transcript.  
13

14 Original: Mr. Kutik  
15  
16  
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25

1 I do further certify that I am not  
2 a relative, counsel or attorney for either  
3 party, or otherwise interested in the event of  
4 this action.  
5

6 IN WITNESS WHEREOF, I have hereunto  
7 set my hand and affixed my seal of office at  
8 Cleveland, Ohio, on this \_\_\_\_\_ day of  
9 \_\_\_\_\_, 2011.  
10  
11  
12  
13

14 Kelly A. Hill, Notary Public  
15 within and for the State of Ohio  
16

17 My commission expires January 26th, 2011.  
18  
19  
20  
21  
22  
23  
24  
25

Page 55

## REPORTER'S CERTIFICATE

1 The State of Ohio, )  
2  
3 SS:  
4 County of Cuyahoga. )  
5  
6 I, Kelly A. Hill, a Notary Public  
7 within and for the State of Ohio, duly  
8 commissioned and qualified, do hereby certify  
9 that the within named witness, LAWRENCE H.  
10 FRAWLEY, SR., was by me first duly sworn to  
11 testify the truth, the whole truth and nothing  
12 but the truth in the cause aforesaid; that the  
13 testimony then given by the above-referenced  
14 witness was by me reduced to stenotypy in the  
15 presence of said witness; afterwards  
16 transcribed, and that the foregoing is a true  
17 and correct transcription of the testimony so  
18 given by the above-referenced witness.  
19

20 I do further certify that this  
21 deposition was taken at the time and place in  
22 the foregoing caption specified and was  
23 completed without adjournment.  
24  
25

DEPOSITION REVIEW  
CERTIFICATION OF WITNESS

RE: In the Matter of the Application of Ohio  
Edison Company, etc.  
DEPONENT: LAWRENCE H. FRAWLEY, SR.  
COURT REPORTER: Kelly A. Hill, Rennillo  
Deposition & Discovery  
In accordance with the Rules of Civil  
Procedure, I have read the entire transcript of  
my testimony or it has been read to me.  
I have made no changes to the testimony  
as transcribed by the court reporter.

Date \_\_\_\_\_ Witness \_\_\_\_\_  
Sworn to and subscribed before me, a  
Notary Public in and for said State and County,  
the referenced witness did personally appear  
acknowledge that:

1. They have read the transcript;
2. They signed the foregoing sworn statement; and
3. Their execution of this Statement is of their free act and deed.

I have affixed my name and official seal  
this day of \_\_\_\_\_, 20\_\_\_\_.

Notary Public

My Commission Expires:

15 (Pages 54 to 57)

DEPOSITION REVIEW  
ERRATA & CERTIFICATION OF WITNESS

RE: In the Matter of the Application of Ohio  
Edison Company, etc.  
DEPONENT: LAWRENCE H. FRAWLEY, SR.  
COURT REPORTER: Kelly A. Hill, Rennillo  
Deposition & Discovery

In accordance with the Rules of Civil  
Procedure, I have read the entire transcript of  
my testimony or it has been read to me.

I have listed my changes on the attached  
Errata Sheet, listing page and line numbers as  
well as the reason(s) for the change(s).

I request that these changes be entered  
as part of the record of my testimony.

I have executed the Errata Sheet, as well  
as this Certificate, and request and authorize  
that both be appended to the transcript of my  
testimony and be incorporated therein.

Date                      Witness  
Sworn to and subscribed before me, a  
Notary Public in and for said State and County,  
the referenced witness did personally appear  
and acknowledge that:

1. They have read the transcript;
2. They have listed all of their  
corrections in the appended Errata Sheet;
3. They signed the foregoing sworn  
statement; and
4. Their Errata and execution of this  
Statement is of their free act and deed.

I have affixed my name and official seal  
this       day of       , 20       .

Notary Public

My Commission Expires:



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 Approval of a New  
Rider and Revision of an Existing Rider.

Case No. 10-176-EL-ATA

~~~~~

Deposition of  
JOAN M. HEGINBOTHAM

January 19th, 2011  
10:00 a.m.

Taken at:  
Corcoran & Associates  
8501 Woodbridge Court  
North Ridgeville, Ohio

Kelly A. Hill, Notary Public



RENNILLO  
DEPOSITION & DISCOVERY

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 Approval of a New  
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Page 3

TRANSCRIPT INDEX

1	
2	
3	APPEARANCES..... 2
4	
5	INDEX OF EXHIBITS ..... 4
6	
7	EXAMINATION OF JOAN M. HEGINBOTHAM:
8	BY MR. SAKS..... 5
9	
10	REPORTER'S CERTIFICATE..... 52
11	
12	EXHIBIT CUSTODY
13	EXHIBITS RETAINED BY MR. SAKS
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

Page 2

APPEARANCES:

On behalf of the Applicants:  
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corcoranlaw@yahoo.com

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Page 4

INDEX OF EXHIBITS

| NUMBER | DESCRIPTION         | MARKED |
|--------|---------------------|--------|
| 3      | Exhibit E-mail..... | 34     |
|        | Heginbotham         |        |
| 4      | 1                   |        |
| 5      |                     |        |
| 6      |                     |        |
| 7      |                     |        |
| 8      |                     |        |
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| 22     |                     |        |
| 23     |                     |        |
| 24     |                     |        |
| 25     |                     |        |

1 (Pages 1 to 4)

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p style="text-align: right;">Page 5</p> <p>1 JOAN M. HEGINBOTHAM, of lawful age,<br/>2 called for examination, as provided by the Ohio<br/>3 Rules of Civil Procedure, being by me first<br/>4 duly sworn, as hereinafter certified, deposed<br/>5 and said as follows:<br/>6 EXAMINATION OF JOAN M. HEGINBOTHAM<br/>7 BY MR. SAKS:<br/>8 Q. State your name for the record,<br/>9 please.<br/>10 A. Joan Heginbotham.<br/>11 Q. What's your address, ma'am?<br/>12 A. 33069 Pebblebrook, P E B B L E, B R<br/>13 O O K, Drive.<br/>14 Q. That's in North Ridgeville?<br/>15 A. Um-hum.<br/>16 Q. Have you ever had your deposition<br/>17 taken before, ma'am?<br/>18 A. Hu-hum.<br/>19 Q. You need to answer out loud.<br/>20 A. I'm sorry.<br/>21 Q. That's okay.<br/>22 As you've never had this before, as<br/>23 you can see the court reporter is transcribing<br/>24 everything that's said.<br/>25 A. Yes.</p>                                                                                                      | <p style="text-align: right;">Page 7</p> <p>1 A. 9485 Fair, F A I R, Road,<br/>2 Strongsville.<br/>3 Q. And how long did you live on Fair<br/>4 Road?<br/>5 A. From 1971 to 2007.<br/>6 Q. Okay. And that was a single-family<br/>7 home on Fair Road?<br/>8 A. Yes.<br/>9 Q. And is Pebblebrook Drive, the<br/>10 residence you live in now, a single-family<br/>11 home?<br/>12 A. Yes.<br/>13 Q. Your current residence on<br/>14 Pebblebrook Drive has electric heat; is that<br/>15 correct?<br/>16 A. Yes.<br/>17 Q. Did your residence on Fair Road<br/>18 have electric heat?<br/>19 A. It did for the first two years.<br/>20 Q. So from approximately 1971 to 1973?<br/>21 A. Right. Our builder was not allowed<br/>22 to give us gas.<br/>23 Q. So just so the record is clear --<br/>24 let me try that again. Strike that question.<br/>25 The residence on Fair Road in 1971,</p>                                                       |
| <p style="text-align: right;">Page 6</p> <p>1 Q. So she needs all answers to be yes<br/>2 or no or some sort of words so she can<br/>3 transcribe them.<br/>4 A. Okay.<br/>5 Q. In addition, I know it's common in<br/>6 conversation for people to finish each other's<br/>7 sentences or anticipate what people are going<br/>8 to say, but I caution you to please try to wait<br/>9 for me to finish my question before answering,<br/>10 and I'll likewise try to do the same, because<br/>11 it makes for a much cleaner record and it makes<br/>12 Kelly's job a lot easier.<br/>13 Do you understand?<br/>14 A. Yes.<br/>15 Q. If for some reason you don't hear<br/>16 or understand one of my questions, please let<br/>17 me know, okay?<br/>18 A. Okay.<br/>19 Q. When did you move into your current<br/>20 residence on Pebblebrook Drive?<br/>21 A. August, I don't know exactly the<br/>22 day, 2007.<br/>23 Q. August 2007.<br/>24 Where did you live before your<br/>25 residence on Pebblebrook Drive?</p> | <p style="text-align: right;">Page 8</p> <p>1 did you build that new?<br/>2 A. Yes.<br/>3 Q. All right. And at that time was<br/>4 there some rule or moratorium that gas was not<br/>5 allowed?<br/>6 A. Yes.<br/>7 Q. At least that's your understanding,<br/>8 correct?<br/>9 A. Right.<br/>10 Q. And do you know the name of the<br/>11 builder or the company that built that home for<br/>12 you in 1971?<br/>13 A. Dick Deanna; I believe it's D E A N<br/>14 N A.<br/>15 Q. All right. And so am I correct<br/>16 that you didn't particularly want electric heat<br/>17 in the Fair Road home, but the builder<br/>18 explained to you that you had to have electric<br/>19 because there was a gas moratorium?<br/>20 MR. CORCORAN: Objection.<br/>21 Q. You can answer, ma'am.<br/>22 A. Yeah, but I -- would you repeat?<br/>23 I'm not quite sure your meaning.<br/>24 Q. Okay. Fair enough.<br/>25 In 1971, when you were having the</p> |

2 (Pages 5 to 8)

Page 9

1 home on Fair Road built for you, there was a  
 2 moratorium that did not allow for you to have  
 3 gas heat, correct?  
 4 A. Yes.  
 5 Q. If there had not been a moratorium,  
 6 was gas heat your preference?  
 7 A. I don't think at that point we  
 8 really -- it was a brand-new home to us, a big  
 9 home. I don't think we went out and said, Gee,  
 10 I'd rather have gas. We really didn't specify.  
 11 Q. Okay.  
 12 A. No. But the builder was not  
 13 allowed -- we faced a main thoroughfare, and  
 14 the builder was not allowed to hook us facing  
 15 Fair, or the whole development behind us, up to  
 16 gas.  
 17 Q. Okay. Was -- was that house built  
 18 specifically for you or did you merely go  
 19 shopping for a house and found a new home that  
 20 was already built?  
 21 A. There was a model that we chose  
 22 which model we wanted built.  
 23 Q. And then that home on Fair Road --  
 24 at 9485 Fair Road was built for you, correct?  
 25 A. Right. Yes.

Page 10

1 Q. So when you moved into the home  
 2 around 1971, 9485 Fair Road, it was electric  
 3 heat, correct?  
 4 A. Yes.  
 5 Q. Baseboard heat, ma'am?  
 6 A. No.  
 7 Q. What was the --  
 8 A. Forced furnace -- forced  
 9 air furnace.  
 10 Q. With a heat pump -- what was the --  
 11 A. Boy, I don't really remember now.  
 12 Q. Okay.  
 13 A. I don't think it was a heat pump.  
 14 Q. All right.  
 15 A. I don't remember. Sorry.  
 16 Q. No, no need to apologize, ma'am.  
 17 I'm just here to get your best testimony today.  
 18 And I realize we're talking about 1971.  
 19 A. Right.  
 20 Q. So as you've been doing, do the  
 21 best you can.  
 22 Now, from your testimony before,  
 23 ma'am, you stated that for about the first two  
 24 years, so roughly 1971 to 1973, you had  
 25 electric heat in the home on Fair Road; is that

Page 11

1 correct?  
 2 A. Yes.  
 3 Q. What changed in approximately 1973?  
 4 A. Apparently, the moratorium was  
 5 relieved or whatever about gas, and the gas  
 6 company -- I don't know if my neighbor  
 7 instigated this or the gas company did, said  
 8 that whoever in the development would want gas,  
 9 the first person, they would run the gas line  
 10 down to that -- and up to that person's house.  
 11 That person happened to be -- we  
 12 were a corner lot. That person happened to be  
 13 the people behind us. So it went from Fair  
 14 Road, which we faced, down our tree lawn.  
 15 So we proceeded to change over to  
 16 gas and from the tree lawn have it brought into  
 17 the house.  
 18 Q. What was the reason you wanted the  
 19 changeover from electric heat to gas in about  
 20 1973?  
 21 A. Probably it was a little bit warmer  
 22 and cheaper.  
 23 Q. And for the remainder of your time  
 24 in that home on Fair Road through 2007 you had  
 25 gas heat; is that correct?

Page 12

1 A. Yes.  
 2 Q. What led you to move from the home  
 3 on Fair Road to your current residence in  
 4 August of 2007?  
 5 A. I had hip -- total hip replacement  
 6 and I had other issues, and we had stairs. It  
 7 was a split level. No bathroom on the main  
 8 level. And my doctor told my husband that  
 9 you've got to get her away from stairs or her  
 10 knees and everything else is going to go.  
 11 So we had always loved ranches, and  
 12 I always wanted a ranch. So we used that  
 13 situation to downsize and to go to the ranch.  
 14 Q. So your current residence on  
 15 Pebblebrook Drive is a ranch, correct?  
 16 A. Right.  
 17 Q. When you were shopping for homes  
 18 sometime prior to August of 2007, did you have  
 19 a preference for electric heat compared to gas  
 20 heat or some other source of heat?  
 21 A. The preference was a ranch. We  
 22 needed the one floor living, and we liked this  
 23 environment, self-contained, you know, more  
 24 like -- what do I want to say? Friendly  
 25 environment type of living. And we have always

3 (Pages 9 to 12)

Page 13

Page 15

1 loved Bob Schmitt's ranch -- ranches and  
2 environment.

3 Q. How have you -- by environment, you  
4 mean like a development?

5 A. Right.

6 Q. And how have you been familiar with  
7 Bob Schmitt -- Bob Schmitt Homes developments?

8 A. Ever since we could remember  
9 because we lived in Berea when we were first  
10 married; he had built there. We lived in  
11 Strongsville; he had built there. We had come  
12 here several -- a couple years before we were  
13 even serious about downsizing and I had my  
14 surgery and looked at ranches here.

15 Q. So a couple years prior to 2007 you  
16 had been looking at a Bob Schmitt Homes  
17 development?

18 A. Right.

19 Q. All right. When you went shopping  
20 for homes in the summer of 2007, did you only  
21 look at a Bob Schmitt Homes development?

22 A. There were very few other builders  
23 that were building ranches. And we had to have  
24 a ranch. I -- you know, there weren't very  
25 many other builders that built ranches or

1 A. Yes.

2 Q. Did that lead you to ask any  
3 questions about the electric heat?

4 A. Yes.

5 Q. What questions did you ask about  
6 electric heat?

7 A. What the bill would be.

8 Q. What were you told?

9 A. We were given a budget. We wanted  
10 a budget. We were given a budget number.

11 Q. By whom?

12 A. The builder.

13 Q. And what was the budget number that  
14 you were given by the builder?

15 A. 185.

16 Q. Did you ask any questions about the  
17 electric heating rate that would apply to your  
18 home?

19 A. No.

20 Q. Did you ask any information about  
21 electric heating rates that would be applicable  
22 for your home?

23 A. No.

24 Q. Other than -- and let me strike  
25 that.

Page 14

Page 16

1 condominiums with the upper level; townhomes I  
2 think they're called or something.

3 Q. Were you only looking for new  
4 construction in 2007?

5 A. Pretty much, yes.

6 Q. So you were -- so in 2007, you  
7 wanted new construction and you wanted a ranch  
8 and you wanted to stay in the general area of  
9 Strongsville; is that correct?

10 A. There were no ranches being built  
11 in Strongsville that we felt we could afford in  
12 the Strongsville -- you said --

13 Q. Well, I meant this area generally,  
14 so --

15 A. Okay. Around --

16 MR. CORCORAN: Just answer the  
17 question, okay?

18 Q. You're doing great, ma'am. And if  
19 you don't understand something, please let me  
20 know. I try my best to be clear, but I don't  
21 succeed all the time.

22 So when you were looking at a Bob  
23 Schmitt home in August of 2007 or the summer of  
24 2007, did you understand before you bought the  
25 home that it had electric heat?

1 How did the conversation come up  
2 where you gave the builder your desire to be on  
3 a budget? Was that something the builder asked  
4 you, How do you want to handle this or  
5 something you initiated, or what was the basis  
6 for that conversation?

7 A. We asked.

8 Q. I'm sorry, ma'am?

9 A. We asked.

10 Q. What led you to ask?

11 A. To see what the budget would be  
12 compared to our other home.

13 Q. So that was in the -- when you were  
14 -- this conversation occurred in the process  
15 when you were trying to decide upon the home;  
16 is that correct?

17 A. I don't remember, sir.

18 Q. Okay. And what do you recall about  
19 the conversation other than asking the builder  
20 what the electric bill was going to be monthly?

21 A. What do I recall about the  
22 conversation?

23 Q. Yes, ma'am.

24 A. We asked what the budget would be,  
25 and I was given a figure.

Page 17

Page 19

1 Q. Okay. And was that the end of it,  
2 as best you can recall?  
3 A. Yes.  
4 Q. When you moved in in August of 2007  
5 through the winter of 2007 and then 2008, were  
6 your bills within that budget of \$185 a month?  
7 A. They wouldn't put us on a budget.  
8 Q. What happened?  
9 A. They said we had to go for a year  
10 before they could put us on a budget.  
11 Q. And who's the they you're referring  
12 to?  
13 A. FirstEnergy, or Ohio Edison, I  
14 presume.  
15 Q. When did you have your first  
16 communication with FirstEnergy or one of its  
17 companies? And for purposes of my question,  
18 I'll understand FirstEnergy to include Ohio  
19 Edison, Toledo Edison and CEI, about going on a  
20 budget?  
21 A. I honestly don't remember. All I  
22 remember is we couldn't go on a budget for the  
23 first year.  
24 Q. Was it before you moved in?  
25 A. No. I don't -- I don't remember.

Page 18

1 Q. What do you recall being told about  
2 why you could not go on a budget for the first  
3 year?  
4 A. They needed the history. They  
5 needed a year's bills or history.  
6 Q. So instead of going on a budget for  
7 that first year, from about August 07 to August  
8 08, you just paid per your monthly use?  
9 A. Yes.  
10 Q. And did your monthly bills average  
11 approximately \$185 a month for that 12-month  
12 period?  
13 A. I believe -- I believe they put us  
14 on a budget of 200 after the first year.  
15 Around 200.  
16 Q. And since August -- so if I  
17 understand correctly, in about August of 2008,  
18 FirstEnergy put you on a budget, and the budget  
19 was approximately 200 a month; is that correct?  
20 A. Yes.  
21 Q. And since August of 2008, so in the  
22 past two years, two and a half years, has your  
23 budget remained in that same approximate \$200 a  
24 month range?  
25 A. In September of 2009 I heard about

1 NOPEC, and I initiated a conversation with  
2 NOPEC to sign up.  
3 Q. Okay.  
4 A. And the generation portion you  
5 can't budget with NOPEC, so our budget was done  
6 with Ohio Edison --  
7 Q. Okay.  
8 A. -- at that time.  
9 Q. So then do I understand correctly  
10 that in approximately September of 2009 you've  
11 been using -- or since then, you've been using  
12 NOPEC for generation, but a FirstEnergy company  
13 for your heating, correct -- for your electric  
14 usage, correct?  
15 A. Distribution.  
16 Q. Distribution?  
17 A. Right.  
18 Q. What has -- and for your  
19 distribution, are you on a budget for that?  
20 A. Yes.  
21 Q. And beginning in September 2009,  
22 what has your budget been for distribution?  
23 A. It's been changed a couple times.  
24 They've changed -- in fact, they've just  
25 changed it again.

Page 20

1 Q. What is it currently?  
2 A. It will be 145.  
3 Q. 145 a month?  
4 A. Distribution only.  
5 Q. And what was that changed from?  
6 A. Seventy-nine.  
7 Q. And for how long was your budget  
8 for distribution only 79 a month?  
9 A. I said it was changed a couple  
10 times. I don't remember.  
11 Q. Do you know the range? I  
12 understand it's 79 now. Was it within that --  
13 A. I'd have to -- I don't remember.  
14 Q. Okay. And then what are you paying  
15 monthly for the generation portion with NOPEC?  
16 Is that budgeted as well?  
17 A. No. No, they won't budget. You  
18 have to pay in full.  
19 Q. And do you know approximately what  
20 that is per month?  
21 A. It depends on the usage. There's  
22 no approximate.  
23 Q. Is there a range so that in the  
24 winter months when your use might be higher  
25 it's approximately a number you can think of

5 (Pages 17 to 20)

Page 21

1 and in the fall or spring months when your  
2 usage is lower there's a number you can think  
3 of?  
4 A. I'd have to go and pull the whole  
5 bills.  
6 Q. Okay. When you first contacted  
7 FirstEnergy after moving into your -- around  
8 the time you moved into your home in August of  
9 2007, other than asking about being put on a  
10 budget and they told you you'd have to wait a  
11 year, did you have any discussion with anyone  
12 from FirstEnergy about your rate?  
13 A. No. Well -- no, not at that time.  
14 Q. Have you ever had a discussion with  
15 anybody associated with FirstEnergy about your  
16 rate?  
17 A. I had called once when they  
18 grandfathered the rates temporarily to see if  
19 my house could be included, and I was told no,  
20 the house was built in 2006. But, no, I did  
21 not qualify for it to be grandfathered.  
22 Q. Do you recall approximately when  
23 this was that you tried contacting FirstEnergy  
24 about grandfathering?  
25 A. No, I do not.

Page 22

1 Q. Well, it's January 2011. Was it  
2 sometime within 2010; do you recall?  
3 A. I honestly don't remember.  
4 Q. And from your description, I'm  
5 assuming it was a pretty short conversation?  
6 You just asked the question if you could be  
7 grandfathered, you were told no and that was  
8 the end of it; is that fair?  
9 A. Yes.  
10 Q. Is that the only conversation that  
11 you've ever had with FirstEnergy about rates?  
12 A. Yes.  
13 Q. And I'm correct, then, that your  
14 home on Pebblebrook Drive has never had any  
15 special or discounted rate for electric  
16 heating; is that correct?  
17 A. Up to this year, yes.  
18 Q. And then what rate have you had  
19 this year?  
20 A. In September of this year, I don't  
21 -- some message on my bill that -- depending on  
22 usage, some kind of credit.  
23 Q. So -- so I'm clear, so in  
24 approximately September of 2010, you received a  
25 notice on your bill that you were being given

Page 23

1 -- or that a certain credit was being applied  
2 to your usage, and that would result in your  
3 rates going down?  
4 A. It appears so, if you can figure  
5 the bill out, interpret the bills.  
6 Q. And that's been the case from  
7 September 2010 until now, when you're paying  
8 \$79 a month for distribution, correct?  
9 A. Currently, yes.  
10 Q. So is it the case that the \$79  
11 you're paying now and you started paying in  
12 September 2010, that's lower than what you were  
13 paying before?  
14 A. I don't understand what you said --  
15 what you mean.  
16 Q. You testified that your budget has  
17 changed over the past couple of years, correct?  
18 A. Yes.  
19 Q. All right. And you said you didn't  
20 know -- you didn't particularly remember what  
21 the amounts were of the budget, correct?  
22 A. Yes.  
23 Q. You know that some time in the near  
24 future it's going to change to 145 a month,  
25 correct?

Page 24

1 A. Yes.  
2 Q. You know that currently you're  
3 paying 79 a month, correct?  
4 A. For December, yes.  
5 Q. And you just told me about getting  
6 a notification in approximately September 2010,  
7 that a credit was going to be applied to your  
8 home, correct?  
9 A. Yes.  
10 Q. And my question is: Is that when  
11 the \$79 a month started, was because that  
12 credit started being applied, or was your bill  
13 -- was your budget \$79 a month before that?  
14 A. No, it was 79 before that.  
15 Q. I was trying to understand if that  
16 notification of the credit led to a change in  
17 your bill.  
18 A. No, not for the 79 budget, no.  
19 Q. Okay. Prior to that notification  
20 on your September 20 -- in or around September  
21 2010, did you have any other occasion that you  
22 were ever on any sort of special rate for  
23 electric heating?  
24 A. No, other than NOPEC.  
25 Q. Understood.

Page 25

1 But as far as FirstEnergy is  
2 concerned?  
3 A. No.  
4 Q. All right. And is there anything  
5 else that you recall about this credit that you  
6 were told you were going to receive in  
7 approximately September 2010?  
8 A. No.  
9 Q. How much did you pay for your home  
10 in August 2007, approximately?  
11 A. 244.  
12 Q. And how many square feet is it,  
13 approximately?  
14 A. Eighteen, nineteen hundred.  
15 Q. Did -- are you a member of CKAP,  
16 ma'am?  
17 A. I mean, there's no membership. I  
18 get the mailings.  
19 Q. Well, did -- did you have to go to  
20 the website and register with them or give them  
21 your e-mail address or what have you?  
22 A. Yes.  
23 Q. Is e-mail the only way that you get  
24 communication from CKAP?  
25 A. Yes.

Page 26

1 Q. Nothing that comes in the regular  
2 mail or --  
3 A. No.  
4 Q. -- anything else like that?  
5 A. Hu-hum.  
6 Q. How -- strike that.  
7 When did you become affiliated with  
8 CKAP?  
9 A. I don't remember.  
10 Q. How did you become affiliated with  
11 CKAP?  
12 A. I don't really remember exactly a  
13 day, a time. It just kind of evolved, I guess.  
14 I heard about it and I was upset  
15 with my high bills.  
16 Q. How'd you hear about CKAP?  
17 A. I don't even remember that. I  
18 don't know.  
19 MR. CORCORAN: That's okay.  
20 A. I don't remember how -- I honestly  
21 don't remember how it came about.  
22 Q. Okay. What -- when was it that you  
23 became upset with your high bills?  
24 A. Oh, when I first moved in.  
25 Q. And what about your bills when you

Page 27

1 first moved in led you to the opinion that they  
2 were high?  
3 A. Well, my first winter bills were  
4 460-some dollars.  
5 Q. And was that consistent throughout  
6 the winter months, so December 2007, January  
7 2008, February 2008; were they all  
8 approximately in that 460 range?  
9 A. When we first moved in, my husband  
10 had major surgery and he was extremely cold  
11 from major surgery. And my bills after that  
12 first year probably were around 400, very  
13 minor, less than keeping him warm after his  
14 surgery the first year.  
15 So, yeah, they averaged 3 to \$400  
16 in the winter.  
17 Q. In the wintertime, and then in the  
18 spring and summer -- I'm sorry; strike that.  
19 In the spring, summer and fall they  
20 were not that high?  
21 A. No.  
22 Q. Because obviously FirstEnergy gave  
23 you a budget amount in August 2008 of \$200 a  
24 month, correct?  
25 A. Yes.

Page 28

1 Q. When -- in the winter of 2007,  
2 2008, soon after you moved in, when you started  
3 getting these bills that were approximately 400  
4 or so a month, did you contact FirstEnergy  
5 about the bills?  
6 A. No. My main concern was my husband  
7 at that point in time.  
8 Q. Did you contact anybody about the  
9 bills because you thought they were too high?  
10 A. No.  
11 Q. What about -- strike that.  
12 And then from approximately  
13 September 2008, when you went on a budget,  
14 through September 2009, so for that calendar  
15 year, you paid approximately \$200 a month for  
16 electric, correct?  
17 A. I believe so. I can go back and  
18 look at bills. You know, you're asking me  
19 detailed questions about every month and every  
20 year of my bill.  
21 Q. Well, no, ma'am; I'm asking you  
22 questions to the best of your recollection, and  
23 if you recall going on a budget of  
24 approximately \$200 a month.  
25 My question is: Did you, in

7 (Pages 25 to 28)



Page 29

Page 31

1 fact -- were you on that budget for the  
2 approximately 12 months from September of 08 to  
3 approximately September of 09?

4 A. Yes.

5 Q. And -- and was it your opinion for  
6 that year with a budget of approximately \$200 a  
7 month, that your bills were too high -- your  
8 electric bills were too high?

9 A. I don't understand what you mean.

10 Q. Well, you told me, ma'am, that you  
11 joined CKAP or you became affiliated with CKAP  
12 when you heard about it because you were upset  
13 about your high electric bills; is that  
14 correct?

15 A. Yes.

16 Q. And then I'm --

17 A. And the fact that they had  
18 eliminated the bulk rate for all electric  
19 people.

20 Q. And that's a bulk rate that you've  
21 never been on, correct?

22 A. Right.

23 Q. So I'm just trying to understand  
24 the basis for your position.

25 Is it your testimony -- when you

1 A. I mean, how can you --

2 MR. CORCORAN: It's okay. It's  
3 okay.

4 A. How can you compare a budget to  
5 your actual bills?

6 Q. Let me -- well, let me try to  
7 clarify that, ma'am.

8 MR. CORCORAN: Let him ask the  
9 question, okay?

10 Q. My understanding is for the first  
11 year, from approximately August of 07 till  
12 about September of 08, you paid month by month  
13 whatever your electric usage was, correct?

14 A. Yes.

15 Q. So in the winter months it might  
16 have been 460 in the winter months, and you  
17 paid 460, correct? Whatever the bill was; is  
18 that right?

19 A. Right.

20 Q. And then, let's say, in April of  
21 2008 it was warmer; you used less electricity,  
22 and whatever the April 2008 bill was, you paid  
23 it, correct?

24 A. Yes.

25 Q. And then after you lived in your

Page 30

Page 32

1 mentioned -- you testified about being upset  
2 about your high bills, you explained that in  
3 that winter of 2007 and 2008 when you were  
4 paying approximately 400 or some dollars a  
5 month, you thought your electric bills were too  
6 high; is that correct?

7 A. They were high, yes.

8 Q. That you were upset about the  
9 amount of the bills, correct?

10 A. Yes.

11 Q. Okay.

12 A. To heat the house.

13 Q. Understood.

14 And then my question is: When you  
15 went on a budget of \$200 a month, beginning in  
16 approximately September of 2008, did you still  
17 think your electric bills were too high?

18 A. Why would you compare my budget to  
19 paying an actual bill? I don't understand what  
20 you're getting at. You know, how can I --  
21 you've totally -- you're misconstruing  
22 something I'm not -- I'm not understanding what  
23 you're getting at.

24 Q. Well, then thank you for letting me  
25 know.

1 home for approximately 12 months, your  
2 FirstEnergy-affiliated company was able to put  
3 you on a budget, correct?

4 A. Yes.

5 Q. And that budget amount was  
6 approximately \$200 a month, correct?

7 A. Yes.

8 Q. And so in about September of 2008,  
9 regardless of your usage, you wrote -- you paid  
10 a bill of approximately 200 a month for  
11 electric, correct?

12 A. From what I've said, I would say  
13 yes.

14 Q. And then that -- the same would be  
15 true for October 08, November 08 and December  
16 08 and January 09, you were making those budget  
17 payments, correct?

18 A. I hope I'm answering right without  
19 checking a bill.

20 Q. Well, I guess --

21 A. Yes, I would say yes.

22 Q. Because that's the way the concept  
23 of a budget works, correct?

24 A. Yes.

25 Q. You don't pay month by month for

Page 33

1 exactly what you use? At some points in the  
2 year maybe you're paying for -- you're paying  
3 more than what you've used because you're  
4 trying to even out the billing, correct?

5 A. If I would have known this, I would  
6 have studied my bills better.

7 Q. Well, ma'am, whether or not you  
8 chose to study your bills is fine. I'm just  
9 trying to get the best testimony you can give  
10 me today.

11 But what I'm trying to make sure I  
12 understand is that for the time that you went  
13 on a budget beginning in September of 2008, you  
14 made that budgeted payment, the same payment  
15 every month for your electric bill, correct?

16 A. Yes.

17 Q. Okay. So back to my question  
18 before when you appeared to think my question  
19 was confusing; my question is simply this: The  
20 first winter you were in the home when you paid  
21 for your usage and your electric bills were  
22 approximately \$460, I think you said, you  
23 testified that you thought your electric bills  
24 were too high and they were -- they upset you;  
25 is that correct?

Page 34

1 A. Yes.

2 Q. And then my question is: For the  
3 next year, so from September 2008 through 2009  
4 when you were paying \$200 a month on your  
5 budget, did you still think your electric bills  
6 were too high?

7 A. They were high, but I was paying  
8 budget. Yeah, the bills were still high.

9 Q. Okay. That's what I wanted to  
10 understand.

11 And then when you started -- when  
12 you signed up with NOPEC and so you only used  
13 FirstEnergy for distribution beginning in  
14 approximately September 2009, did you still  
15 have the opinion that your electric bills were  
16 too high?

17 A. Yes.

18 -----

19 (Thereupon, Deposition Exhibit  
20 Heginbotham 1, E-mail, was marked  
21 for purposes of identification.)  
22 -----

23 Q. Ma'am, I'm showing you what's been  
24 marked as Exhibit 1 to your deposition. I  
25 would like you to take a moment and look over

Page 35

1 this document. It's an e-mail -- It's a  
2 one-page e-mail and it is dated June 30th,  
3 2010. And it is from contact at PUCO at an  
4 Ohio State agency website address, and the  
5 subject is docketing and 10176 ELATA.

6 MR. CORCORAN: Did you finish  
7 reading it?

8 THE WITNESS: Yeah.

9 Q. Have you -- now that you've had a  
10 chance to look at Exhibit 1, I'm going to ask  
11 you some questions about it, ma'am.

12 Have you seen this document before?

13 A. No.

14 Q. It says re: Wayne Heginbotham; do  
15 you see that?

16 A. Right.

17 Q. And is that your husband?

18 A. My husband's name.

19 Q. Okay. And that is your address,  
20 33069 Pebblebrook Drive?

21 A. Right.

22 Q. In North Ridgeville, correct? Is  
23 the answer yes?

24 A. Yes.

25 Q. Okay. Thank you.

Page 36

1 Do you know if your husband  
2 contacted the PUCO regarding this matter?

3 A. No.

4 Q. Did you contact the PUCO regarding  
5 this matter?

6 A. No.

7 Q. Are you -- and just so I'm clear,  
8 okay -- because from this one-page document  
9 it's not clear exactly how this information got  
10 to the PUCO.

11 A. Is this as if -- this is from us?

12 Q. Well, that's what I'm trying to  
13 understand here.

14 A. Oh, absolutely not.

15 Q. Do me a favor -- I see some  
16 surprise on your face --

17 A. Oh, are you saying we wrote this?

18 MR. CORCORAN: You only answer the  
19 question --

20 Q. Ms. Heginbotham, please, I  
21 appreciate your surprise. I'm going to ask you  
22 some questions, okay, and I'll give you a  
23 chance to speak if you want to speak, but let  
24 me just ask the questions. It'll make for a  
25 clear question record, okay?

9 (Pages 33 to 36)

Page 37

1 What I'm saying to you is: Related  
 2 to -- you do understand there's a proceeding  
 3 taking place before the Public Utilities  
 4 Commission involving certain all-electric  
 5 rates; do you understand that?  
 6 A. Yes.  
 7 Q. And do you understand -- you're  
 8 here today, Mr. Corcoran is your lawyer,  
 9 correct?  
 10 A. Yes.  
 11 Q. You understand that you are  
 12 involved in this proceeding before the PUCO,  
 13 correct?  
 14 A. Yes.  
 15 Q. Okay. I may have a few questions  
 16 about that in a minute, but right now I want to  
 17 focus on Exhibit 1, okay?  
 18 In connection with the all-electric  
 19 proceeding before the PUCO, some people -- some  
 20 residents have filed complaints or have sent  
 21 letters to the PUCO to notify the PUCO of their  
 22 opinion regarding the all-electric rate, okay?  
 23 And I believe what Exhibit 1 to your deposition  
 24 is supposed to be is that.  
 25 Now, what makes it a little bit

Page 38

1 unclear to me in looking at Exhibit 1 is that  
 2 -- you know, if you look at the from line on  
 3 the e-mail, it's from the PUCO to the PUCO;  
 4 it's like the PUCO sending it to itself.  
 5 So I don't know if this is supposed  
 6 to memorialize a phone call that somebody made  
 7 or what exactly Exhibit 1 purports to show as  
 8 far as the method of communication.  
 9 But what Exhibit 1 indicates is  
 10 that -- or it appears to indicate, I should  
 11 say, that either you or your husband contacted  
 12 the PUCO to lodge this complaint and view.  
 13 Am I fair from your expression and  
 14 from what you said earlier that you do not  
 15 believe you or your husband ever contacted the  
 16 PUCO with this statement?  
 17 MR. CORCORAN: Hold on. You're  
 18 asking about the statement itself?  
 19 MR. SAKS: Correct.  
 20 MR. CORCORAN: And it doesn't have  
 21 her name on it at all.  
 22 MR. SAKS: Correct.  
 23 MR. CORCORAN: So you're asking her  
 24 if her husband sent this in or if she knows if  
 25 her husband sent this in?

Page 39

1 MR. SAKS: I am asking  
 2 Ms. Heginbotham -- and I guess I can break this  
 3 down.  
 4 Q. My first question will be: To your  
 5 knowledge, have you -- either in writing or  
 6 with telephone or any way of communication,  
 7 have you ever contacted the PUCO and made the  
 8 statements that are set forth in Exhibit 1?  
 9 A. When all this started taking place,  
 10 but not this. No, these are not even my -- my  
 11 husband would never even be able to write this.  
 12 Q. Okay.  
 13 A. I'm sorry; that's not nice of me.  
 14 But this is nothing -- nothing  
 15 that I ever have even seen.  
 16 Q. Okay. I want to understand, ma'am.  
 17 So I want to just take it in small steps.  
 18 Just so I understand -- and I want  
 19 to take you and your husband individually so  
 20 the record is clear.  
 21 But my question to you is: To your  
 22 knowledge, you have not contacted the PUCO and  
 23 given them a statement along the lines as the  
 24 information that's set forth in Exhibit 1; is  
 25 that correct?

Page 40

1 A. What do you mean Exhibit 1?  
 2 Q. This is Exhibit 1, ma'am.  
 3 A. I might have sent to the PUCO  
 4 something somewhere along the line, but not --  
 5 this is not my words.  
 6 Q. Okay.  
 7 A. No, this is not anything -- I  
 8 wouldn't even write --  
 9 MR. CORCORAN: Well, first of all,  
 10 your name doesn't appear.  
 11 A. But Wayne wouldn't -- Wayne  
 12 wouldn't even know to use those words.  
 13 Q. And that's my next question for  
 14 you, ma'am. And I realize that -- I don't  
 15 know, but I assume you don't watch your husband  
 16 24 hours a day.  
 17 But to the best of your  
 18 knowledge --  
 19 A. I know that:  
 20 Q. -- you don't think your husband  
 21 submitted this statement to the PUCO; is that  
 22 your testimony?  
 23 MR. CORCORAN: Do you know? That's  
 24 what he's asking you.  
 25 A. No, I know my husband did not. No.

Page 41

1 Q. Okay. That's fine.  
 2 Now, I understand that -- and you  
 3 seem -- is it fair for me to say that you seem  
 4 a little bit -- having read Exhibit 1 and read  
 5 this statement and seeing your home and your  
 6 husband's name attached to it, you seem a bit  
 7 surprised; is that fair?  
 8 A. Yes.  
 9 Q. And I understand your testimony,  
 10 ma'am, that these are not your words or you  
 11 don't think they're your words, or your  
 12 husband's words, but I do want to take a couple  
 13 minutes and just go through a couple of the  
 14 statements in Exhibit 1.  
 15 If you look at the second line --  
 16 A. Can I ask him something?  
 17 Q. Do you want to take a break and  
 18 talk to your counsel?  
 19 A. Yes.  
 20 Q. Sure. We can go off the record.  
 21 (Discussion had off the record.)  
 22 Q. Are you ready to proceed, ma'am?  
 23 A. Yes.  
 24 Q. If you take a look at the second  
 25 line of the substance of Exhibit 1, it says --

Page 42

1 do you see where the sentence begins, First of  
 2 all, the case proposes a cap of a 20 percent  
 3 increase of my current bill over last year's  
 4 bill, but 20 percent is too much; do you see  
 5 that?  
 6 A. Yes.  
 7 Q. All right. And are you aware that  
 8 this PUCO case proposes a cap of a 20 percent  
 9 increase?  
 10 A. I am now, yes.  
 11 Q. Other than reading it here today,  
 12 you don't --  
 13 A. No.  
 14 Q. You're not aware of that, ma'am?  
 15 Is that right?  
 16 A. Yes.  
 17 Q. If you go to the end of the fourth  
 18 line of that where it says -- it's talking  
 19 about the rate increase, and it says, And will  
 20 render the future sale of my home impossible;  
 21 do you see that?  
 22 A. Yes.  
 23 Q. Are you aware one way or the other  
 24 as to how the electric rate issue will impact  
 25 the ability for you to sell your home?

Page 43

1 A. Am I aware?  
 2 Q. Yes, ma'am.  
 3 A. I don't -- I don't get what you  
 4 mean.  
 5 Q. Do you have any knowledge one way  
 6 or the other about how your ability to sell  
 7 your home has been impacted by the electric  
 8 rate case currently before the PUCO?  
 9 A. I presume from the media, public.  
 10 Q. You've not tried to sell your home,  
 11 correct?  
 12 A. No.  
 13 Q. Okay.  
 14 A. Not yet.  
 15 Q. Understood.  
 16 Sitting here today; you've not --  
 17 A. No.  
 18 Q. -- made any attempts to sell your  
 19 home on Pebblebrook Drive, correct?  
 20 A. No.  
 21 Q. If you go to the -- the sixth line,  
 22 and around the middle of the line, there's a  
 23 sentence that begins, FirstEnergy needs to  
 24 fully honor its 30-year promise to offer  
 25 discounted all-electric rates to all-electric

Page 44

1 homeowners. And if they need to find a funding  
 2 source for this, I suggest taking it from their  
 3 2009 \$1 billion in profits or the \$13 million  
 4 salary of its president.  
 5 Do you see that sentence, ma'am?  
 6 A. Yes.  
 7 Q. Did I read that correctly?  
 8 A. Um-hum.  
 9 Q. Okay. Do you have any knowledge  
 10 one way or the other about FirstEnergy having a  
 11 30-year promise to offer discounted rates?  
 12 A. Do I have any knowledge?  
 13 Q. Correct.  
 14 A. Other than what's in the media.  
 15 Q. Okay. Because you've not -- I mean  
 16 -- strike that.  
 17 You certainly have not been getting  
 18 a discounted electric rate for 30 years,  
 19 correct?  
 20 A. No. No.  
 21 Q. In fact, you've never been on a  
 22 discounted all-electric rate, correct?  
 23 A. No.  
 24 Q. That's right, ma'am?  
 25 A. Right.

11 (Pages 41 to 44)

Page 45

Page 47

1 Q. Okay. And the statements here  
2 about FirstEnergy's 2009 profits or the salary  
3 of its president, other than reading it now, do  
4 you have any knowledge about that information?

5 A. Other than in the media.

6 Q. The next sentence -- do you see the  
7 next sentence says, I am also adamantly opposed  
8 to FirstEnergy's case 090906 ELSSO; do you see  
9 that?

10 A. Um-hum.

11 Q. Are you familiar with that case?

12 A. No.

13 Q. Do you have any knowledge -- you  
14 testified before that when you bought your  
15 Pebblebrook Drive home you paid approximately  
16 \$244,000 for it, correct?

17 A. Yes.

18 Q. You said you've not tried to sell  
19 your home. Do you have any knowledge as to  
20 what the current value of your home is today?

21 A. Oh, boy, I know it was a four  
22 percent decrease.

23 Q. And what was the --

24 A. I can't remember what the --

25 Q. I won't make you do the math.

1 am I correct that you and your husband did not  
2 authorize anybody to communicate with the PUCO  
3 and send this sort of document on your behalf?

4 A. There was a link that we were given  
5 in an e-mail, and the only thing I can think of  
6 this was sent in based on -- must have been a  
7 form letter behind the scenes and we sent in  
8 using that docket number. And that's where  
9 this must have initiated from, sir.

10 Q. Okay.

11 A. No, personally, we did not write  
12 this.

13 Q. Okay. Now, you told me a little  
14 bit about how you became involved with CKAP  
15 because you heard about it and you were upset  
16 about your electric bills, correct?

17 A. Yes.

18 Q. Do I have that right?

19 And then how did you come to want  
20 to be a -- to intervene in the PUCO proceeding?

21 A. My understanding is that anyone  
22 that purchased after 2007 would not be  
23 considered in any decisions.

24 Q. Okay.

25 A. And I was asked if I would

Page 46

Page 48

1 Your testimony is about a four  
2 percent decrease, though?

3 A. Yeah.

4 Q. And what was the basis for you to  
5 know or to believe your home had decreased by  
6 four percent? Was it a tax assessment?

7 A. Property tax.

8 Q. Okay. Do you have any knowledge  
9 about whether the four percent decrease was  
10 related at all to your home having electric  
11 heat?

12 A. I have no knowledge of that.

13 Q. Okay. I apologize if I asked you  
14 this before and I'm just forgetting; what form  
15 of electric heat do you have in your current  
16 home?

17 A. Heat pump.

18 Q. Okay. And have you explored  
19 whether you could convert to gas or some other  
20 source of heat?

21 A. No.

22 Q. As far as Exhibit 1 is concerned,  
23 am I correct that you did not authorize -- I'm  
24 sorry; strike that.

25 As far as Exhibit 1 is concerned,

1 represent that group of people.

2 Q. By whom were you asked?

3 A. Kevin.

4 Q. Okay. Do you understand that there  
5 is -- at least as of right now, there's  
6 scheduled to be an evidentiary hearing in  
7 Columbus that begins a week from today on the  
8 27th?

9 A. Yeah.

10 Q. And are you preparing to come down  
11 to -- I'm sorry; are you prepared to come down  
12 to Columbus to testify?

13 A. I have not been notified  
14 officially.

15 Q. Okay. Have you met Ms.  
16 Steigerwald?

17 A. Only at -- when we went to  
18 Columbus.

19 Q. Just on one occasion?

20 A. Um-hum.

21 Q. You need to answer out loud.

22 MR. CORCORAN: Yes or no.

23 Q. You need to answer out loud.

24 A. Yes.

25 Q. Okay. Just because when you say

Page 49

1 hu-hum, it's hard for the court reporter to  
 2 transcribe that.  
 3 A. Sorry.  
 4 Q. You're doing great. I think we're  
 5 pretty close to being done.  
 6 Did you attend any of the public  
 7 hearings that have been held in this PUCO  
 8 proceeding?  
 9 A. In Columbus, yeah.  
 10 Q. Okay. And just so I'm clear, which  
 11 -- about when was it that you went to Columbus?  
 12 Do you recall when it was or what time of year  
 13 it was?  
 14 THE WITNESS: Do you?  
 15 A. I don't remember.  
 16 Q. Okay. I understand, ma'am, that  
 17 you're unhappy at the cost -- I'm sorry; strike  
 18 that.  
 19 I understand that you're unhappy at  
 20 the amount of your electric bills. Are you  
 21 otherwise satisfied with your electric heating  
 22 system in your home?  
 23 A. It's cool.  
 24 Q. It's cooler than gas was?  
 25 A. Um-hum.

Page 50

1 Q. You need to answer out loud.  
 2 A. Yes.  
 3 MR. SAKS: I don't have any more  
 4 questions for you, ma'am. I thank you very  
 5 much for your time.  
 6 (The deposition was concluded.)  
 7  
 8  
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Page 51

1 Whereupon, counsel was requested to give  
 2 instruction regarding the witness's review of  
 3 the transcript pursuant to the Civil Rules.  
 4  
 5 SIGNATURE:  
 6 It was agreed by and between counsel and the  
 7 parties that the Deponent will read and sign  
 8 the transcript of said deposition.  
 9

10 TRANSCRIPT DELIVERY:  
 11 Counsel was requested to give instruction  
 12 regarding delivery date of transcript.  
 13

14 Original: Mr. Saks  
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Page 52

1 REPORTER'S CERTIFICATE  
 2 The State of Ohio, )  
 3 SS:  
 4 County of Cuyahoga. )  
 5

6 I, Kelly A. Hill, a Notary Public  
 7 within and for the State of Ohio, duly  
 8 commissioned and qualified, do hereby certify  
 9 that the within named witness, JOAN M.  
 10 HEGINBOTHAM, was by me first duly sworn to  
 11 testify the truth, the whole truth and nothing  
 12 but the truth in the cause aforesaid; that the  
 13 testimony then given by the above-referenced  
 14 witness was by me reduced to stenotypy in the  
 15 presence of said witness; afterwards  
 16 transcribed, and that the foregoing is a true  
 17 and correct transcription of the testimony so  
 18 given by the above-referenced witness.

19 I do further certify that this  
 20 deposition was taken at the time and place in  
 21 the foregoing caption specified and was  
 22 completed without adjournment.  
 23  
 24  
 25

13 (Pages 49 to 52)

Page 53

I do further certify that I am not a relative, counsel or attorney for either party, or otherwise interested in the event of this action.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Cleveland, Ohio, on this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

Kelly A. Hill, Notary Public  
within and for the State of Ohio

My commission expires January 26th, 2011.

# DEPOSITION REVIEW ERRATA & CERTIFICATION OF WITNESS

RE: In the Matter of the Application of Ohio Edison Company, etc.  
DEPONENT: JOAN M. HEGINBOTHAM  
COURT REPORTER: Kelly A. Hill, Rennillo  
Deposition & Discovery

In accordance with the Rules of Civil Procedure, I have read the entire transcript of my testimony or it has been read to me.

I have listed my changes on the attached Errata Sheet, listing page and line numbers as well as the reason(s) for the change(s).

I request that these changes be entered as part of the record of my testimony. I have discussed the Errata Sheet, as well as this Certificate, and request and authorize that both be appended to the transcript of my testimony and be incorporated therein.

Date \_\_\_\_\_ Witness \_\_\_\_\_  
Sworn to and subscribed before me, a Notary Public in and for said State and County, the referenced witness did personally appear and acknowledge that:

1. They have read the transcript;
2. They have listed all of their corrections in the appended Errata Sheet;
3. They signed the foregoing sworn statement; and
4. Their Errata and execution of this Statement is of their free act and deed.

I have affixed my name and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Notary Public

My Commission Expires:

## DEPOSITION REVIEW CERTIFICATION OF WITNESS

RE: In the Matter of the Application of Ohio Edison Company, etc.  
DEPONENT: JOAN M. HEGINBOTHAM  
COURT REPORTER: Kelly A. Hill, Rennillo  
Deposition & Discovery

In accordance with the Rules of Civil Procedure, I have read the entire transcript of my testimony or it has been read to me.

I have made no changes to the testimony as transcribed by the court reporter.

Date \_\_\_\_\_ Witness \_\_\_\_\_  
Sworn to and subscribed before me, a Notary Public in and for said State and County, the referenced witness did personally appear and acknowledge that:

1. They have read the transcript;
2. They signed the foregoing sworn statement; and
3. Their execution of this Statement is of their free act and deed.

I have affixed my name and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Notary Public

My Commission Expires:



# RENNILLO

DEPOSITION & DISCOVERY

Kevin Corcoran  
Corcoran & Associates  
8501 Woodbridge Court  
North Ridgeville, OH 44039

Wednesday, January 19, 2011

Re: *In the Matter of the Application of Ohio Edison Company, All Electric*  
Deposition of: **Joan M. Heginbotham**  
Date: 01/19/2011

Dear Mr. Corcoran:

The witness represented by your office did not waive the right to read the transcript of the referenced deposition. A copy of the deposition is now available in our office for review, weekdays from 9:00 a.m. to 5:00 p.m. Our offices are located at 100 Erieview Tower, 1301 East 9th Street, Cleveland, Ohio 44114.

The witness will have the opportunity to list any corrections on an errata sheet. The witness must then sign and date the errata sheet and also sign the signature page in the presence of a notary.

In accordance with Rule 30(E) of the Ohio Rules of Civil Procedure, the witness shall have 30 days from submission to review and sign the deposition. If the deposition is taken within thirty days of a trial or hearing, the witness shall have 7 days from submission to review and sign the deposition. The witness must return the notarized affidavit, errata sheet and signature page to our office within the allotted time frame. In the event you have any questions, please do not hesitate to call.

Very truly yours,

Michael P. Holyk  
Detail Department  
216.523.1313

No. 32831

cc: Jeffrey W. Saks



DEPOSITION ERRATA SHEET

PAGE

LINE

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

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 APPROVAL  
OF A NEW RIDER AND REVISION OF AN  
EXISTING RIDER.

Case No. 10-176-EL-ATA

~~~~~

Deposition of  
ANTHONY YANKEL

January 20, 2011  
1:30 p.m.

Taken at:

The Office of Ohio Consumers' Counsel  
10 West Broad Street  
Columbus, Ohio

Kristin L. Wegryn, R.P.R., C.R.R.

Page 2

Page 4

## 1 APPEARANCES:

2 On behalf of Ohio Edison Company,  
3 Cleveland Electric Illuminating Company,  
4 and The Toledo Edison Company:

5 Jones Day, by  
6 DAVID A. KUTIK, ESQ. (Via phone)  
7 901 Lakeside Avenue  
8 North Point  
9 Cleveland, Ohio 44114  
10 (216) 586-3939  
11 Dakutik@jonesday.com  
12

13 On behalf of Industrial Energy Users,  
14 Ohio:

15 Attorney General's Office, by  
16 THOMAS LINDGREN, ESQ. (Via phone)  
17 180 East Broad Street, 6th Floor  
18 Columbus, Ohio 43215  
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20 Thomas.lindgren@puc.state.oh.us  
21  
22  
23  
24  
25

Page 3

Page 5

## 1 APPEARANCES: (Continued)

2 On behalf of Sue Steigerwald; Citizens  
3 For Keeping the All-Electric Promise  
4 (CKAP); Joan Heginbotham and Bob Schmitt  
5 Homes, Inc.:

6 Corcoran & Associates Co., LPA, by  
7 KEVIN CORCORAN, ESQ. (Via phone)  
8 8501 Woodbridge Court  
9 North Ridgeville, Ohio 44039  
10 (440) 316-4821  
11 Kevinocorcoran@yahoo.com  
12

13 On behalf of Ohio Consumers' Counsel:

14 JEFFREY L. SMALL, ESQ.  
15 10 West Broad Street, Suite 1800  
16 Columbus, Ohio 43215  
17 (614) 466-8574  
18 Small@occ.state.oh.us  
19  
20 ~~~~~  
21

## 22 ALSO PRESENT:

23 Beth Hixon  
24  
25 ~~~~~

## 1 TRANSCRIPT INDEX

2  
3 APPEARANCES..... 2  
4  
5 EXAMINATION OF ANTHONY YANKEL  
6 BY MR. KUTIK..... 5  
7  
8 REPORTER'S CERTIFICATE..... 100  
9  
10 EXHIBIT CUSTODY  
11 NO EXHIBITS MARKED  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
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25

1 ANTHONY YANKEL, of lawful age, called for  
2 examination, as provided by the Ohio Rules of  
3 Civil Procedure, being by me first duly sworn,  
4 as hereinafter certified, deposed and said as  
5 follows:

6 EXAMINATION OF ANTHONY YANKEL  
7 BY MR. KUTIK:

8 Q. Would you state your name.

9 A. Anthony Yankel. Y-a-n-k-e-l.

10 (Discussion off the record.)

11 Q. Mr. Yankel, you prepared testimony  
12 that has been filed on behalf of OCC in this  
13 case?

14 A. Yes.

15 Q. Have you previously testified in  
16 cases before the OCC – before the PUCCO  
17 involving FirstEnergy?

18 A. Yes.

19 Q. Can you tell me what other cases  
20 you testified in regarding FirstEnergy or one  
21 of the FirstEnergy companies?

22 A. I'm just having a difficult time  
23 coming up with something. I'd say probably  
24 starting in 1985, most of the rate cases going  
25 forward from that time. I've testified in rate

2 (Pages 2 to 5)

Page 6

1 cases meaning prior to the deregulation stuff.  
 2 I would say literally most -- not necessarily  
 3 working for the OCC, but sometimes for other  
 4 entities. I've worked on some of the -- what I  
 5 would consider more the deregulation cases, the  
 6 ESP cases and whatnot. More recently, in the  
 7 last year or so, I've worked on some complaint  
 8 cases. Specifically, I'm thinking of Elyria  
 9 Foundry. I've worked with the City of Garfield  
 10 Heights, and that's all I can think of at the  
 11 moment. That doesn't mean there aren't some  
 12 more.

13 Q. Okay.

14 A. Being from the area, I spent a lot  
 15 of time working on FirstEnergy cases.

16 Q. Okay. On page 10 of your  
 17 testimony, you refer to Case Number

18 89-1001-EO-AIR. Did you testify in that case?  
 19 A. Yes, I'm pretty sure I did. Yes, I  
 20 did.

21 Q. And are you familiar with a case  
 22 sometimes known as the RSP case, Case Number  
 23 032144?

24 A. I'm not familiar with the number.  
 25 That doesn't mean anything, but --

Page 7

1 Q. If I say the word or the term "RSP  
 2 case," do you know what I'm referring to?

3 A. I somewhat know what you're  
 4 referring to. I do not believe I testified in  
 5 that case.

6 Q. Do you know what the purpose of  
 7 that case was?

8 A. Not offhand, no.

9 Q. Do you know, have you ever heard of  
 10 a case called the RCP case?

11 A. Not offhand. You want to enlighten  
 12 me more, at least the case number, time frame?

13 Q. Well, RCP stands for Rate Certainty  
 14 Plan. Does that ring a bell?

15 A. Yes, I'm familiar with the term. I  
 16 don't recall testifying in any -- I know I've  
 17 put testimony in recently. When I say  
 18 recently, in the last year-and-a-half. I don't  
 19 recall exactly what those cases were.

20 Q. If I told you that the RCP case  
 21 were Case Number 05, would that refresh your  
 22 recollection as to whether you've testified in  
 23 that case?

24 A. My recollection would be that I did  
 25 not.

Page 8

1 Q. Okay. Do you know what the purpose  
 2 of the RCP case was?

3 A. No.

4 Q. Did you testify in the FirstEnergy  
 5 utility company's most recent distribution  
 6 case?

7 A. No.

8 Q. Did you review anything from that  
 9 case? That's Case Number 07551.

10 A. Not to my recollection.

11 Q. Did you testify in any of the  
 12 FirstEnergy utility company's ESP or MRO cases?

13 A. I believe I filed testimony. I  
 14 don't believe I testified.

15 Q. Do you know whether you testified  
 16 in any of those ESP or MRO cases?

17 A. Again, I believe I filed testimony.  
 18 I do not believe I testified. I think there  
 19 was a stipulation. Again, maybe I did, but I  
 20 recall more of a stipulation than anything  
 21 else. I do recall filing testimony as well.

22 Q. Do you recall the stipulation?

23 A. No.

24 Q. Do you know whether the OCC  
 25 participated in the stipulation?

Page 9

1 A. No.

2 Q. Do you know whether any of the  
 3 cases that I've just mentioned -- the 89, 1001,  
 4 the RSP, RCP, the most recent distribution case  
 5 or any of the ESP or MRO cases -- resulted in  
 6 stipulations or resulted in stipulations that  
 7 were ultimately approved by the commission?

8 A. I do not know about -- historically  
 9 meaning the 89, 1001 case that you mentioned?  
 10 I don't know if that was settled or the  
 11 Commission decided it.

12 The other cases, my understanding  
 13 is most of those were stipulated, but then  
 14 again, I could be wrong. There may have been  
 15 some objections by the OCC. I wasn't involved,  
 16 so I really don't know.

17 Q. So, generally, with respect to the  
 18 resolution of all those cases, your answer  
 19 would be, generally, you don't know?

20 A. That's correct.

21 Q. Now, would it be fair to say that  
 22 you hold yourself out as an expert in, among  
 23 other things, rate design?

24 A. Yes.

25 Q. And with respect to rate design

3 (Pages 6 to 9)

Page 10

Page 12

1 issues, would -- is it generally believed that  
2 lowering rates for higher usage levels  
3 encourages greater usage versus a declining  
4 block rate versus no declining block rate?

5 A. Okay. I believe -- again, you seem  
6 to qualify that on higher usage and whatnot. I  
7 think, in general, lowering a rate or declining  
8 a rate would tend to increase usage to some  
9 extent while increasing the rate in a  
10 particular block would tend to decrease it.

11 Q. Now, as we mentioned at the  
12 beginning of our deposition today, you have had  
13 testimony that you prepared and it was filed on  
14 behalf of the OCC, correct?

15 A. Yes.

16 Q. When were you retained by the OCC  
17 in this case?

18 A. I don't recall specifically. I  
19 guess July or August. I mean, it could be  
20 looked up. I just don't recall.

21 Q. So at some time in the second half  
22 of this year?

23 A. That would be my recollection, yes.

24 Q. And, generally, what were you asked  
25 to do?

1 calculations -- I'm looking at that five pages  
2 of tables. Was that the sum and substance of  
3 the calculations you made for this case?

4 A. Generally, those I had put together  
5 a while ago, so those essentially are my  
6 calculations that I try to keep current with  
7 the testimony as I wrote it. There were some  
8 calculations I think that I made, just not a  
9 calculator, as far as that goes.

10 Q. All right.

11 A. I think you see those also in my  
12 testimony like in footnotes and whatnot that  
13 are in there.

14 Q. So the sum and substance of your  
15 calculations would be these five pages plus any  
16 of the calculations that are shown, the results  
17 of which are shown in your tables of your  
18 testimony?

19 A. Yes.

20 Q. My understanding is you also  
21 reviewed the -- or parts of the record in some  
22 of the Ohio Edison CEI and Toledo Edison rate  
23 cases, correct?

24 A. Correct.

25 Q. Those are the cases that are cited

Page 11

Page 13

1 A. Basically, try to determine what  
2 rates should look like on a going-forward basis  
3 for All-Electric customers in the FirstEnergy  
4 companies.

5 Q. Would you say that your assignment  
6 was to determine a means to even things out  
7 among the companies' All-Electric customers and  
8 other customers?

9 A. No.

10 Q. Have you ever described your  
11 assignment in that way to anyone?

12 A. No.

13 Q. Now, your counsel provided to us  
14 the other day materials that you have reviewed  
15 and relied upon and generated in this case;  
16 you're aware of that, correct?

17 A. Yes.

18 Q. I assume in your response to our  
19 request, counsel asked you and you provided  
20 those materials, correct?

21 A. Yes, generally speaking. And when  
22 I say generally, some of the stuff I had  
23 pointed to and the OCC had gathered it as  
24 opposed to me gathering it, but yes.

25 Q. And with respect to let's say

1 in your testimony, correct?

2 A. Yes.

3 Q. Would it be fair to say that if  
4 it's not cited in your testimony, you have --  
5 you did not review any other case?

6 A. I would say that's fair. I mean, I  
7 just try to pick out some areas to look at and  
8 do. I didn't try to look at everything that  
9 was out there.

10 Q. Right.

11 But in terms of if you were -- if  
12 we were to make a list of the cases that you  
13 looked at, all we would have to do is go to  
14 your testimony and look for the cites of the  
15 cases and that would guide us as to what cases  
16 you looked at?

17 A. Yes.

18 Q. We wouldn't find any other cases  
19 that you would have looked at other than what's  
20 ever cited in your testimony, correct?

21 A. I may have looked at other things.  
22 You know, I look at a lot of stuff. Those are  
23 the only things I felt pertinent that I put in  
24 my testimony.

25 Q. So you can't recall if you looked

4 (Pages 10 to 13)

Page 14

Page 16

1 at any other cases other than the cases that  
2 are cited in your testimony?

3 A. That is correct.

4 Q. Did you look at any of the  
5 testimony that was filed in this case?

6 A. I've recently looked at  
7 Mr. Ridmann's testimony. I've actually read  
8 through it one time over about a period of  
9 three days.

10 Q. Okay.

11 A. So it was just kind of a very  
12 cursory review.

13 Q. Did you review any other testimony?  
14 And by that I mean did you review any testimony  
15 that was given in the public hearing portions  
16 of this case?

17 A. No.

18 Q. Have you reviewed any parts of the  
19 docket in this case other than say the staff  
20 report?

21 A. Possibly. And by that, again, I  
22 didn't rely upon anything so, therefore, I'm  
23 just trying to think. I probably looked at  
24 some of the stuff that was on DIS, but didn't  
25 find much that was of value to me --

1 distribution case?

2 Q. I was going to ask you whether you  
3 recognized those numbers as the most recent  
4 distribution case for the three FirstEnergy of  
5 Ohio utility companies.

6 A. Yeah. And no, I did not look at  
7 that case.

8 Q. Okay. And so you don't know  
9 whether there was a cost of service study that  
10 was provided in that case?

11 A. I do not know.

12 Q. Now, sir, I want to refer you to  
13 page 4 of your testimony.

14 A. Yes.

15 Q. And starting at line 8, after the  
16 comma and the footnote, you say, "And given the  
17 fact that the projected standard rates for  
18 residential customers is less than they  
19 generally were in early 2010, when the RGC was  
20 established" -- and then I'll stop there.

21 For that -- for that sentence or  
22 for that part of a sentence, you refer to the  
23 staff report; do you not?

24 A. For that part of the sentence, is  
25 that what you're asking? Yes, with the

Page 15

Page 17

1 Q. Okay.

2 A. -- as far as my assignment goes.  
3 I'm not saying there was nothing of value  
4 there; I'm just saying with respect to what I  
5 needed to do.

6 Q. Sir, in terms of the stuff you  
7 relied upon for your testimony, other than the  
8 staff report, there would not be anything else  
9 in the docket that you looked at or relied  
10 upon?

11 MR. SMALL: Objection. Asked and  
12 answered, but you can answer the question  
13 again.

14 A. I don't believe there was. I mean,  
15 if it's in my testimony and I looked at it and  
16 thought it was of value, I cited it in my  
17 testimony.

18 Q. Did you look at the cost of service  
19 study -- or let me back up.

20 Was there a cost of service study  
21 for the FirstEnergy utility companies in Case  
22 Number 07551?

23 A. I have no idea.

24 Q. Okay. And --

25 A. I'm not sure. Was that the

1 footnote.

2 Q. And particularly attachment 2,  
3 correct?

4 A. Yes. That's the footnote.

5 Q. Do you have the staff report with  
6 you today?

7 A. Yes, I do.

8 Q. Can you show me or describe to me  
9 where the information you relied upon is in  
10 attachment 2 to the staff report?

11 A. I guess I'm looking at the column  
12 Standard Residential Bill.

13 Q. Okay.

14 A. I'm in attachment 2. I don't know  
15 if I'm in -- I guess CEI is the first page. I  
16 was looking at that and I was comparing that  
17 generally with some other information that I  
18 had regarding what the rates were back in when  
19 they first went into effect, I believe.

20 Q. Okay. Has that information been  
21 provided to us, that other information that you  
22 just referred to?

23 A. I don't know if it has or not.

24 Actually, I'm not even sure if I looked at that  
25 information. The structure of the sentence was

5 (Pages 14 to 17)

Page 18

Page 20

1 such that before the RGC was put into effect.  
2 I'm just looking -- I'm just looking at it  
3 again. Give me a second, please.

4 Q. Sure.

5 A. I'm having a difficult time  
6 figuring out where the other piece of  
7 information is, that's all.

8 Q. Well, I guess that was -- you just  
9 put your finger on my difficulty, sir. I'm  
10 trying to understand what the basis of that  
11 clause in your sentence is, since I don't see  
12 it in the staff report, do you?

13 A. No, I don't see it in the staff  
14 report.

15 Q. And there's nothing else cited on  
16 that page other than the staff report, correct?

17 A. That's correct.

18 Q. And so would it be fair to say that  
19 you cannot currently give me the basis for that  
20 clause read in your testimony?

21 A. At the moment, no, I cannot.

22 Q. Now, you in your testimony use the  
23 phrase "All-Electric" or "All-Electric  
24 customer."

25 A. Yes.

1 A. No, I don't believe -- I believe we  
2 asked for those and they weren't provided.

3 Q. Okay. Well, we'll disagree. We'll  
4 agree to disagree on that issue.

5 Did you look at the load profiles  
6 for electric heating customers for any of the  
7 companies?

8 A. Same answer, at least my request  
9 for the data, because I'd asked for that, as I  
10 recall. We didn't get that, so -- so no, I did  
11 not.

12 Q. So your recollection is you didn't  
13 get it?

14 A. That's my recollection.

15 Q. Okay. And would your answer be the  
16 same for the load profiles of nonstandard,  
17 nonelectric heating customers?

18 A. Yes.

19 Q. For purposes of your testimony, did  
20 you have discussions with anyone outside of  
21 OCC?

22 A. Regarding?

23 MR. SMALL: Objection to the extent  
24 that you're referring to communications with  
25 the CKAP parties.

Page 19

Page 21

1 Q. Is that the same thing as a  
2 nonstandard residential customer?

3 A. I would say I used the terms  
4 interchangeably.

5 Q. Okay. So there can be nonstandard  
6 electric -- nonstandard, nonelectric heating  
7 customers that you would classify or term as  
8 All-Electric customers the way you've talked in  
9 your testimony, correct?

10 A. Correct. I tried to stick with the  
11 groupings at least that the Commission and the  
12 staff had done and just kind of lumped  
13 everybody together that's getting the RGC at  
14 the moment.

15 Q. So, basically, the way you define  
16 All-Electric is anybody who is currently  
17 getting the RGC?

18 A. Yes.

19 Q. Which would include customers that  
20 are not electric heating customers?

21 A. That is correct. That's my  
22 understanding anyhow.

23 Q. For the purposes of this case, did  
24 you review the load profiles of standard  
25 residential customer class?

1 Q. Well, I guess the first question is  
2 did you have communications?

3 MR. KUTIK: He can answer that  
4 question yes or no.

5 A. I had questions with my wife and my  
6 friends and different people.

7 Q. Okay.

8 A. Not necessarily professional  
9 conversations.

10 Q. Okay. And we're just talking about  
11 for purposes of putting your testimony  
12 together. Did you have discussions with  
13 individuals outside of OCC?

14 A. No.

15 Q. Did you provide a draft of your  
16 testimony to anyone outside of OCC?

17 MR. SMALL: Objection. That does  
18 go into the materials that the OCC claims to be  
19 privileged between the OCC and the CKAP  
20 parties, and the witness is instructed not to  
21 answer.

22 MR. KUTIK: Well, before you  
23 instruct him not to answer --

24 Q. Sir, do you know what the answer to  
25 that question is, other than "I don't know"?

6 (Pages 18 to 21)

Page 22

Page 24

1 In other words, can you answer that  
2 question with any answer other than "I don't  
3 know"?

4 MR. SMALL: Could we have the  
5 question read back? I'm not sure we know what  
6 the question is right now.

7 MR. KUTIK: The question is: "Did  
8 you share a draft of your testimony with anyone  
9 outside of OCC?"

10 Q. So the whole question now before  
11 the witness is: Can you answer other than "I  
12 don't know" to the question? Did you share  
13 your testimony with anyone outside of OCC?

14 MR. SMALL: Go ahead and answer.

15 A. No.

16 Q. So just to be clear, the answer to  
17 the question is you don't know?

18 A. No, that is not the answer. The  
19 answer is no, I did not.

20 Q. Okay. Did you ever have any  
21 conversations with an individual named Sue  
22 Steigerwald?

23 A. Yes.

24 Q. When did you have conversations  
25 with her?

1 was one. I just don't know, you know, whether  
2 it was a morning and afternoon or whether it  
3 was two separate meetings. I don't recall.

4 Q. Had your testimony been prepared by  
5 the time of your meeting?

6 A. No.

7 Q. Did you discuss the subject of your  
8 testimony at the meeting?

9 MR. SMALL: Objection. We have  
10 ventured into the substance of the  
11 communications between OCC and the CKAP parties  
12 and the witness is instructed not to respond.

13 Q. Mr. Yankel, do you recall what  
14 happened at the meeting or the meetings with  
15 Miss Steigerwald and Mr. Corcoran?

16 MR. SMALL: I'm going to object on  
17 the same grounds and instruct the witness not  
18 to reveal anything of the nature of  
19 communications that took place during such  
20 meetings.

21 MR. KUTIK: My question really is  
22 designed to elicit a yes or no answer with  
23 respect to whether he has a recollection or  
24 not.

25 MR. SMALL: You can respond to that

Page 23

Page 25

1 A. At one or two meetings at the OCC.

2 Q. Okay. When were those meetings?

3 A. I don't recall. I just guess  
4 November, December.

5 Q. Of this year?

6 A. No, of last year. 2010.

7 Q. I'm sorry.

8 How many meetings did you have with  
9 Miss Steigerwald?

10 A. I think two.

11 Q. Okay. And who else was at that  
12 meeting other than you and Miss Steigerwald?

13 A. Jeff Small, the attorney, attorney  
14 for CKAP, or I guess it's Bob Schmitt Homes. I  
15 guess during part of the time, maybe Jeanine  
16 Migden, Beth Hixon from the OCC. There was  
17 probably one or two other people from the OCC.

18 Q. Was there anyone else on behalf of  
19 CKAP other than Miss Steigerwald and  
20 Mr. Corcoran?

21 A. No.

22 Q. And you said there were two such  
23 meetings that you can recall?

24 A. That's my recollection. I don't  
25 think there was three. I know for sure there

1 as long as you don't communicate the substance  
2 of any communications.

3 A. I have a recollection of some of  
4 the things.

5 Q. So but for your attorney's  
6 instruction, you could provide answers to what  
7 happened during the meeting?

8 A. I could provide you my  
9 interpretation of some of the things that  
10 happened at the meeting.

11 Q. Okay. Did you speak at the  
12 meeting?

13 A. Yes.

14 Q. Did you provide a presentation at  
15 the meeting?

16 MR. SMALL: I'm going to object.  
17 This is way too close to investigating the  
18 communications between the parties and not  
19 focused on the witness's testimony, so I'm  
20 going to instruct the witness not to respond.

21 Q. Would it be fair to say that for  
22 purposes of this case, you did not review OCC's  
23 positions in the most recent FirstEnergy  
24 operating companies' or utility companies'  
25 distribution case, the RSP, the RSCP and the

7 (Pages 22 to 25)



Page 26

Page 28

1 ESP and MRO?

2 MR. SMALL: Objection to the extent  
3 that he already responded regarding those  
4 cases, but if there are other things that you  
5 can respond to, you may respond.

6 A. Just for clarification, I think you  
7 were correct in part and wrong in part. And  
8 I'm thinking of -- I've said before and I don't  
9 have the case number, but I was involved in  
10 some of the MRO or whatever case about a year  
11 or so ago.

12 Q. But my -- my question was for  
13 purposes of this case. Did you review the  
14 OCC's positions in those cases?

15 A. Well, I'm saying if I was a part of  
16 that case, it's a part of my history. That's  
17 all.

18 Q. Okay.

19 A. I didn't review it as far as going  
20 back and looking at it, no.

21 Q. Okay. Now, prior to 2009, did Ohio  
22 Edison have more than one heating rate for  
23 residential customers?

24 A. I don't recall. I think they may  
25 have had two -- I'm not sure -- one for

1 A. I mean, these are part of what  
2 we're discussing generally as those with the  
3 RGC.

4 Q. Going back to my question. There  
5 were heating rates -- there were heating rates  
6 other than rate 11 for Ohio Edison prior to  
7 2009, correct?

8 A. There were nonstandard rates I  
9 think might be a clear way of saying it, yes.

10 Q. But were there electric heating  
11 rates other than rate 11?

12 A. I guess I'm trying not to be picky  
13 here, but there's certainly electric heated  
14 apartments and an electric heating rate.

15 Q. So the answer to the question would  
16 be "yes"?

17 A. Yes.

18 Q. Were there other electric heating  
19 rates prior to 2009 for CEI than Res H?

20 A. Looking at whatever, HAY-3, page 2,  
21 yes.

22 Q. Okay. And for Toledo Edison, were  
23 there other electric heating rates other than  
24 for residential customers other than R-7?

25 A. Again, looking at Exhibit HAY-3,

Page 27

Page 29

1 All-Electric and one for Spade Heating, maybe  
2 one for heat pumps. I don't recall  
3 specifically how many, you know, separate  
4 schedules they had.

5 Q. So is it your belief that there  
6 were electric heating rate schedules other than  
7 rate 11 for Ohio Edison?

8 A. Let me do that again. Ohio Edison.  
9 Okay. You have rate 11. Load -- rate 17 was  
10 really not a heating rate. It was a load  
11 management rate. There was an apartment  
12 heating rate and there was I think an optional  
13 control heating rate or something or another.

14 Q. All right. Let me refer you to  
15 Exhibit AJY-3.

16 A. Okay.

17 Q. Does that help refresh your  
18 recollection as to whether there were other  
19 electric heating rates other than rate 11?

20 A. Again, it depends on what you're  
21 defining as heating rates. These are rates  
22 that were subject to change. I wouldn't  
23 necessarily call the load management rate a  
24 heating rate.

25 Q. Okay.

1 page 3, yes.

2 Q. Now, should page 3 of Exhibit AJY-3  
3 say Toledo Edison rather than CEI?

4 A. Since the R-0 series is Toledo  
5 Edison, yes.

6 Q. Do you know whether you have any  
7 other corrections or modifications to make to  
8 your testimony other than that one?

9 A. Not at this time.

10 Q. Now, for your work in this case,  
11 would it be fair to say that you did not  
12 determine the relative discounts received by  
13 nonstandard, nonelectric heating customers  
14 versus standard customers?

15 A. That was -- I'm sorry, but that was  
16 awfully complicated for an old guy. Could you  
17 break it down a little easier?

18 Q. Sure.

19 As part of your work in this case,  
20 would it be correct to say that you determined,  
21 on an historical basis, for at least two points  
22 in time for each company the relative discounts  
23 that electric heating customers enjoyed versus  
24 standard residential customers?

25 A. Yes. All-Electric heating

8 (Pages 26 to 29)

Page 30

Page 32

1 customers, yes.

2 Q. Well, I guess that's the question  
3 I'm really asking, because I'm not sure that  
4 you have done that for All-Electric customers,  
5 so let me use the phrase that I think is more  
6 precise, and that is: Did you determine the  
7 discount enjoyed by nonstandard, nonelectric  
8 heating customers versus standard residential  
9 customers?

10 A. I looked only at one rate schedule,  
11 which was what was called the All-Electric rate  
12 schedule. It's not saying all of the  
13 schedules, but that's the reference to the  
14 schedule. And the various schedule numbers are  
15 listed in each one of my analyses there.

16 Q. Okay. Well, would it be correct to  
17 say then that you did not determine the  
18 relative discount of nonstandard, nonelectric  
19 heating customers versus standard residential  
20 customers?

21 A. Just by way of clarification, for  
22 example, on a load management customer, I did  
23 not make such a determination.

24 Q. Okay. Or for a water heating  
25 customer?

1 Q. My understanding is you attempted  
2 to calculate the relative discounts of electric  
3 heating versus standard residential customers  
4 for a usage level of 3,500 kilowatts per month,  
5 3,500 kilowatts per month; is that correct?

6 A. That is correct.

7 Q. Did you look at the relative  
8 discount of any level of usage other than 3,500  
9 kilowatt hours per month?

10 A. Here and there I've got some data  
11 on that, but as far as this analysis goes, I  
12 just did 3,500. I did not really do a similar  
13 analysis for some other level.

14 Q. Okay.

15 A. I mean, for example, on Exhibit  
16 HAY -- I think it's 3. I mean, you'll see a  
17 whole bunch of things listed there, but no, I  
18 did not do this analysis for anything other  
19 than this level.

20 MR. KUTIK: Okay. Could we go off  
21 the record for a minute?

22 MR. SMALL: Sure.

23 (Brief recess.)

24 Q. Let's go back on the record.  
25 Do you have any data, sir, on how

Page 31

Page 33

1 A. I'm sorry. I didn't understand  
2 that.

3 Q. Well, are you --

4 A. It didn't come through well. I  
5 didn't understand the --

6 Q. I'm sorry. For a water heating  
7 customer.

8 A. Correct.

9 Q. And would it also be correct to say  
10 that you did not determine the percentage  
11 discount enjoyed by electric heating customers  
12 to standard residential customers for any other  
13 point in time other than what's shown in your  
14 testimony?

15 A. That is correct.

16 Q. Did you know whether prior to 1992  
17 the discount enjoyed by electric heating  
18 customers was greater or less than it was in  
19 1992?

20 A. No.

21 Q. For CEI in Toledo, do you know  
22 whether the discount enjoyed by electric  
23 heating customers was greater or less than it  
24 was in 1996?

25 A. No.

1 many electric heating customers have a winter  
2 usage of 3,500 kilowatt hours per month for  
3 usage in that range?

4 A. I had seen data and it was only for  
5 one month. I don't know what it is. I do  
6 recall seeing some data that was for one month.

7 Q. Do you have -- can you hazard a  
8 guess as to how many customers have usage of  
9 that level?

10 A. No.

11 Q. Do you know whether it's a majority  
12 of customers? Electric heating customers.

13 A. No, I would not.

14 Q. Are you aware of the average  
15 monthly usage for standard residential  
16 customers for any company?

17 A. No.

18 Q. Are you aware of the average  
19 monthly usage -- and we'll say average monthly  
20 winter period usage for electric heating  
21 customers for any of the companies?

22 A. No.

23 Q. Do you know what the percentage of  
24 the average electric heating customer's winter  
25 usage is that represents heating?

9 (Pages 30 to 33)

1 A. No.  
 2 Q. Sir, in your testimony -- and  
 3 particularly at page 7 -- you refer to a Case  
 4 Number 91-816-EL-ATA, and at least the one side  
 5 appears on line 5. Do you see that?  
 6 A. Yes.  
 7 Q. Can you tell me what happened in  
 8 that case?  
 9 A. No, I cannot. I believe I just  
 10 have a copy of a tariff sheet that said "due to  
 11 that rate case, rates were put into effect on  
 12 that date." I don't think I looked at the  
 13 order at all.  
 14 Q. Do you understand the conventions  
 15 at the Commission for establishing case  
 16 numbers?  
 17 A. Generally.  
 18 Q. And do you understand that a rate  
 19 case or an application to increase rates is  
 20 usually designated by the letters AIR?  
 21 A. Yes.  
 22 Q. Do you know what the letters ATA  
 23 stand for?  
 24 A. It's more an administrative  
 25 accounting-type order of some sort.

1 present?  
 2 A. General understanding, yes.  
 3 Q. Did the companies at anytime have  
 4 rate freezes in effect?  
 5 A. Yes.  
 6 Q. For each company, can you tell me  
 7 when those freezes were in effect?  
 8 A. No, I cannot.  
 9 Q. Okay. Were they in effect from --  
 10 or any time since 2000?  
 11 A. I believe so.  
 12 Q. Okay. For all companies?  
 13 A. That would be my belief.  
 14 Q. Do the companies have a  
 15 market-based rate currently?  
 16 MR. SMALL: Objection to the  
 17 vagueness. You can answer if you can. If you  
 18 can.  
 19 A. Their Generation rate is based upon  
 20 I guess a bid to go to market, so I guess I'd  
 21 call that market-based.  
 22 Q. So, at least as far as you know,  
 23 the Generation portion of the companies' rates  
 24 is currently market-based?  
 25 A. That's -- I would call it

1 Q. Would I be correct to understand  
 2 that you undertook at least -- for at least two  
 3 periods of time for each company to review the  
 4 company's historical rates?  
 5 A. I'm not sure. Two periods of time.  
 6 I looked at something I guess relatively  
 7 recent. I looked at '95 essentially for  
 8 Toledo, and CEI and looked at the earlier  
 9 period for Ohio Edison just because those are  
 10 the time frames that I found information.  
 11 Q. Okay. Well, I mean, did you  
 12 familiarize yourself with what was happening  
 13 with the companies' rates starting in say the  
 14 early to mid '90s up to the present?  
 15 A. I'm not following what you mean by  
 16 "familiarize myself."  
 17 Q. Get knowledge on.  
 18 A. I had general knowledge about these  
 19 companies. I'm not sure what you're referring  
 20 to. I did not do any specific detailed review  
 21 of what was going on say in 1993 or something.  
 22 Q. All right. I mean, would you say  
 23 that you have a general understanding of what  
 24 was happening with these three companies' rates  
 25 starting in we'll say the mid 1990s up to the

1 market-based, yes.  
 2 Q. And when did those rates first go  
 3 into effect? Strike that question. Let me ask  
 4 another question.  
 5 Given the definition of the  
 6 market-based rate that you seem to agree to,  
 7 when did the companies first have a  
 8 market-based Generation rate?  
 9 A. I don't recall. Seems like three  
 10 years ago, approximately.  
 11 Q. So sometime 2008 or after?  
 12 A. Something like that, or at least  
 13 the first bidding was around there. I'm not  
 14 sure when the rates went into effect.  
 15 Q. Okay. So, again, sometime in 2008  
 16 or 2007 or 2009?  
 17 A. In the late 2000s, yes.  
 18 Q. Okay. Do you know what percentage  
 19 of an average customer's total bill is  
 20 distribution now?  
 21 A. No.  
 22 Q. Do you know what percentage of an  
 23 average electric heating customer's total bill  
 24 is distribution now?  
 25 A. No.

Page 38

Page 40

1 Q. Do you have some general  
2 understanding of the rationale that the  
3 companies offered for -- initially for electric  
4 heating rates?

5 A. Yes. I believe it's laid out in my  
6 testimony with respect to Ohio Edison.

7 Q. Okay. And it's your belief that  
8 the electric heating rates, when first offered  
9 for the three companies, were cost-based rates,  
10 correct?

11 A. It was justified on the basis of  
12 cost by the company. And, also, I think as  
13 Mr. Moore said, it also helped as far as the  
14 competition goes, competing with natural gas.

15 Q. So could we call these rates at  
16 that time cost-based?

17 A. I would say they were cost-based,  
18 yes.

19 Q. Do you believe that All-Electric  
20 customers, as you use that term in your  
21 testimony, are the least expensive customers to  
22 serve?

23 MR. SMALL: Objection, vagueness  
24 regarding the comparison, but you can answer if  
25 you can.

Page 39

Page 41

1 A. That's really hard to say. I'm  
2 thinking, again, like of LTV Steel. How do you  
3 compare the two? If you take away distribution  
4 rates, if you take away, you know, different  
5 load patterns and whatnot, out of the  
6 residential class, narrowing it down, I would  
7 say that the All-Electric residential customers  
8 are probably cheaper to serve than the other  
9 residential customers.

10 Q. So you would -- your opinion would  
11 be that with respect to all residential  
12 customers, that the All-Electric customers  
13 would be less expensive to serve?

14 A. Yes. And that's based upon -- more  
15 on my knowledge than any data that the company  
16 has at this point in time. They don't have,  
17 you know, detailed data, but my general  
18 knowledge of what would be involved is they  
19 would be cheaper, yes.

20 Q. And you said just to your general  
21 knowledge. Can you be more specific?

22 A. I guess data that I've seen --  
23 understanding that I have rates that are  
24 oftentimes cheaper, rates meaning Generation  
25 costs are cheaper in the winter than they are

1 in the summer when more peaking units are  
2 involved. So we're talking about a time when  
3 overall Generation costs may be a little bit  
4 lower. The amount of Generation plan needed is  
5 lower as far as from an allocation standpoint.  
6 There are a lot of units to spread that over  
7 because a heating customer will be using energy  
8 day and night for heating purposes; where if  
9 you're looking at a comparable air conditioning  
10 customer -- not that they're exactly  
11 comparable -- but if you're looking at an air  
12 conditioning customer, chances are, he'll only  
13 be using the heat during the afternoon, evening  
14 time frame. So it's much more peaky compared  
15 to the residential space heating customer.  
16 That's it.

17 Q. Can I take it from your earlier  
18 answer that you have not done nor have you seen  
19 any study of the analysis or any analysis of  
20 any benefits to other customers of having  
21 electric heating customers on the system?

22 A. Well, I've seen the analysis which  
23 essentially is last cost of service study that  
24 the company filed for each of the companies;  
25 each of the three operating companies. And

1 that essentially shows that benefit. Each one  
2 of these different groupings, specifically what  
3 we're calling the All-Electric rate schedules,  
4 tend to be lower in cost, and that benefits all  
5 customers, residential as well as commercial  
6 and industrial.

7 Q. And could you give me the dates of  
8 those studies?

9 A. Well, they'd be I think in my  
10 Exhibit 1. No, Exhibit AJY-2. Those are the  
11 three studies.

12 Q. So for Ohio Edison it was 1989?

13 A. I just have a difficult time with  
14 this. It's really -- I'm not sure if it was  
15 1989. I think the study was actually -- yes, I  
16 guess it was '89. This was actually provided  
17 much later. I guess that's where I'm getting a  
18 little bit confused, is what I was trying to  
19 tell you. This was provided in a 99-12-12  
20 case.

21 Q. But it reflects costs in 1999?

22 A. Right.

23 Q. I'm sorry. It reflects costs of  
24 1989?

25 A. Yes.

11 (Pages 38 to 41)

Page 42

Page 44

1 Q. For CEI, the study reflects costs  
2 in 1995?

3 A. Yes.

4 Q. Toledo Edison, the study reflected  
5 costs in -- also in 1995?

6 A. Yes.

7 Q. Do nonresidential customers benefit  
8 from having electric heating customers?

9 A. Yes.

10 Q. How do they benefit?

11 A. The more energy that's used by any  
12 customer at an off-peak time during the winter  
13 months essentially lowers the overall cost,  
14 relatively speaking, to all customer classes on  
15 a cents per kilowatt basis.

16 Q. So that the revenues generated by  
17 residential customers would not -- excuse me,

18 So the revenues generated by  
19 electric heating customers would not be  
20 allocated to the residential class only?

21 A. I'm looking at page 1 of Exhibit  
22 AJY-2 and, as you can see from rate schedule  
23 11, the revenues all go to rate schedule 11  
24 from that class, but what that does is it -- on  
25 a relative basis, it brings down

1 put it.

2 Q. And other customers within the  
3 residential class as well?

4 A. Yes. I believe that may have even  
5 been some of the testimony of Mr. Moore that I  
6 quoted.

7 Q. And would you also say that the  
8 purpose for the -- or at least one of the  
9 stated benefits or justifications for these  
10 rates, these electric heating rates initially  
11 was that they would also provide a benefit to  
12 the company?

13 A. Yes, I guess I'd view a benefit to  
14 the company as a benefit to the rate payor as  
15 well, but yes, I see them all tied together.

16 Q. Did there come a time when electric  
17 heating rates were no longer cost-based?

18 A. We don't know that. And I don't  
19 believe that they would be that far off at this  
20 point in time anyhow. We don't have a new cost  
21 of service study in the last 20 years,  
22 essentially.

23 Q. All right. So you can't say  
24 whether the electric heating rates today are  
25 cost-based, correct?

Page 43

Page 45

1 proportionately the cost to the entire company.

2 MR. KUTIK: Could you read my  
3 question, please.

4 (Thereupon, the requested portion of  
5 the record was read by the Notary.)

6 Q. What is the answer to that  
7 question?

8 A. Okay. The revenues are only  
9 allocated for those customers to rate schedule  
10 11.

11 Q. And they're not allocated along  
12 with the rest of the residential customer class  
13 revenues to the residential class?

14 A. One could group all of the rate  
15 schedules for residential into one group called  
16 residential, but no, they were just given to  
17 the specific rate schedule. I'm trying not to  
18 talk in circles here.

19 Q. I appreciate that. Thank you.

20 So would one of the bases to  
21 justify electric heating rates at the time they  
22 were offered is that they -- electric heating  
23 customers in their load would put downward  
24 pressure on rates to other customer classes?

25 A. Yes. That would be a good way to

1 A. I can't say they're not cost-based.

2 Q. So you don't know whether they are  
3 or they aren't, correct?

4 A. Nobody knows exactly what their  
5 rate of return is.

6 Q. Well, do the companies currently  
7 own Generation?

8 A. FirstEnergy owns Generation, but I  
9 think FirstEnergy companies, the operating  
10 companies are buying from FirstEnergy solutions  
11 and some other people.

12 Q. Okay. So in terms of the companies  
13 that are in this case, they no longer own  
14 Generation, correct?

15 A. That is correct.

16 Q. And those companies, their  
17 Generation cost is based on what they pay  
18 others, including an affiliate, for that  
19 Generation, correct?

20 A. Correct.

21 Q. And do you know whether that cost  
22 is charged to the companies on a cents per  
23 kilowatt basis?

24 A. That's my understanding.

25 Q. That it is?

12 (Pages 42 to 45)

1 A. That it is.

2 Q. Would that -- would Generation  
3 costs, as far as the three companies are  
4 concerned, be considered, therefore, a variable  
5 cost?

6 A. It's charged on a variable basis,  
7 yes.

8 Q. Now, do you know how the rate that  
9 is paid for electric heating customers today  
10 compares to the cost that the companies pay for  
11 Generation?

12 A. Mr. Ridmann had an analysis of  
13 that. I've not done that.

14 Q. All right. So the only information  
15 you would have on that would be what  
16 Mr. Ridmann says?

17 A. That's correct.

18 Q. And you would have no reason to  
19 disagree with Mr. Ridmann's analysis in that  
20 regard?

21 A. I haven't read it in enough detail.  
22 I trust most of his calculations, so...

23 Q. So the answer would be "yes"?

24 A. Generally speaking. I just haven't  
25 really reviewed it in detail, but I've got no

1 tariff that stated 1992, so that's what I used.

2 You know, when I went back, I'm not sure when I  
3 got it or where I got it from, but it went back  
4 that far, so it was based upon that case in  
5 1992.

6 Q. Do you know whether there were  
7 tariffs available for Ohio Edison prior to  
8 1992?

9 A. I didn't really have any. I mean,  
10 it was just difficult to get old tariffs. I  
11 may not have gotten that. Actually, I probably  
12 got that tariff -- obviously, I got it very  
13 recently, but the time frame in which that  
14 tariff physically came from could have been  
15 five years later even. I'm not sure when it  
16 came, but it went back -- it dated back to  
17 1992, so that's what I used. It was just  
18 difficult to get stuff prior to that. There  
19 was nothing on the Commission's DIS and whatnot  
20 that went back very -- you know, as far as I'm  
21 concerned, that went back that far.

22 Q. Did you make any effort to obtain  
23 any tariffs that were in effect for Ohio Edison  
24 prior to 1992?

25 A. Not really.

1 reason to doubt his calculation. How does that  
2 sound?

3 Q. Let me refer you to page 11.

4 A. I'm there.

5 Q. And the sentence that begins on  
6 line 19 reads, "There are certain costs that  
7 are generally fixed for all residential  
8 customers such as metering, billing, and  
9 wires." Do you see that?

10 A. Yes.

11 Q. Would those costs be regarded as  
12 distribution costs?

13 A. Yes.

14 Q. And when you're talking in the next  
15 sentence that begins on line 21, you say "these  
16 costs," are you referring to the same costs  
17 you're referring to in the preceding sentence?

18 A. Yes.

19 Q. Now, in looking at the discount  
20 that electric heating customers of Ohio Edison  
21 enjoyed versus standard residential  
22 customers -- you looked at 1992, correct?

23 A. Yes. I started there, yes.

24 Q. Why did you start in 1992?

25 A. For the simple fact that I had a

1 Q. So would it be fair to say then  
2 that you picked 1992 because that was the  
3 earliest accessible tariff that you had?

4 A. Yes. It was actually around the  
5 same time as the '95 case that I had, the  
6 '95 -- 395299 case. And it just went back a  
7 lot further.

8 So, yes, it was what I had that was  
9 easily accessible; went back about ten, fifteen  
10 years, twenty years, and I thought that was as  
11 far back as I had to go.

12 Q. And would your answer be the same  
13 with regard to why you used the year 1996 for  
14 CEI and Toledo Edison, is that it was the  
15 earliest accessible tariff that you could find  
16 for those companies?

17 A. Yes. Actually, those I kind of  
18 remember a little bit more of. I physically  
19 have those at home.

20 So, I mean, that was the logical  
21 spot to look. I just can't recall on Ohio  
22 Edison where I got that tariff from. I assume  
23 I got it at home. I just don't know.

24 Q. Did you make any effort to obtain  
25 any tariffs for CEI or Toledo Edison that were

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| <p style="text-align: right;">Page 50</p> <p>1 in effect prior to 1996?</p> <p>2 A. No. Again, I thought that was far</p> <p>3 enough to go back to establish at least a</p> <p>4 pattern of some sort. And, again, data just</p> <p>5 isn't available, at least through the</p> <p>6 Commission, going backwards. At least, you</p> <p>7 know, I found it very difficult to get</p> <p>8 historical information.</p> <p>9 Q. Did you ask the OCC to go get any</p> <p>10 tariffs prior to 1996 for CEI or Toledo Edison?</p> <p>11 A. I don't recall.</p> <p>12 Q. Would your answer be the same for</p> <p>13 getting an Ohio Edison tariff prior to 1992?</p> <p>14 A. I don't recall. I don't recall</p> <p>15 asking them.</p> <p>16 Q. Let me refer you to page 21 of your</p> <p>17 testimony.</p> <p>18 A. I'm there.</p> <p>19 Q. And, specifically, let me have you</p> <p>20 look at the sentence that begins on line 16.</p> <p>21 A. Okay.</p> <p>22 Q. You say, essentially, the rate</p> <p>23 differential between the standard rate and the</p> <p>24 space heating rate was quite large because the</p> <p>25 relative difference in the cost of serving</p> | <p style="text-align: right;">Page 52</p> <p>1 A. Yes.</p> <p>2 Q. What was the purpose of that case?</p> <p>3 A. It was kind of a -- I guess I would</p> <p>4 call it the initial dereg case. You did a lot</p> <p>5 of I think trying to formulate what the rates</p> <p>6 were; trying to keep people's rates sort of the</p> <p>7 same under a new regime of -- of regulation.</p> <p>8 Q. So that was -- you think that was a</p> <p>9 case that involved the transition from</p> <p>10 regulated to deregulated?</p> <p>11 A. That was like the initial case.</p> <p>12 That would be my interpretation --</p> <p>13 Q. Okay.</p> <p>14 A. -- for FirstEnergy.</p> <p>15 Q. Now, you refer -- on page 22, line</p> <p>16 19, you refer to the last cost of service study</p> <p>17 or last cost of service study for CEI. Was</p> <p>18 that from case 99-1212-EL-ETP?</p> <p>19 A. Yes.</p> <p>20 Q. Is it fair to say that the basis of</p> <p>21 your proposal is that the Commission should</p> <p>22 maintain the historical relationship between</p> <p>23 electric heating rates and standard residential</p> <p>24 rates?</p> <p>25 A. Yes. And by relationship, I'm</p>                                                                                                                                                                    |
| <p style="text-align: right;">Page 51</p> <p>1 these customers is quite large. Do you see</p> <p>2 that?</p> <p>3 A. Yes.</p> <p>4 Q. Did you mean to use the present</p> <p>5 tense, sir, in the last -- I'm referring</p> <p>6 specifically to the last "is."</p> <p>7 A. I guess the past tense would</p> <p>8 probably be better. I guess I was looking at</p> <p>9 it in the present tense, looking at the stuff</p> <p>10 above that is, but past tense would work for me</p> <p>11 if it works better for you.</p> <p>12 Q. Well, that would be more accurate,</p> <p>13 would it not, since you don't know what the</p> <p>14 costs are currently, correct?</p> <p>15 A. If that's your interpretation,</p> <p>16 that's fine. I don't mind. "Was" is fine.</p> <p>17 MR. KUTIK: We've been going for a</p> <p>18 little over an hour. Why don't we take a</p> <p>19 five-minute break.</p> <p>20 THE WITNESS: Sounds good.</p> <p>21 (Brief recess.)</p> <p>22 Q. Let's go back on the record.</p> <p>23 Mr. Yankel, on page 21 of your</p> <p>24 testimony, in the footnote, you refer to Case</p> <p>25 Number 99-1212-EL-ETP; do you not?</p>                      | <p style="text-align: right;">Page 53</p> <p>1 referring to the relative percentage of the</p> <p>2 final bill, yes.</p> <p>3 Q. Why do you believe that's an</p> <p>4 appropriate basis for setting rates for</p> <p>5 electric heating customers going forward?</p> <p>6 A. Because there's generally been a</p> <p>7 relationship like that in existence for</p> <p>8 essentially decades when I look at Toledo and</p> <p>9 CEI and for a slightly shorter period of time</p> <p>10 with Ohio Edison. There's no reason to change</p> <p>11 the rate structure/relationship because costs</p> <p>12 and usage really haven't changed that much.</p> <p>13 Q. And what's the basis for that</p> <p>14 statement?</p> <p>15 A. Usage -- again, residential space</p> <p>16 heating usage usually occurs in the winter, and</p> <p>17 the colder it gets, you know, the more that's</p> <p>18 used by these people. Generation costs -- the</p> <p>19 company has a new scheme of purchasing, which</p> <p>20 is through essentially the market-based rate</p> <p>21 where they're going out and bidding it, but the</p> <p>22 cost of Generation is still the same. I mean,</p> <p>23 you still need a power plant; you still need</p> <p>24 more power plants, more expensive power plants</p> <p>25 in the summer than you do in the winter to be</p> |

14 (Pages 50 to 53)

Page 54

Page 56

1 operating. The fundamentals haven't changed.

2 Q. Well, is it one change that the  
3 electric distribution utilities no longer own  
4 Generation?

5 A. That doesn't change the fundamental  
6 cost. Yes, it does change who owns what, but  
7 it doesn't change the basic parameters of how  
8 electricity is generated.

9 Q. Well, does it change how the  
10 electric distribution utilities incur costs for  
11 Generation?

12 A. It may change the bills, but it  
13 does not change the fundamentals of how the  
14 costs are incurred. And those costs that are  
15 incurred by a supplier are passed on to the  
16 distribution companies.

17 Q. Well --

18 A. The same fundamental costs are  
19 there. They're passed on.

20 Q. Well, isn't it true that the  
21 Generation costs for the electric distribution  
22 utilities now are market-based, correct?

23 A. Market-based meaning that there are  
24 people competing to supply that load, yes, but  
25 just because it's market-based doesn't change

1 Q. Well, currently, aren't they based  
2 upon something other than cost of service?

3 A. They're based upon a number that  
4 the company is supplied, and that does not mean  
5 that they shouldn't be based upon cost of  
6 service. That doesn't mean that the Commission  
7 can't take the historical cost of service into  
8 account.

9 Q. Well, are you aware of how the  
10 companies' rates were set for the current  
11 Generation rates, currently-affected Generation  
12 rates?

13 A. No.

14 Q. So you don't know whether they have  
15 been based upon a competitive bidding process,  
16 those rates?

17 A. I assume that they were based upon  
18 a competitive bidding process. What I am  
19 suggesting is those rates, through what we're  
20 talking about today, need to be modified for  
21 the All-Electric customers.

22 Q. That's not my question.

23 My question is how Generation rates  
24 are set currently. Or the currently-affected  
25 rates, how they've been set. And isn't it true

Page 55

Page 57

1 the fundamentals of it takes either electricity  
2 or nuclear energy or whatever to generate  
3 electricity.

4 Q. Well, the rates are not set on a  
5 cost of service basis, are they, for the  
6 electric distribution utilities Generation  
7 rates?

8 A. The scheme of things as far as  
9 setting the rates is really up to the  
10 Commission, I think. At least that's how I  
11 would interpret it to set the rates. So it's  
12 up to the Commission to maintain those  
13 relationships.

14 I don't think we're communicating  
15 here very well.

16 MR. KUTIK: Kristin, could you read  
17 my question, please.

18 (Thereupon, the requested portion of  
19 the record was read by the Notary.)

20 Q. The answer to that question, sir?

21 THE WITNESS: One more time.

22 (Thereupon, the requested portion of  
23 the record was read by the Notary.)

24 A. They can be set upon whatever the  
25 Commission wants to set them upon.

1 that those rates were set through a competitive  
2 bidding process?

3 A. The current cost to the company was  
4 through a competitive bidding process. The  
5 rates being set for the customers have gone  
6 through the Commission and there's an RGC in  
7 place.

8 Q. All right. Well, the RGC, you  
9 understand, is a credit, correct?

10 A. Yes.

11 Q. All right. And there is also  
12 something called a rider gen. Are you familiar  
13 with that?

14 A. Yes.

15 Q. The rider gen is the cost of  
16 Generation, correct?

17 A. I believe that's how it's referred  
18 to, yes.

19 Q. That's the cost or the rate that's  
20 been set through the competitive bidding  
21 process, correct?

22 A. I don't know. I didn't look into  
23 that specifically.

24 Q. So you don't know?

25 A. That's right.

15 (Pages 54 to 57)



Page 58

Page 60

1 Q. Do you know whether -- well, do the  
2 electric distribution utilities have seasonal  
3 Generation rates today?

4 A. I believe they do.

5 Q. Do they pay seasonal Generation  
6 rates to their suppliers?

7 A. I do not know.

8 Q. Do you know whether suppliers have  
9 set their wholesale rates based upon an allowed  
10 rate of return by a regulatory commission?

11 A. I would assume not.

12 Q. Do you believe that there is a  
13 legal or regulatory requirement that electric  
14 heating customers should receive a discount  
15 from standard residential rates?

16 MR. SMALL: Objection to the extent  
17 that it calls for a legal conclusion. The  
18 witness can state his understanding.

19 A. From my perspective -- and, again,  
20 nonlegal -- I believe that there should be a  
21 discount for space heating customers off of a  
22 standard or, slash, average type of rate.

23 Q. I understand that's your  
24 recommendation. I'm asking you if there is a  
25 legal or regulatory requirement that there be

1 Q. Go ahead.

2 A. You want to repeat the question?

3 Q. Sure.

4 Do you believe that it is a  
5 requirement that the totality of the rates that  
6 are charged to electrically heating customers  
7 be cost of service based?

8 MR. SMALL: Same objection. Calls  
9 for a legal conclusion. You can state your  
10 understanding.

11 A. I guess in everything that I do, I  
12 try to look at cost of service and I recognize  
13 also that Commissions look at cost of service  
14 and they do not necessarily want 100 percent  
15 follow cost of service, but that there are cost  
16 of service considerations in rate-making, and  
17 if one group of customers is cheaper to serve  
18 than another group of customers, they're  
19 charged lower rates, and that's pretty typical.  
20 I consider that, from my perspective, a legal  
21 requirement. Obviously, I'm not an attorney,  
22 but I think it's a very strong requirement of  
23 utility rate-making.

24 Q. Okay. So you believe it is a  
25 requirement of utility rate-making that

Page 59

Page 61

1 such a discount.

2 MR. SMALL: Same objection.

3 A. And my understanding is that there  
4 always has been. And when I say always, you  
5 know, going back ten, twenty, thirty years.

6 Q. Well, that's not my -- that doesn't  
7 answer my question either, sir, with due  
8 respect.

9 Do you believe that there is a  
10 legal or regulatory requirement for a discount?

11 A. From my perspective, as a rate  
12 engineer, whatever you would like to call me, I  
13 believe that a discount is appropriate.

14 Q. That's not my question.

15 Can you cite to me any legal or  
16 regulatory requirement for a discount?

17 A. Cost of service considerations.

18 Q. Okay. So you believe there is a  
19 requirement that electrically-heated rates be  
20 based upon cost of service?

21 MR. SMALL: Objection. Asked and  
22 answered.

23 MR. KUTIK: No, don't coach him  
24 now. And you know that I haven't asked this  
25 question.

1 electric heating customers have rates that are  
2 cost of service-based; fair to say?

3 A. No. I said that customers that are  
4 cheaper to serve have lower rates.

5 Q. Okay. So you believe that it is a  
6 requirement that, in setting rates, customers  
7 that are cheaper to serve should have lower  
8 rates?

9 A. Yes.

10 Q. Is it your proposal, sir, that the  
11 discount that you are recommending or the range  
12 of discounts that you are recommending should  
13 go on indefinitely?

14 A. Yes, with the caveat that I have my  
15 testimony that it would vary in order to keep  
16 the relationship. So the discounts themselves  
17 may change, but the relationship would be  
18 relatively steady.

19 Q. Should the discounts or the range  
20 of discounts be permanent?

21 A. It's hard for me to recommend  
22 permanent meaning infinity, recognizing that  
23 things can change in ten, twenty, thirty, forty  
24 years. But yes, on a long-term basis, I think  
25 they should be considered permanent.

16 (Pages 58 to 61)

1 Q. Why is that?

2 A. Probably two reasons, one of which  
3 is very simply: Cost of service, like we've  
4 been talking about. There shouldn't be much  
5 change in the relative difference in serving  
6 those customers. If it can be demonstrated  
7 that there is a difference, then fine, I'm  
8 willing to go along with that change. And  
9 also, there are facilities, equipment, things  
10 that have been built around these rates,  
11 especially over the years, specifically  
12 subdivisions that don't have gas pipes in them  
13 because these rates have been in effect. The  
14 housing stock would need to be changed, so I do  
15 see the need for permanence.

16 Q. Would you advocate then that as  
17 long as it could be demonstrated that if  
18 serving electric heating customers costs the  
19 companies less, the discount should remain?

20 A. Yes.

21 Q. So would it be fair to say then  
22 that if it could be shown that serving electric  
23 heating customers does not cost less than  
24 serving residential customers, that there  
25 should be no discount?

1 stock, which isn't very easy. I don't know how  
2 to do that at the moment.

3 Q. All right. So if I can understand  
4 it, one of the reasons that you proposed a  
5 discount is because the cost to serve electric  
6 heating customers, you believe, is less than  
7 the cost to serve others residential customers,  
8 correct?

9 A. That's primarily what I've done in  
10 my testimony, yes.

11 Q. All right. And if it could be  
12 shown that the cost to serve electric heating  
13 customers is no more or no less than the cost  
14 to serve other residential customers, you would  
15 still -- you would not be in favor of  
16 eliminating the discount, correct?

17 A. Correct. That's another threshold  
18 that I really didn't address, but that is  
19 another threshold that would have to be  
20 addressed.

21 MR. KUTIK: Give me one minute,  
22 please.

23 (Brief recess.)

24 Q. Now, sir, am I correct that you did  
25 not attempt to determine what we might call an

1 MR. SMALL: Objection.  
2 Mischaracterizes the testimony. You can  
3 answer.

4 A. I believe that if it can be shown  
5 that it costs more to serve these customers,  
6 then it's basically a different problem. We  
7 need to start grandfathering or moving out of  
8 that. Certainly, you don't want to add new  
9 customers, but if the housing stock is such  
10 that you can't change readily -- and when I say  
11 readily, within five years or whatever -- and  
12 easily into some kind of different heating  
13 mode, I think these things need to be  
14 grandfathered until such time as things greatly  
15 change.

16 Q. All right. So if I can understand  
17 your testimony, if it could be shown that  
18 serving electric heating customers costs no  
19 more or no less than serving other residential  
20 customers, you would be favor -- you would be  
21 in favor of a discount that would be in some  
22 way grandfathered?

23 A. And possibly, you know, whatever,  
24 phased out, but phased out in such a manner  
25 that recognizes the ability to change housing

1 historical average for the discount that  
2 electric heating customers enjoyed versus  
3 standard residential customers? Correct?

4 A. You mean like Mr. Ridmann did? If  
5 that's what you mean, no, I did not. I mean, I  
6 looked at two points in time.

7 Q. Right, as opposed to taking an  
8 average over many points in time?

9 A. Correct.

10 Q. Do you know what the relationship  
11 of electric heating rates were to standard  
12 rates in -- for residential customers in 2008?

13 A. Are you referring to my Exhibit  
14 AJY-3? I'm not --

15 Q. I don't know. You tell me.

16 A. I'm not sure from the question, but  
17 I think that's why I'm kind of questioning.  
18 It's right there, unless you're looking at  
19 something different.

20 Q. I'm sorry. What's your -- what  
21 exhibit were you referring to?

22 A. 3. My number 3.

23 Q. Where on number 3 does it show what  
24 the relationship was in 2008?

25 A. Well, it's December 31st, 2008. It

1 has residential schedule, you know, and it has  
2 space heating, whatnot. I'm not sure. Is this  
3 what you're after or am I missing something?

4 Q. I don't know, sir. That's what I'm  
5 trying to understand.

6 Do you believe I guess from your  
7 testimony that this represents the relationship  
8 between residential electric heating customers'  
9 rates and standard residential customers'  
10 rates?

11 A. Yes.

12 Q. And were these numbers used as a  
13 basis for determining whether your 65 percent  
14 number would be appropriate?

15 A. No.

16 Q. Why not?

17 A. I just looked at the two points in  
18 time that I had in my testimony, that's all,  
19 and I just used those.

20 Q. Why would using the 2008  
21 relationship be inappropriate?

22 A. I stand corrected. I did use  
23 those. That was my second data point.

24 Q. Okay. Now, you proposed that the  
25 nonstandard, nonelectric heating customers also

1 customers?

2 A. That's correct. I didn't make that  
3 study.

4 Q. So we've had to say that the reason  
5 that you included those customers -- that is  
6 nonstandard, nonelectric heating customers --  
7 in receiving the discount is because they are  
8 currently receiving the discount?

9 A. That would be one. The other would  
10 be essentially that's how the commission staff  
11 was treating it. I was just trying to treat it  
12 consistently. I wasn't trying to do something  
13 greatly different.

14 Q. So other than the fact that those  
15 folks get the discount now and the staff -- and  
16 analyze them all together, you don't have a  
17 basis for giving these folks a discount so that  
18 their rates are 65 percent of standard  
19 residential customers'?

20 A. No, other than, again, the  
21 Commission lumped them together and the staff  
22 seemed to lump them together, so I just left  
23 them lumped together as a grouping. I have no  
24 basis for doing anything other than that.

25 Q. Earlier we talked about the fact

1 receive a discount so that their rates are 65  
2 percent of the standard residential customers'  
3 rates, correct?

4 A. Yes.

5 Q. Why should those customers get a  
6 discount of that magnitude?

7 A. I pretty much was keeping in line  
8 with the staff report and what the Commission  
9 seemed to order, and they just lumped everybody  
10 together, so that's what I did. I did not  
11 attempt to segregate out different rate  
12 schedules.

13 Q. Do you believe that the cost to  
14 serve nonstandard, nonelectric heating  
15 customers is the same as the cost to serve  
16 electric heating customers?

17 A. I did not make an analysis along  
18 those lines.

19 Q. Do you know whether it's the same  
20 or it's different?

21 A. Chances are, it's different for  
22 every schedule. How much different, I couldn't  
23 say, I mean, up or down.

24 Q. So you don't know whether it's more  
25 expensive or less expensive to serve those

1 that you calculated your historical  
2 relationships of electric heating customer  
3 rates to standard residential rates based upon  
4 a usage level of 3,500 kilowatt hours per  
5 month, correct?

6 A. Correct.

7 Q. And why did you select that number  
8 or that usage level?

9 A. There was no magic to it.  
10 Essentially, it was relatively high up without  
11 being extremely high up. I had seen or heard  
12 some reference to numbers in that vicinity  
13 where people seemed to be concerned about it.  
14 Just kind of chose it. There's not -- I could  
15 have used 4,000; I could have used 3,000. It's  
16 all about the same.

17 Q. Was it arbitrary on your part to  
18 pick 3,500?

19 A. It wasn't completely arbitrary, no.  
20 Again, it was something above 2,000 and it was  
21 certainly below 10,000. I thought 10,000 was  
22 at the very high end; I thought probably 2,000  
23 was probably at the low end.

24 Q. Was the 3,500 number suggested to  
25 you by anyone?

Page 70

Page 72

1 A. Not really. I mean, I heard the  
2 number, but, you know, I just kind of picked  
3 it.

4 Q. Okay.

5 A. It wasn't -- it wasn't like a  
6 forced number or anything, if that's what  
7 you're suggesting.

8 Q. Well, for example, if you used a  
9 lower usage number, would the percentages be  
10 different and lower?

11 A. Percentages would be.

12 Q. And we're talking percentage  
13 differences, right?

14 A. If I used the lower number, the  
15 percentages would be closer to that of the  
16 standard residential; is that clear?

17 Q. Right.

18 So that if you were going to look  
19 at a usage level below 3,500 kilowatt hours per  
20 month and use that as a basis for what the  
21 relationship should be to be going forward,  
22 then the discount would be less, correct?

23 A. That is correct. And if I had  
24 picked a higher number, it would have been a  
25 larger discount.

1 looking at averages, quote, typical or wherever  
2 you want to get to. You know, what's the  
3 concern?

4 In this particular case, with  
5 All-Electric space heating customers, there's a  
6 lot of base usage to begin with. It has  
7 nothing to do with space heating. So you just  
8 can't say "the average usage is" because you're  
9 including a lot of base usage. So, in that  
10 case, a strict average doesn't work.

11 Q. Well, that really doesn't answer my  
12 question.

13 My question is: Is it appropriate  
14 to use average usage levels when designing  
15 rates where you have a customer class that is  
16 relatively homogenous?

17 A. I think that's what I've done in  
18 this case for these customers. I think that  
19 the 3,500 level is a good, quote, typical level  
20 for measuring what's going on. I didn't look  
21 at it as, quote, the average usage of these  
22 customers at any one point in time.

23 Q. And your statement that you think  
24 that 3,500 kilowatt hours per month in a  
25 typical usage for electric heating customers or

Page 71

Page 73

1 Q. But you believe that it's  
2 appropriate to design rates for a particular  
3 customer class or group of customers based upon  
4 the average customers' usage?

5 A. Yes and no. It depends on how  
6 large your class is. Once you start defining  
7 your class more and more, you can hone in on  
8 let's say a better average.

9 If you were going to, for example,  
10 look at the commercial class and just say I'm  
11 going to take an average, that's a pretty  
12 nonhomogenous grouping. If you start getting  
13 it down to smaller usage customers only, you  
14 come up with something different than if you're  
15 looking at all of it. So we have to work off  
16 of averages when we're doing rate design. The  
17 question is how much you can make it  
18 homogenous, I guess.

19 Q. So it would be appropriate to use  
20 average -- the average customer, so to speak,  
21 in a customer class where you have a relatively  
22 homogenous class, correct?

23 A. Well, I guess I wasn't looking at  
24 average in that term, mathematical average of  
25 the average usage, you know, together. I'm

1 All-Electric customers is based on what?

2 A. I don't think I referred to them --  
3 maybe I did -- as typical customers. I just  
4 felt that that was a good target that seemed to  
5 work well.

6 If I look at Exhibit 3 again -- if  
7 you're there with me -- page 1, I am at the  
8 bottom half of the page and I'm at 3,500. And  
9 if I look at space heating, I see 57 percent;  
10 if you look at the percentages, as the usage  
11 goes up, it drops down not overly rapidly, but  
12 it continues to drop down.

13 If I start to go up, obviously, the  
14 percentages are going up. It just seemed like  
15 a good spot, sort of like right in the middle  
16 of what that percentage should be. So I'm  
17 calling that typical as opposed to a  
18 mathematical average.

19 Q. So you would believe or you would  
20 term 3,500 kilowatt hours a month as a typical  
21 usage level for the electric heating customer  
22 class?

23 A. I'm considering it a typical  
24 discount is what I'm looking at.

25 Q. That's not my question.

19 (Pages 70 to 73)

Page 74

Page 76

1 Would you consider 3,500 kilowatt  
2 hour per month a typical usage level for the  
3 electric heating class?

4 A. No. I never made that calculation.

5 Q. You propose a -- that the discount  
6 in the winter months start at 1,000 kilowatt  
7 hours, correct?

8 A. Yes.

9 Q. What's the basis of using or  
10 starting with that number?

11 A. Thought it was explained in my  
12 testimony, but basically, it seems like a level  
13 at which space heating could begin, as I've  
14 testified throughout in my testimony there.  
15 There were different levels where the lower  
16 rate went into effect for each of the operating  
17 companies, presumably reflecting at some point  
18 where space heating was believed to start. I  
19 just chose 1,000 as kind of an easy place to do  
20 it. I think I hear a lot of average base usage  
21 about 600 kilowatt hours a month. If we have  
22 electric water heating, we could have another 3  
23 to 400. So I just picked 1,000 as just a good  
24 place to start.

25 Q. Is it your understanding that 1,000

1 on top of that, you said, well, let's try to  
2 pick 1,000 because it's generally in that  
3 neighborhood and it's easy to administer?

4 A. Yes.

5 Q. And, as you said, the rate blocks  
6 of the other companies, they were all over the  
7 lot, correct?

8 A. On the RGC. Again, I'm not wedded  
9 to the 1,000 kWh. It could have been a  
10 different value and I would have ended up with  
11 a different credit based upon a different  
12 value. I just felt that that was a reasonable  
13 number.

14 Q. And you don't necessarily know that  
15 the 1,000 kWh represents base load for a  
16 typical electric heating customer, correct?

17 MR. SMALL: Objection. Asked and  
18 answered, but you can try it again.

19 A. I think it's a good approximation.  
20 Obviously, some people are going to be more,  
21 some are going to be less.

22 Q. Now, is it correct to understand  
23 that if -- the more a customer's usage is over  
24 the 1,000 kWh level, the larger that customer's  
25 discount will be?

Page 75

Page 77

1 kilowatt hours per month represents a base load  
2 usage for a typical electric heating customer?

3 A. I did not make that calculation.

4 Q. You don't know?

5 A. That's right.

6 Q. Is it correct to understand that  
7 the reason that you picked 1,000 was based upon  
8 the previous rate blocks and your own  
9 understanding that electric base load usage was  
10 650 plus another 350 or so for water heating?

11 A. No, it wasn't based -- well, in  
12 part, it was based upon looking at what existed  
13 in the past, but what existed in the past for  
14 all three companies is pretty much all over the  
15 lot. We had, you know, like over 2,000 -- over  
16 1,250. And then for CEI kWh, as far as the RGC  
17 goes, again, 1,000 just seemed like a good  
18 place to start. There's no rhyme or reason,  
19 obviously, for those other three numbers.  
20 They're all extremely different. I just tried  
21 to pick a number that I felt would work and  
22 would be easy to administer.

23 Q. Okay. So you generally referenced  
24 the rate blocks previously, had some notion of  
25 what you thought base usage might be, and then

1 A. No. The discount's the same on a  
2 per kilowatt hour basis. The total amount of  
3 discount would certainly increase, but on a per  
4 kilowatt hour basis, it would be the same.

5 Q. How about on a total bill basis?

6 A. On a total bill basis, it would go  
7 up in proportion to the usage over and above  
8 the 1,000.

9 Q. Okay. So the more a customer uses  
10 over 100 -- over 1,000 kWh, the bigger the  
11 discount would be on the total bill, correct?

12 A. As will be the bill, yes.

13 Q. Would you term your proposal as, in  
14 effect, a declining block rate?

15 A. Yes.

16 Q. Are you aware of whether the  
17 companies in this case are subject to a  
18 statutory mandate to meet reduction in usage  
19 benchmarks?

20 A. I don't know if they have that  
21 statutory requirement.

22 Q. Assuming that --

23 A. I know that there's been, you know,  
24 a push for energy conservation. I don't know  
25 if there's a really -- a requirement.

20 (Pages 74 to 77)

Page 78

Page 80

1 Q. Okay. So you don't know whether --  
2 if there is such a requirement, your proposal  
3 is consistent or inconsistent with that  
4 requirement, correct?

5 A. If I don't know what the  
6 requirement is, I can't answer that.

7 Q. Right. You don't know, correct?

8 A. Correct.

9 Q. Should electric heating customers  
10 get a discount for summer usage?

11 A. They've been. I did not propose  
12 it.

13 Q. Should they pay more?

14 A. I don't believe so.

15 Q. Why not?

16 A. If summer usage has its own set of  
17 problems -- and when I'm thinking of this, I'm  
18 thinking specifically of air conditioning load  
19 and peak load requirements during the summer.  
20 And if a space heating customer has an air  
21 conditioning load, he should be charged  
22 essentially the same as a residential standard  
23 customer that has an air conditioning load.

24 Q. Well, for at least one company,  
25 electric heating customers paid more in the

1 service in order to accomplish that.

2 Q. Okay. And do you believe that the  
3 companies' rates to electric heating customers  
4 today are promotional?

5 A. I'm sorry. You kind of faded out  
6 on that.

7 Q. Sure.

8 Do you believe that the rates that  
9 are paid by electric heating customers today  
10 are promotional?

11 A. Are you including the discounts  
12 that are presently in place?

13 Q. Yes.

14 A. I don't believe they're promotional  
15 as -- but I do believe they need to be changed.  
16 I believe the rates that are in place today,  
17 unlike what I would consider promotional rate  
18 which has the intention of increasing usage  
19 below cost of service, I don't believe that  
20 those rates were put into effect in that  
21 manner, so I don't consider them promotional.  
22 I do think that they need to be changed.

23 Q. But your testimony is that the  
24 rates today are not promotional?

25 A. That is correct.

Page 79

Page 81

1 summertime, didn't they?

2 A. I don't recall exactly. There was  
3 one that was very low, one that was about the  
4 same and, yeah, one that was a little bit  
5 higher, I think. So it varied from company to  
6 company. I am proposing that they all be the  
7 same and that there not be a discount during  
8 the summer.

9 Q. Now, all I asked you, sir, was, is  
10 it true that at least one company, electric  
11 heating customers paid more in the summer than  
12 standard residential customers, correct?

13 A. I believe that's the case.

14 Q. Now, you have in your testimony for  
15 each of the companies some discussion about  
16 whether the electric heating rates or the  
17 All-Electric rates were, quote, promotional,  
18 end quote, correct?

19 A. Yes.

20 Q. And could you define what you  
21 meant, what you mean by promotional?

22 A. I think what I defined in my  
23 testimony was for economic development  
24 purposes, for purposes such as not losing load  
25 and rates that were essentially below cost of

1 Q. And they're not promotional because  
2 they're not below cost of service, in your  
3 view, correct?

4 A. I did not say that. I said that  
5 they were put into effect with the discounts  
6 for a very specific purpose. That purpose was  
7 not in order to increase usage, economic  
8 development and/or whatever. It was for a  
9 specific purpose for a relatively short period  
10 of time in order to get things worked out,  
11 so...

12 Q. Let's go back to your definition of  
13 what promotional is. To be promotional, does  
14 it have to be below cost of service?

15 A. Yes.

16 Q. Does it also have to be for the  
17 purpose of promoting load or increasing load?

18 A. Yes.

19 Q. Does it have to be for any other  
20 reason?

21 A. Those are the only two reasons I  
22 gave, and I think those are about the only two  
23 I can think of.

24 Q. And for a rate to be promotional,  
25 does it have to be both of those things or just

21 (Pages 78 to 81)

Page 82

Page 84

1 one of those things?

2 A. Has to be both.

3 Q. So the rates today may be -- may be  
4 above or below cost of service, but they're not  
5 in place to increase or promote load, correct?

6 A. That is my testimony.

7 Q. And that's why you don't believe  
8 that they're promotional?

9 A. That is correct.

10 Q. Now, are you aware of the  
11 companies' current electric security plan?

12 MR. SMALL: Objection, vagueness,  
13 but you can answer if you can.

14 Q. Do you have some general  
15 familiarity of the companies'  
16 currently-effective ESP?

17 A. Very little.

18 Q. Do you know whether there is any  
19 end to the ESP?

20 A. My understanding is there would be.

21 Q. Do you know approximately when that  
22 end is?

23 A. No.

24 Q. If at the end of the current ESP,  
25 as a result of either the next ESP or an MRO,

1 necessarily call -- call for a revision of the  
2 discount?

3 A. That is correct.

4 Q. And would it be correct to say,  
5 because it's a matter of math, that the  
6 Generation went up -- the discount that you  
7 would recommend that would be enjoyed by  
8 electric heating customers would go up in terms  
9 of cents per kilowatt hour?

10 A. If the overall costs went up and  
11 effectively the discount went down between  
12 residential and All-Electric, once it hit the  
13 60 percent level, then yes, I would recommend  
14 that on a cents per kilowatt hour basis, the  
15 discount be increased.

16 Q. Because if you're going to maintain  
17 a 65 percent discount over a larger standard  
18 rate, a discount will be bigger on a cents per  
19 kilowatt hour basis, correct?

20 A. Didn't follow the math. You want  
21 to do it again?

22 Q. Sure.

23 If the standard residential rate  
24 goes up and you want to maintain a 65 percent  
25 discount, the credit that the customers will

Page 83

Page 85

1 the Generation price went down and, therefore,  
2 the Generation rates to customers went down,  
3 what would be your recommendation as to what  
4 would happen to the discount enjoyed by  
5 All-Electric customers, as you use that term?

6 A. I would try to maintain the  
7 discount at 65 percent, as I said in my  
8 testimony. The -- if we got outside of that  
9 band, then there would be an adjustment to that  
10 so that we would stay -- certainly go back to  
11 the 65 percent number.

12 Q. So that every time there would be a  
13 new Generation rate, there would be potentially  
14 an adjustment to the discount?

15 A. You're saying potential for an  
16 adjustment. It does not mean that there would  
17 be an adjustment. It depends on the magnitude  
18 of the change. It may take changes over  
19 several years, several cycles before that would  
20 ever happen. I proposed a band of plus or  
21 minus five percent, so I consider that a  
22 relatively large band.

23 Q. So that if the Generation price  
24 changed and the resulting discount rose from 65  
25 percent to 68 percent, you would not

1 have to get on a cents per kilowatt hour basis  
2 will have to go up, correct?

3 A. With the -- yes, correct, with the  
4 caveat that the All-Electric rate is going up  
5 as well. So, relatively speaking, between the  
6 two, it's not just the standard rate going up.

7 Q. But, again, the credit will be  
8 larger, correct?

9 A. The credit will be larger if the  
10 difference between the standard rate and the  
11 All-Electric rate increases up to 70 percent  
12 and/or above, yes, then there would be an  
13 adjustment and that credit would increase.

14 Q. Now, as a result of instituting the  
15 discount that you're proposing, the companies  
16 would be accruing deferrals, correct?

17 A. Under my proposal, presumably, they  
18 would start collecting money at the same time  
19 from other customers.

20 Q. All right. And the money they  
21 would be collecting would be what you might  
22 call the delta revenue, or basically to make up  
23 in the credit? I'll back --

24 A. I don't want to call it delta  
25 revenue because it's got bad connotations. But

22 (Pages 82 to 85)

Page 86

Page 88

1 basically --

2 Q. Let me ask you another question.

3 A. Okay.

4 Q. The credit, you're proposing that  
5 that be paid for by other customers, correct?

6 A. Correct.

7 Q. And which other customers should  
8 pay for that credit?

9 A. Essentially, all customers not  
10 receiving the credit.

11 Q. So that -- so that would mean that  
12 nonstandard, nonelectric heating customers  
13 would not pay for the credit because they would  
14 be receiving it, correct?

15 A. That is correct, assuming that they  
16 are receiving it.

17 Q. All right. Well, let me back up.  
18 Your proposal is that nonstandard,  
19 nonelectric heating customers receive a credit,  
20 correct?

21 A. As defined by the Commission. I  
22 guess my thought would be there's the  
23 All-Electric -- excuse me -- the water heating  
24 customers. I'm just trying to make a  
25 difference there.

1 customers. I don't see it as a bypassable --  
2 because the -- it would be included in all  
3 customers' rates as far as the discount goes,  
4 so, therefore, it would have to be  
5 nonbypassable.

6 Q. So it's kind of a circular  
7 definition. It should be not bypassable  
8 because it should be in everybody's rates; is  
9 that your testimony?

10 A. I don't think so.

11 Q. All right. Well, I'm asking you --  
12 tell me the policy reason why the credit  
13 recovery charge should be nonbypassable.

14 A. I can't seem to articulate. I  
15 certainly don't believe that it should be  
16 bypassable.

17 Q. Okay. So it would be fair to say  
18 that although you think it should be  
19 nonbypassable, you can't articulate a reason  
20 for that?

21 A. I guess it's so obvious to me that  
22 I -- I'm having a difficult time justifying it.

23 Q. The answer to my question is yes,  
24 you can articulate it?

25 A. Yes, I can articulate it.

Page 87

Page 89

1 If they're receiving the credit,  
2 they don't pay for it. And if they're not  
3 receiving the credit, then they do pay for it.

4 Q. All right. And so I guess I'm  
5 trying to understand. In terms of the  
6 customers that were receiving the credit, that  
7 would include all nonstandard, nonelectric  
8 heating customers, correct?

9 A. As defined by the Commission, yes.

10 Q. And customers in other classes  
11 other than residential, the residential class,  
12 they would pay for the credit as well, correct?

13 A. Correct.

14 Q. The only exception of who should  
15 not pay for the credit would be those customers  
16 receiving it, correct?

17 A. Correct.

18 Q. And would the -- what we'll call  
19 the credit recovery charge, would that be  
20 nonbypassable?

21 A. Yes.

22 Q. Why is that?

23 A. It's a cost that the company would  
24 be incurring I guess by Commission order, and,  
25 therefore, it needs to be picked up by all

1 Q. Am I to understand that the credit  
2 recovery charge would be assessed in  
3 customers' -- on customers' bill on a  
4 year-around basis?

5 A. I would do that, yes. I did not  
6 actually put that in my testimony, I don't  
7 think, but that would be really my  
8 recommendation.

9 Q. And would it be your recommendation  
10 that electric heating customers should pay for  
11 that charge during the summer?

12 A. I had not thought of that.

13 Q. So do you have an opinion as to  
14 whether they should?

15 A. At this point in time, I don't.  
16 That's something that I just hadn't thought of.

17 Q. Now, there are two -- before this  
18 case, are you aware that electric heating  
19 customers or, as you call them, All-Electric  
20 customers were enjoying two credits from  
21 standard residential customers? Are you aware  
22 of that?

23 A. Yes.

24 Q. And one was a credit under rider  
25 RDC and the other was a credit under rider EDR,

23 (Pages 86 to 89)



Page 90

Page 92

1 correct?

2 A. Correct.

3 Q. Do you know who pays for the credit  
4 for rider RDC?

5 A. I believe it is just the -- what I  
6 would consider commercial customers.

7 Q. And who pays for the credit under  
8 rider EDR?

9 A. And, again, I don't know, but I  
10 believe it's just a commercial customer.

11 Q. So it's just a commercial class  
12 that pays for both of those?

13 A. That's my recollection. I didn't  
14 look into those two that much.

15 Q. So, based upon your current  
16 understanding of who pays for the credits,  
17 would it be your testimony then that commercial  
18 customers should pay for the credits under  
19 rider RDC, rider EDR, and partially under rider  
20 RGC?

21 A. My testimony would be that with  
22 respect to RDC and EDR, that those would  
23 continue. Again, I did not look into those;  
24 and that the RGC would be collected from all  
25 customers not receiving the credit.

Page 91

1 Q. Okay. So the answer to my question  
2 is "yes"?

3 A. Again, I'm not positive of who's  
4 paying for the first two, so my answer is that  
5 that would continue in place and that the RGC  
6 would be based upon a collection from all but  
7 those receiving the credit.

8 Q. Now, I thought you said that,  
9 although you're not certain, your best belief  
10 is that you believe that commercial customers  
11 and only the commercial customers pay for  
12 rider -- the credit under rider RDC and the  
13 credit under rider EDR, correct?

14 A. That's my belief. But, again, I  
15 guess what I'm saying in the answer to your  
16 second question is that no matter who is paying  
17 for that at this point in time, whether I'm --  
18 my belief is correct or not, that should  
19 continue as it is, and I am proposing something  
20 presumably different for the RGC, which is for  
21 all customers that are not receiving the  
22 credit.

23 Q. All right. Well -- and I want to  
24 focus on what your current understanding is,  
25 and your current understanding is that the

1 commercial class and only the commercial class  
2 pays for rider -- the credit under riders RGC  
3 and EDR, RDC and EDR, correct?

4 A. That's my belief at this point in  
5 time. Again, I did not look into that, so I  
6 really have no foundation.

7 Q. And just taking back belief,  
8 whether it's right or wrong -- but let's assume  
9 it is -- the way your proposal would work is  
10 that those customers would continue to pay the  
11 credit under rider's RDC and EDR and also  
12 partially pay for the credit under rider RGC,  
13 correct?

14 A. Assuming my assumption is correct,  
15 that's correct, yes.

16 Q. Right.

17 Now, are you aware that the  
18 companies have been accruing deferrals with  
19 respect to the credits that are currently being  
20 provided under rider RGC?

21 A. Yes.

22 Q. Do you have any proposal for  
23 whether those deferrals should be recovered?

24 A. No.

25 Q. Okay. So you have no opinion on

Page 93

1 that?

2 A. Correct.

3 Q. And so since you have no opinion on  
4 that, is it correct to assume that you have no  
5 opinion as to whether any recovery should  
6 include carrying costs on those deferrals?

7 A. Correct, I have no opinion.

8 Q. Have you calculated the percent  
9 increase to customers in 2011 and 2012 under  
10 your proposal?

11 A. No.

12 Q. Have you calculated in any way the  
13 cost of your proposal?

14 A. No.

15 Q. Now, you said to me that you did, I  
16 think, briefly or in parts or over three days  
17 review Mr. Ridmann's testimony, correct?

18 A. Correct.

19 Q. Is there anything that you can  
20 point to in Mr. Ridmann's testimony today that  
21 you disagree with?

22 A. There were certainly things I  
23 disagreed with. It's a little difficult to  
24 point out all of them. One in particular I can  
25 think of is his suggestion that the company is

24 (Pages 90 to 93)

Page 94

Page 96

1 paying for Generation on a cents per kilowatt  
2 per hour basis and, therefore, that's how it  
3 should be billed to the customers. I disagree  
4 with that.

5 I mean, I fully agree that that's  
6 how the company may be being billed; that does  
7 not mean that that is how the costs are  
8 actually incurred. It's just how the company  
9 is being charged.

10 Q. Well --

11 A. There may be a few other places  
12 that I can think of. I know there were a few  
13 other places.

14 Q. Nothing comes to mind at this  
15 point?

16 A. Nothing comes to mind at this  
17 point. Again, I just read it kind of briefly.  
18 That is one thing that does stick out in my  
19 mind.

20 Q. So you don't disagree that the  
21 companies charged on a cents per kilowatt hour  
22 basis, correct?

23 A. I don't disagree with that, no.

24 Q. And you don't disagree that what  
25 they pay to their suppliers is the EDU's

1 A. Yes.

2 Q. Why is that?

3 A. Again, it gets back to the housing  
4 stock issue, if nothing else. If -- I don't  
5 own an All-Electric home, but if I owned an  
6 All-Electric home and I tried to sell my home  
7 and -- you know, let's say my home is worth  
8 \$200,000. If I told people that they had to go  
9 out and put in a gas furnace, oh, by the way,  
10 there's no gas available, I think the value of  
11 my house would greatly diminish because of  
12 that, so. . .

13 Q. Why would you have to tell somebody  
14 that you'd have to go out and get a gas  
15 furnace?

16 A. Well, or they could -- that's true.  
17 They could continue to pay rates that are  
18 extremely high, much higher than what I've been  
19 paying, and they would discount my house  
20 appropriately either way.

21 Q. Well, for example, sir, have you  
22 made any comparison of total energy costs for  
23 gas heated homes versus electric heated homes?

24 A. No, I have not.

25 Q. So you don't know whether electric

Page 95

Page 97

1 Generation cost, correct?

2 A. Correct.

3 What I disagree with is the  
4 fundamental principle of how those costs are  
5 incurred in the first place, and those costs  
6 are incurred to meet the entire load. They're  
7 not incurred in the absence of knowing the  
8 companies' load profile. And meeting that  
9 curve usage levels -- higher usage levels say  
10 at off-peak times and lower usage levels during  
11 peak hours, so that is how the companies  
12 billed. That's not necessarily how the costs  
13 are calculated to be charged to the companies  
14 as far as the bidding process goes.

15 Q. Well, the costs that you're talking  
16 about, the different costs for the different  
17 time of year, those are the costs incurred by  
18 the suppliers, correct?

19 A. Yes.

20 Q. Would new customers who moved into  
21 All-Electric homes be entitled to the discount?

22 A. That's not really part of my  
23 testimony.

24 Q. Well, is it your recommendation  
25 that that happened?

1 heated homes, the energy costs are higher or  
2 lower than gas heated homes, correct?

3 A. That is correct.

4 Q. And you don't know how those  
5 figures would compare if there were no discount  
6 for All-Electric customers, correct?

7 A. That is correct.

8 Q. We talked earlier about the credit  
9 recovery charge. Would it be your  
10 recommendation that that charge be uniform  
11 across the three FirstEnergy Ohio utilities?

12 A. No. I think it should be within  
13 each utility.

14 Q. So the cost of the credit should be  
15 calculated on a company-by-company basis and  
16 then allocated to the appropriate customers of  
17 each company?

18 A. Yes.

19 Q. The discount that you are  
20 proposing, just so that we're clear, is that 65  
21 percent plus or minus five percent of the total  
22 bill?

23 A. Yes.

24 Q. So that would include basically  
25 charging electric heating customers two-thirds

25 (Pages 94 to 97)

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p style="text-align: right;">Page 98</p> <p>1 of any rider?</p> <p>2 A. Yes.</p> <p>3 MR. KUTIK: Let's take break. I</p> <p>4 want to look at my notes, so why don't we</p> <p>5 reconvene in about ten minutes.</p> <p>6 (Brief recess.)</p> <p>7 MR. KUTIK: Let's go back on the</p> <p>8 record.</p> <p>9 Mr. Yankel, I have no further</p> <p>10 questions at this time. As you know, as part</p> <p>11 of the deposition process, you have the right</p> <p>12 to read the transcript or you can waive that</p> <p>13 right, but you need to indicate on the record</p> <p>14 now whether you wish to read the transcript or</p> <p>15 waive that right.</p> <p>16 MR. SMALL: Mr. Yankel will read</p> <p>17 it.</p> <p>18 MR. KUTIK: All right. Thank you</p> <p>19 very much. We're off the record.</p> <p>20 (The deposition was concluded.)</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> | <p style="text-align: right;">Page 100</p> <p>1 REPORTER'S CERTIFICATE</p> <p>2 The State of Ohio, )</p> <p>3 SS:</p> <p>4 County of Cuyahoga. )</p> <p>5</p> <p>6 I, Kristin L. Wegryn, a Notary</p> <p>7 Public within and for the State of Ohio, duly</p> <p>8 commissioned and qualified, do hereby certify</p> <p>9 that the within named witness, ANTHONY YANKEL,</p> <p>10 was by me first duly sworn to testify the</p> <p>11 truth, the whole truth and nothing but the</p> <p>12 truth in the cause aforesaid; that the</p> <p>13 testimony then given by the above-referenced</p> <p>14 witness was by me reduced to stenotypy in the</p> <p>15 presence of said witness; afterwards</p> <p>16 transcribed, and that the foregoing is a true</p> <p>17 and correct transcription of the testimony so</p> <p>18 given by the above-referenced witness.</p> <p>19 I do further certify that this</p> <p>20 deposition was taken at the time and place in</p> <p>21 the foregoing caption specified and was</p> <p>22 completed without adjournment.</p> <p>23</p> <p>24</p> <p>25</p> |
| <p style="text-align: right;">Page 99</p> <p>1 Whereupon, counsel was requested to give</p> <p>2 instruction regarding the witness's review of</p> <p>3 the transcript pursuant to the Civil Rules.</p> <p>4</p> <p>5 SIGNATURE:</p> <p>6 It was agreed by and between counsel and the</p> <p>7 parties that the Deponent will read and sign</p> <p>8 the transcript of said deposition.</p> <p>9</p> <p>10 TRANSCRIPT DELIVERY:</p> <p>11 Counsel was requested to give instruction</p> <p>12 regarding delivery date of transcript.</p> <p>13 All orders due by January 21, 2011.</p> <p>14 Original - Mr. Kutik</p> <p>15 Copy - Mr. Small</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>                                                                                                                                                       | <p style="text-align: right;">Page 101</p> <p>1 I do further certify that I am not</p> <p>2 a relative, counsel or attorney for either</p> <p>3 party, or otherwise interested in the event of</p> <p>4 this action.</p> <p>5 IN WITNESS WHEREOF, I have hereunto</p> <p>6 set my hand and affixed my seal of office at</p> <p>7 Cleveland, Ohio, on this _____ day of</p> <p>8 _____, 2011.</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14 Kristin L. Wegryn, Notary Public</p> <p>15 within and for the State of Ohio</p> <p>16</p> <p>17 My commission expires July 23, 2013.</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>                                                                                                                                                                                                                                                                                                                                                                                                               |

DEPOSITION REVIEW  
CERTIFICATION OF WITNESS

RE: IN THE MATTER OF THE APPLICATION OF OHIO  
EDISON COMPANY, ET AL.  
DEPONENT: ANTHONY YANKEL  
COURT REPORTER: KRISTIN L. WEGRYN, Rennillo  
Deposition & Discovery

In accordance with the Rules of Civil  
Procedure, I have read the entire transcript of  
my testimony or it has been read to me.

I have made no changes to the testimony  
as transcribed by the court reporter.

Date ANTHONY YANKEL  
Sworn to and subscribed before me, a  
Notary Public in and for said State and County,  
the referenced witness did personally appear  
acknowledge that:

1. They have read the transcript;
2. They signed the foregoing sworn  
statement; and
3. Their execution of this Statement is  
of their free act and deed.

I have affixed my name and official seal  
this day of , 20 .

Notary Public

My Commission Expires:

Rennillo Deposition & Discovery  
www.rennillo.com  
216.523.1313 Cleveland 888.391.3376 (Depo)

DEPOSITION REVIEW  
ERRATA & CERTIFICATION OF WITNESS

RE: IN THE MATTER OF THE APPLICATION OF OHIO  
EDISON COMPANY, ET AL.  
DEPONENT: ANTHONY YANKEL  
COURT REPORTER: KRISTIN L. WEGRYN, Rennillo  
Deposition & Discovery

In accordance with the Rules of Civil  
Procedure, I have read the entire transcript of  
my testimony or it has been read to me.

I have listed my changes on the attached  
Errata Sheet, listing page and line numbers as  
well as the reason(s) for the change(s).

I request that these changes be entered  
as part of the record of my testimony.

I have executed the Errata Sheet, as well  
as this Certificate, and request and authorize  
that both be appended to the transcript of my  
testimony and be incorporated therein.

Date Witness  
Sworn to and subscribed before me, a  
Notary Public in and for said State and County,  
the referenced witness did personally appear  
and acknowledge that:

1. They have read the transcript;
2. They have listed all of their  
corrections in the appended Errata Sheet;
3. They signed the foregoing sworn  
statement; and
4. Their Errata and execution of this  
Statement is of their free act and deed.

I have affixed my name and official seal  
this day of , 20 .

Notary Public

My Commission Expires:  
Rennillo Deposition & Discovery  
www.rennillo.com  
216.523.1313 Cleveland 888.391.3376 (Depo)

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 Approval of a New Rider and  
Revision of an Existing Rider.

Case No. 10-176-EL-ATA

~~~~~  
Deposition Of  
JESSE WILLETTS

January 21, 2010

1:39 p.m.

Taken at:

Jones Day

North Point, 901 Lakeside Avenue

Cleveland, Ohio

Jill A. Kulewsky, RPR, Notary Public

Page 2

Page 4

## 1 APPEARANCES:

2 On behalf of the Applicants:

3 Jones Day, by

4 JEFFREY SAKS, ESQ.

5 North Point, 901 Lakeside Avenue

6 Cleveland, Ohio 44114-1190

7 (216) 586-3939

8 Jsaks@jonesday.com

9 On behalf of the Defendant:

10 Corcoran &amp; Assoc. Co., LPA., by

11 KEVIN CORCORAN, ESQ.

12 8501 Woodbridge Court

13 North Ridgeville, Ohio 44039

14 (440) 225-8965

15 corcoranlaw@yahoo.com

16 ~~~~~

## 1 INDEX OF EXHIBITS

2 NUMBER DESCRIPTION MARKED

3 Exhibit 1 A Subpoena..... 8

4 Exhibit 2 A Letter..... 14

5 Exhibit 3 A Two-Page Letter..... 36

Page 3

Page 5

## 1 TRANSCRIPT INDEX

2 APPEARANCES..... 2

3 INDEX OF EXHIBITS ..... 4

4 EXAMINATION OF JESSE WILLETTS:

5 BY MR. SAKS..... 5

6 REPORTER'S CERTIFICATE..... 58

7 EXHIBIT CUSTODY

8 EXHIBITS RETAINED BY COURT REPORTER

1 JESSE WILLETTS, of lawful age, called for  
2 examination, as provided by the Ohio Rules of  
3 Civil Procedure, being by me first duly sworn,  
4 as hereinafter certified, deposed and said as  
5 follows:

## 6 EXAMINATION OF JESSE WILLETTS

7 BY MR. SAKS:

8 Q. State your full name for the  
9 record, sir?

10 A. Jesse, no middle name, Willetts.

11 Q. Please spell your last name,  
12 because I've actually seen it, I think, three  
13 different ways?

14 A. W I L L E T T S.

15 Q. All right. I will apologize to you  
16 now for spelling it incorrectly on the subpoena  
17 that we served.

18 A. No problem.

19 Q. What is your address, sir?

20 A. 10300 Munich, Parma, 44130.

21 Q. For how long have you lived at that  
22 address?

23 A. 1975, so that's 36 years.

24 Q. Did you graduate college, sir?

25 A. Two-year.

2 (Pages 2 to 5)

Page 6

Page 8

1 Q. What school did you go to?  
 2 A. Cleveland Technician.  
 3 Q. What degree did you get?  
 4 A. Just a two-year electronics  
 5 engineering.  
 6 Q. When was that?  
 7 A. 1966.  
 8 Q. And what job did you hold with that  
 9 electronics engineering degree?  
 10 A. Nothing electronic of all things.  
 11 I wound up in the mechanical world, from worm  
 12 gearing, speed variators, air conditioning, and  
 13 as for the last 25 or 28 years, clutch brakes  
 14 for industry.  
 15 Q. What sort of job were you doing  
 16 with clutch brakes?  
 17 A. Test technician, senior lab tech,  
 18 anything and everything to get the job done  
 19 from prototype manufacturing parts, right up to  
 20 the actual testing, strain gaging, brittle  
 21 lacquer, dynamic testing, static testing,  
 22 failure mode.  
 23 Q. What sort of company?  
 24 A. Eaton Corporation.  
 25 Q. When did -- strike that.

1 common in conversation for people to kind of  
 2 finish each other's sentences or anticipate  
 3 what people are going to say, it makes things  
 4 difficult on the court reporter and it makes  
 5 for a messy record. So if you could please try  
 6 your best to wait until I finish my questions  
 7 before you begin to answer, and I'll do  
 8 likewise. Do you understand, sir?  
 9 A. Absolutely.  
 10 Q. Excellent. And as we discussed  
 11 before we went on the record, if there's any  
 12 time that you don't hear one of my questions,  
 13 you don't understand one of my questions,  
 14 please let me know and we can have the court  
 15 reporter read it back or I can repeat it.  
 16 Okay?  
 17 A. That's fine.  
 18 Q. Excellent. You are appearing today  
 19 pursuant to a subpoena; is that correct?  
 20 A. Yes.  
 21 - - - - -  
 22 (Thereupon, Deposition Exhibit 1, A  
 23 Subpoena, was marked for purposes of  
 24 identification.)  
 25 - - - - -

Page 7

Page 9

1 Are you retired from Eaton?  
 2 A. Yes.  
 3 Q. When did you retire from Eaton?  
 4 A. 2001.  
 5 Q. So am I correct that you worked for  
 6 Eaton 25 years?  
 7 A. 37.  
 8 Q. 37 years for Eaton?  
 9 A. I started in 66.  
 10 Q. Okay. Have you ever been deposed  
 11 before, sir?  
 12 A. No.  
 13 Q. Have you ever testified in court  
 14 before, sir?  
 15 A. No.  
 16 Q. As it's your first time, I want to  
 17 go over a couple ground rules for you, although  
 18 you're doing just fine.  
 19 As you can see, the court reporter  
 20 is taking down everything that we're saying, so  
 21 because of that, you need to make sure that you  
 22 answer out loud, as you have been, not just a  
 23 nod or a shake of the head.  
 24 A. Sure. I understand.  
 25 Q. Excellent. Also, while it's very

1 Q. I'm handing you, Mr. Willetts, what  
 2 has been marked as Exhibit 1 to your  
 3 deposition. Please take a moment to look at  
 4 that?  
 5 MR. SAKS: Here you go, Kevin.  
 6 Q. This is the subpoena that was  
 7 served on you recently that's commanding your  
 8 appearance here today; is that correct?  
 9 A. It is.  
 10 Q. And you will see that the second  
 11 page, or attached to the subpoena, is an  
 12 Exhibit A, which lists five categories of  
 13 documents; do you see that?  
 14 A. Yes.  
 15 Q. And you have brought with you a  
 16 letter, one document, in response to this  
 17 Exhibit A, which we're going to get into in a  
 18 few minutes.  
 19 Am I correct that it is your  
 20 testimony, you do not have any other documents  
 21 or correspondence that is responsive to the  
 22 other categories here on Exhibit A?  
 23 A. Regarding e-mails, I have received  
 24 e-mails from CKAP.  
 25 Q. How many?

3 (Pages 6 to 9)

Page 10

1 A. I'm not sure I can say exactly,  
 2 but --  
 3 Q. Can you estimate for me, sir?  
 4 A. Probably 20, 25, 30.  
 5 Q. Do you have those e-mails on your  
 6 computer at home?  
 7 A. I do.  
 8 Q. And I don't want to -- obviously I  
 9 want to get through this deposition --  
 10 A. Right.  
 11 Q. -- for logistic purposes, but can  
 12 you get those e-mails either to me or to  
 13 Mr. Corcoran to get to me?  
 14 A. I can provide them to Mr. Corcoran  
 15 if that is required.  
 16 MR. CORCORAN: Mr. Saks, that is a  
 17 subject of discussion that we're having, that  
 18 you haven't asked the question yet, but  
 19 Mr. Willetts is a member of CKAP.  
 20 THE WITNESS: I am.  
 21 MR. SAKS: Okay.  
 22 MR. CORCORAN: So we have said,  
 23 consistent with the Attorney Examiner's ruling,  
 24 that internal party communications are exempt  
 25 from discovery.

Page 11

1 Q. Are you a member of CKAP, sir?  
 2 A. Yes, I am.  
 3 Q. And for how long have you been a  
 4 member?  
 5 A. I would say August.  
 6 Q. Of 2010?  
 7 A. Yes.  
 8 Q. We can get to that more in a  
 9 minute. Now, Mr. Corcoran is representing you  
 10 here today for this deposition; is that  
 11 correct?  
 12 A. I would say yes.  
 13 Q. Is it your position that  
 14 Mr. Corcoran is your attorney?  
 15 A. I would say yes, I am -- if he's  
 16 representing CKAP, then he's representing me.  
 17 Q. Understood.  
 18 MR. SAKS: Well, then for the  
 19 record, I understand your position, or I think  
 20 I do, let me just renew my request for the  
 21 documents that come within the categories in  
 22 Exhibit A of the Willetts subpoena, and my  
 23 request is on the record and we'll take it up  
 24 presumedly when the Attorney Examiner issues a  
 25 ruling.

Page 12

1 Q. You said you joined CKAP  
 2 approximately -- was it October of 2010?  
 3 A. No, August.  
 4 Q. August, I'm sorry. How did you  
 5 come to join CKAP, sir?  
 6 A. I attended the Strongsville meeting  
 7 originally and I saw Sue and I saw Senator  
 8 Grendell.  
 9 Q. The Strongsville meeting, when was  
 10 that?  
 11 A. February.  
 12 Q. 2010?  
 13 A. Yes.  
 14 Q. What led you to attend the  
 15 Strongsville meeting in February of 2010?  
 16 A. I am an all-electric homeowner, I  
 17 was receiving the J discount rate, which is for  
 18 space heating and water heating, and my rates  
 19 went up.  
 20 Q. When did they go up, sir?  
 21 A. 2009, 2010.  
 22 Q. So the winter of 2009, 2010?  
 23 A. I would say yes, that's whenever  
 24 everything that was going on with FirstEnergy  
 25 happened, whenever they deregulated and

Page 13

1 whatever you will call it, the process.  
 2 Q. So you noticed your rates went up  
 3 in December, 2009 or January, 2010. How did  
 4 you hear about the Strongsville meeting?  
 5 A. It was all over the news. It's on  
 6 the internet. John Funk, Cleveland.com.  
 7 Q. So you attended the Strongsville  
 8 meeting and you mentioned Sue, is that Ms.  
 9 Steigerwald?  
 10 A. Yes, it is.  
 11 Q. And you also mentioned Senator  
 12 Grendell?  
 13 A. Yes.  
 14 Q. Did you speak with either of them  
 15 at that meeting?  
 16 A. I gave Senator Grendell's, how  
 17 would you say it, aide a copy, which I believe  
 18 is the one that got turned in at Kirtland,  
 19 perhaps.  
 20 Q. And you are referencing a letter,  
 21 so why don't we mark that because that will be  
 22 much easier to refer to it in the record. You  
 23 can put a sticker on it and I'm going to pray  
 24 there's a stapler here.  
 25 - - - - -

4 (Pages 10 to 13)



Page 14

Page 16

1 (Thereupon, Deposition Exhibit 2, A  
2 Letter, was marked for purposes of  
3 identification.)  
4 - - - - -

5 Q. Mr. Willetts, I have handed you  
6 what has been marked as Exhibit 2 to your  
7 deposition. Is this the letter that you  
8 brought with you to the Strongsville meeting in  
9 February of 2010 that you just referenced?

10 A. A copy, as you see it here, yes.

11 Q. And I understand that's a copy and  
12 that's a color copy you made, correct?

13 A. Yes, you are correct.

14 Q. Terrific. You can hold on to that.

15 A. Sure.

16 Q. We're going to have some more  
17 questions about it.

18 Other than providing a copy of the  
19 letter that is Exhibit 2 to Mr. Grendell's aide  
20 at the February, 2010 meeting, did you have any  
21 other discussions with Senator Grendell or Ms.  
22 Steigerwald?

23 A. No, I just went up and said, Hi, I  
24 recognize you, you're on TV, which she was, she  
25 was on some TV program with some talk show

Page 15

Page 17

1 host, and I just introduced myself.

2 Q. Have you had any subsequent  
3 communications with Ms. Steigerwald since the  
4 February, 2010 Strongsville meeting?

5 A. Yes, I have. I made a scan of this  
6 and I sent it to CKAP.

7 Q. And "this" being Exhibit 2,  
8 correct?

9 A. Yes.

10 Q. And what other communications, if  
11 any, have you had with Ms. Steigerwald since  
12 the February, 2010 meeting?

13 MR. CORCORAN: Objection.

14 Q. You can answer, sir.

15 MR. CORCORAN: You can answer.

16 A. She was curious about it and so we  
17 e-mailed back and forth two or three times.

18 Q. What was she curious about, sir?

19 A. Basically that I was fortunate  
20 enough to have it and I had saved it from 1980,  
21 because to me it was like gold. This, if you  
22 read it, There will be no change in the  
23 discount provisions until there is a change of  
24 customer. If I live to be 100, I take that as  
25 being a contract.

1 Q. Okay. What other -- so Ms.

2 Steigerwald and you communicated about her  
3 noting that you had kept this letter. Did you  
4 have any other communications with Ms.  
5 Steigerwald?

6 A. Basically this is the brunt of our  
7 discussions.

8 Q. Okay.

9 A. Except -- I shouldn't -- I will,  
10 I'll go there.

11 I offered basically to help people,  
12 if anybody is interested in ways to save  
13 energy. In other words, how heat pumps work,  
14 what works, what gives you a bang for your buck  
15 and what doesn't. So there was a little bit of  
16 communication regarding that, and to be honest,  
17 I don't think she cared. She's not -- it's not  
18 her plate. It's not what she wants to do at  
19 this time. She says sometime if anybody wants  
20 to, she can refer them to me, and she did  
21 e-mail me once with a name of somebody that  
22 never did contact me. So that's about the  
23 extent.

24 Q. Other than Ms. Steigerwald, have  
25 you had any other communications with CKAP

1 other than receiving the e-mails that you  
2 referenced earlier?

3 A. No.

4 Q. Have you had any conversations or  
5 communications with anyone from Bob Schmitt  
6 Homes?

7 A. Never even met him.

8 Q. Do you know who Joan Heginbotham  
9 is?

10 A. No.

11 Q. Have you had any communications  
12 with anyone from the Ohio's Office of Consumer  
13 Council?

14 A. No, but I did shake hands with one  
15 lady at a meeting in Strongsville.

16 Q. Someone from the OCC?

17 A. Yes, and it wasn't Janet or  
18 whoever, it was a younger girl.

19 Q. Understood. If I understand your  
20 testimony correctly, you purchased your home in  
21 1975; is that right?

22 A. Yes.

23 Q. And that's the home you're still  
24 in, correct?

25 A. Correct.

5 (Pages 14 to 17)

Page 18

Page 20

1 Q. Did the home have electric heat at  
2 the time you purchased it?

3 A. It had resistance electric heat,  
4 resistance hot water and it was built to  
5 substandard qualifications. It was merely an  
6 everyday gas home with an electric heater  
7 thrown in. What you would consider a small  
8 space heater around your desk or office at  
9 home, it had a large one. That was the home.

10 Q. And did there come a time where you  
11 changed or made modifications to the heating  
12 system in your home?

13 A. I have a heat pump.

14 Q. When did you have a heat pump  
15 installed?

16 A. 1976.

17 Q. What led you to install a heat pump  
18 in 1976?

19 A. I guess you would say it would be  
20 more efficient.

21 Q. Efficient in what way, sir?

22 A. It gives a lower consumption of  
23 energy, and this is what the letter says, which  
24 is they wanted you to conserve energy, CEI.  
25 The intent of this letter, it had an attachment

1 in front of you.

2 A. All right.

3 Q. With the handwritten notes on it.

4 A. Yes.

5 Q. When did you make those notes of  
6 the requirements for getting the conservation  
7 rate?

8 A. After I read this, while you were  
9 leaving the office.

10 Q. So you're saying this morning you  
11 wrote that down as it was occurring to you?

12 A. 20 minutes ago.

13 Q. Okay, I just wanted to understand  
14 where that was from.

15 Now, if you look at the second page  
16 of Willetts Exhibit 2, that's a photocopy of  
17 the envelope that the letter came in, correct?

18 A. Correct.

19 Q. The letter that is Willetts  
20 Exhibit 2 does not have a date on it; is that  
21 right?

22 A. Yes, it does. If you will notice,  
23 it says Discount provisions after July 14th,  
24 and if you'll notice on the letter that it is  
25 dated August 7th.

Page 19

Page 21

1 which I threw out, I didn't think I would ever  
2 make the requirements, it suggested you needed  
3 thermal windows, which would be considered  
4 double glazed; that you have R-13 in the walls,  
5 I remember it vividly because I didn't have it;  
6 you needed R-40 in the attic, which I didn't  
7 have, and you needed insulation around your  
8 perimeter on your house. Again, I didn't have  
9 it.

10 Since that time, I have done all  
11 the things in excess above and beyond what they  
12 asked. At that time, if I would have had it, I  
13 would have sent in the coupon, if you read this  
14 lower portion, and I would have got a better  
15 rate.

16 Q. Okay. You brought the letter that  
17 we've marked as Willetts 2 in an envelope with  
18 you, and just now you were reading a list of  
19 four or so requirements from handwritten notes  
20 that are on that envelope.

21 A. This is the envelope here that the  
22 letter came in, this one.

23 Q. No, no, I understand.

24 A. Okay.

25 Q. I'm referring to the folder, sir,

1 Q. Okay. Well, I understand that the  
2 substance of the letter talks about discount  
3 provisions after July 14th, 1980; but there's  
4 no letter -- there's no date on top of the  
5 letter saying when the letter is dated,  
6 correct?

7 A. There is no such date.

8 Q. Now, if you look at the envelope  
9 that you saved, there is a postmark on that?

10 A. Correct.

11 Q. Which is August 7th, 1980, correct?

12 A. Yes.

13 Q. So it's your testimony and your  
14 recollection that you received this letter at  
15 or about August 7th, 1980, correct?

16 A. Yes.

17 Q. Now, you had already been in your  
18 home for approximately five years, correct?

19 A. Yes.

20 Q. And you already had a heat pump for  
21 approximately four years, correct?

22 A. Yes.

23 Q. So my initial question from a few  
24 moments ago was, what led you to decide to  
25 purchase a heat pump in 1976?

6 (Pages 18 to 21)

1 A. To be more efficient.  
 2 Q. And then you had talked about a  
 3 heat pump having lower consumption, correct?  
 4 A. Yes.  
 5 Q. Are there any other ways that a  
 6 heat pump is more efficient?  
 7 A. Whenever they fail, you use a lot  
 8 more, you go right back on resistance heat, and  
 9 I had it happen to me.  
 10 Q. You indicated earlier that your  
 11 house, I believe you might have described it --  
 12 before you put the heat pump in, you described  
 13 your house as a regular gas house with also a  
 14 space heater basically, the large space heater?  
 15 A. It was the equivalent of a gas  
 16 house but without the gas. The street went in  
 17 and gas was no longer available, so they put in  
 18 electric furnaces. There was not even a gas  
 19 line to the house.  
 20 Q. So you don't have a gas line or  
 21 duct work or anything along those lines,  
 22 correct?  
 23 A. I have duct work with a forced air  
 24 system.  
 25 Q. So the house has duct work but

1 the discount is forever, and I called  
 2 FirstEnergy on the phone, at that time  
 3 Cleveland Electric Illuminating. They verified  
 4 that yes, the discount is forever, it's a  
 5 substantial discount, it's for space heating  
 6 and for water heating, you'll always have it,  
 7 so we purchased the home.  
 8 Q. Who told you -- from your  
 9 testimony, I understand that somebody told you  
 10 that the discount was forever and you should  
 11 call CEI to verify that; is that correct?  
 12 A. CEI, I called them personally  
 13 myself to verify it.  
 14 Q. What led you to call them to verify  
 15 it?  
 16 A. The salesperson who was selling the  
 17 house.  
 18 Q. So the salesperson who was selling  
 19 the house told you the discount was forever; is  
 20 that correct?  
 21 A. Yes, and that is why I called  
 22 FirstEnergy to verify it.  
 23 Q. With whom did you speak at  
 24 FirstEnergy, or CEI?  
 25 A. I guess you would say whenever you

1 there's no gas line?  
 2 A. Correct.  
 3 Q. When you decided to put in the heat  
 4 pump in 1976, were you getting any sort of  
 5 all-electric heating rate from CEI?  
 6 A. Yes. Prior to purchasing the home,  
 7 I called FirstEnergy and I talked to people on  
 8 the phone, and they said yes, there is a  
 9 discount.  
 10 Q. And I realize you're referring to  
 11 FirstEnergy. At the time you were a CEI  
 12 customer, correct?  
 13 A. CEI, Cleveland Electric  
 14 Illuminating.  
 15 Q. I understand. Are you still a CEI  
 16 customer?  
 17 A. Yes.  
 18 Q. The Illuminating Company is who you  
 19 deal with, correct?  
 20 A. Yes.  
 21 Q. Before you purchased the home in  
 22 75, you contacted CEI to ask them about the  
 23 electric rate; is that correct?  
 24 A. Yes, it is. It was a model home,  
 25 and in order to purchase it, it was told that

1 dial a general number, you talk to somebody and  
 2 they refer you to somebody who is  
 3 knowledgeable.  
 4 Q. And do you recall -- if you happen  
 5 to recall the name of somebody you spoke to in  
 6 1978, that would be great, but do you recall  
 7 what department or what type of person you were  
 8 speaking to?  
 9 A. Just the service department, for  
 10 lack of a better word.  
 11 Q. What did you ask the service  
 12 department at CEI?  
 13 A. Do we have an all-electric rate?  
 14 They said yes. I said, I'm buying this house,  
 15 I'm planning on living here, can we depend upon  
 16 this? They said yes. So consequently, I put  
 17 down my \$48,000 and purchased the model home.  
 18 Q. You received this letter that's  
 19 been marked as Willetts 2 approximately August  
 20 of 1980. This was a form letter that was not  
 21 specific to you, it was sent to any number of  
 22 customers, correct?  
 23 A. Yes, it was sent to -- I'm going to  
 24 say electric space heating and water heating,  
 25 as it says in the second line down, The

1 electric heating and water heating discount  
2 provisions of the Illuminating Company's  
3 resident rate schedule were changed. So that  
4 defines the customers.

5 Q. If you look at the second page of  
6 Willetts 2, the envelope, someone has written  
7 Save on the envelope; do you see that, sir?

8 A. I do.

9 Q. Is that your handwriting?

10 A. It is.

11 Q. When did you write Save on this  
12 envelope?

13 A. After opening it and realizing --  
14 my wife and I both looked at the wording in  
15 here, and this is for all practical purposes a  
16 contract between CEI and us, and for as long as  
17 we live there, it does state there will be no  
18 change in the discount provision. To me, if I  
19 live to be 98 like my great grandmother, I'm  
20 expecting that rate.

21 Q. So if I understand your testimony  
22 correctly, in August of 1980, upon receiving  
23 this letter, and you saw the bolded, all cap  
24 wording there after the first paragraph, that  
25 led you to save this letter; is that correct?

1 A. Not only did I save it, I put it in  
2 a safe deposit box because I considered it to  
3 be a contract and ultra important.

4 Q. And is then my understanding  
5 correct that you didn't think you had a  
6 contract with FirstEnergy or CEI before  
7 receiving this letter?

8 A. No, I considered it was a verbal  
9 contract on confirmation talking to Cleveland  
10 Electric Illuminating.

11 Q. So you understood in 1975, or you  
12 were of the belief in 1975 that when you moved  
13 into your home, you called up CEI to get  
14 confirmation for the electric heating  
15 discounted rate, you were told you could depend  
16 on that rate, and when you moved in in 1975,  
17 you believed you had that rate forever,  
18 correct?

19 A. Yes.

20 Q. And then you get a letter in August  
21 of 1980 that indicated there had been a change  
22 in the rate, correct?

23 A. Yes.

24 Q. Did the fact that there had been a  
25 change in the rate from what you moved into in

1 1975 to 1980, in your mind, constitute a breach  
2 of the contract that you thought you had when  
3 you moved in?

4 A. Not necessarily. It says for me,  
5 me and my wife, there is no change in the  
6 discount provision until there is a change in  
7 customer, and I take that as being the rest of  
8 my life, as long as I'm living in that house.

9 Q. Now, let's look at the all caps  
10 because I want to make sure that I understand  
11 what you're talking about. You are referring  
12 to the two lines that are in all capital  
13 letters that reads Under the new rate schedule,  
14 there will be no change in the discount  
15 provisions until there is a change in customer;  
16 did I read that correctly?

17 A. Yes, you did.

18 Q. And that is the portion of the  
19 letter that you are referring to about creating  
20 a contract, a permanent forever contract  
21 between you and FirstEnergy?

22 A. Yes.

23 Q. What does the term discount  
24 provision mean to you?

25 A. Discount provision basically

1 doesn't mean that much to me because I had the  
2 J rate. That changed the residential  
3 all-electric rate, which changed to -- there's  
4 a new terminology and now there's a fourth  
5 terminology. So I once attended a meeting in  
6 Strongsville, I heard some man say there was a  
7 J-5-A rate, and I thought to myself, Gee, they  
8 must have a lot of rates.

9 Later during the process of the  
10 meeting, it was suggested that FirstEnergy had  
11 as many as 34 discount rates and they were  
12 trying to congeal them into a few discount  
13 rates for simplicity. I had the J rate, which  
14 is the initial rate, which is what I am hoping  
15 that I will have until the day I die if I live  
16 in that house.

17 Q. So do I understand your testimony  
18 correctly that you don't have a particular  
19 understanding of what discount provisions means  
20 in Willetts Exhibit 2 as relates to you?

21 A. Maybe you could explain it a better  
22 way. I don't want to answer without  
23 understanding what you're getting across,  
24 because I don't understand --

25 Q. Well, I just want to make sure I

Page 30

Page 32

1 understand your testimony, sir. My question  
2 is, in that all cap section of the letter,  
3 where it says The discount provisions, there  
4 will be no change in the discount provisions,  
5 my question is, what do you understand the  
6 words discount provisions to mean? Is it the J  
7 rate?

8 A. To me, it is the J rate discount or  
9 whatever it has evolved into.

10 Q. Okay. Now, if you look at the  
11 paragraph that precedes the all capitalized  
12 text we've been reading, the first sentence  
13 announces that there's a rate case and some  
14 rates were changed, correct?

15 A. I would like you to read it as it's  
16 printed, please.

17 Q. I'd be happy to do so. The first  
18 sentence reads, "As a result of the electric  
19 rate case recently concluded by the Public  
20 Utilities Commission of Ohio, the electric  
21 heating and water heating discount provisions  
22 of the Illuminating Company's residential rate  
23 schedule were changed." Did I read that  
24 correctly?

25 A. Yes.

Page 31

Page 33

1 Q. And the next sentence reads, "If  
2 there is a change in our customer of record at  
3 any residence served under these discount  
4 provisions after July 14, 1980, electric  
5 service will be provided on the residential  
6 schedule without the discount provision." Did  
7 I read that correctly?

8 A. Yes, you did.

9 Q. You understood, based upon this  
10 letter, that the discount applied to homeowners  
11 on the rate prior to July 14th, 1980, correct?

12 A. Yes.

13 Q. And that if you moved out August,  
14 1980 or thereafter and someone else moved in,  
15 they would not be able to be on that rate,  
16 correct?

17 A. I would like to answer that in a  
18 different way. There was an attachment, you  
19 will notice, in the -- first, second, third --  
20 fourth paragraph down. That attachment said to  
21 qualify for the current rate, which they were  
22 calling the energy conservation rate, basically  
23 he said that you needed the items I mentioned  
24 earlier and they would come out and they would  
25 inspect them. If they came out to inspect my

1 house with an appointment, I could get the  
2 better rate.

3 The better rate was being offered  
4 to me if I made those improvements. If I did  
5 not make those improvements, I would have the J  
6 rate, which is a slightly lesser discount rate  
7 than the energy conservation rate forever.

8 Q. Okay.

9 A. So I chose, considering I would  
10 have to tear down all my walls and put in R-13  
11 insulation, no way, Jose, but to be totally  
12 honest, I have met all the criteria, I resided  
13 my house, I put one-inch Styrofoam on the  
14 outside and now have R-20, where they required  
15 R-13. In the attic I have R-40. That's what  
16 they required. I have double-paned windows.  
17 That's what they required. So at that time I  
18 thought no way could I ever meet the  
19 requirement, that's why I threw the attachment  
20 away.

21 Had I saved the attachment, I could  
22 have qualified for the better rate, which would  
23 have automatically enrolled the next person to  
24 buy my home, from my understanding and my  
25 recollection of reading that, that they would

1 have been entitled to the discount rate  
2 continuing because the home qualified.

3 Consequently, there was also a  
4 provision there that somebody, being a new  
5 homeowner who would move in there, could take  
6 the same form, make the same upgrades that I  
7 would do, call CEI and have the discount. What  
8 they were terminating was the lossy-goosy home  
9 that was windy. They were saying if you're  
10 going to have a discount, you're going to have  
11 a discount that meets our newer qualifications  
12 as of 1980.

13 I would like to get that so it's  
14 understood that it was transferable if I would  
15 have upgraded or the next person would have  
16 upgraded.

17 Q. And you're referring to the energy  
18 conservation rate that's referenced in Willetts  
19 Exhibit 2, correct?

20 A. Yes.

21 Q. And as I understand your testimony,  
22 your house, you believe, has become compliant  
23 with the requirements of the energy  
24 conservation rate as set forth in 1980, but you  
25 never contacted CEI about getting on a

9 (Pages 30 to 33)

Page 34

Page 36

1 different rate, correct?

2 A. I have never contacted them. I've  
3 been satisfied with the rate I have.

4 Q. Have the rates you've paid for  
5 electric service changed at all since 1980?

6 A. Yes, they've gone up.

7 Q. Have you ever contacted CEI or any  
8 other FirstEnergy company to complain?

9 A. No.

10 Q. Why not?

11 A. The rates were proportionately  
12 discounted.

13 Q. How so?

14 A. Well, if it's \$10, they're  
15 discounting it to the tune of 3.80 or \$4  
16 approximately, and that ratio has been  
17 maintained throughout all the years until just  
18 one or two years ago.

19 Q. So your position is, if I  
20 understand it, tell me if my understanding is  
21 correct, under the J rate and under the promise  
22 that you believe was made to you in the letter  
23 that's Willetts Exhibit 2, you, as an  
24 all-electric customer, would get a discount  
25 compared to the standard rate, and the rate

1

2 (Thereupon, Deposition Exhibit 3, A  
3 Two-Page Letter, was marked for  
4 purposes of identification.)  
5

6

7 Q. You testified that you became  
8 involved with CKAP or you went to a  
9 Strongsville meeting, I should say, because  
10 your bills went up in December, 2009, correct?

11 A. 2009, 2010, thereabouts, yes.

12 Q. Understood. Understood. I realize  
13 we're estimating, and feel free to let me know  
14 when that's the case.

15 Prior to December of 2009, prior to  
16 the start of that winter, were you on a budget  
17 payment plan, or do you just pay monthly?

18 A. Budget since we moved in.

19 Q. And for the year, you know, let's  
20 say calendar year 2009, before the winter hit,  
21 what was your budget, your monthly budget  
22 amount?

23 A. I would guess 105 to 108.

24 Q. Let's round it up. Approximately  
25 \$110; is that fair?

A. Yes.

Page 35

Page 37

1 itself, the amount that you're paying per  
2 kilowatt hour, has gone up over time due to  
3 inflation or other reasons, but you've been  
4 getting the discount compared to the standard  
5 rate?

6 A. Yes.

7 Q. So therefore, your rates or your  
8 bills have gone up over the years, you're not  
9 paying the same for electricity in 1980 as you  
10 are in 1990 versus 2000, but you're getting a  
11 proportionate discount in your position, and  
12 therefore, you think the contract had been  
13 complied with at that time, correct?

14 A. You're right on.

15 Q. I want to make sure I'm  
16 understanding what you're saying, sir.

17 Have you ever gone and looked at  
18 the applicable tariff provisions yourself?

19 A. Whenever you mention tariff, can  
20 you explain that better?

21 Q. The rate that is filed with the  
22 Public Utilities Commission of Ohio, and that's  
23 the official rate in question.

24 A. There has been no reason for me to  
25 question anything.

1 Q. When the winter of 2009 and 2010  
2 began, so December, 2009, January of 2010, you  
3 said you noticed an increase in your bills,  
4 correct?

5 A. Yes.

6 Q. What did they go up to, and again,  
7 approximates are fine?

8 A. What would have been a \$115 winter  
9 bill turned into probably 190, 200. It's a  
10 good amount just like everybody else was  
11 complaining about.

12 Q. How large is your home, sir?

13 A. 1,500 square feet.

14 Q. In 2010, January, February, March,  
15 that timeframe, your bills were approximately  
16 \$200 a month, correct?

17 A. In that range, yes.

18 Q. Then has there come a time when  
19 your bills went down?

20 A. Yes, after Governor Strickland,  
21 thank God, stepped in.

22 Q. Are you still on budget currently?

23 A. Yes.

24 Q. And what's your budget payment  
25 currently?

10 (Pages 34 to 37)

1 A. \$41. Only because there is an  
2 excess because they were still overcharging  
3 like 120-some.

4 Q. I'm not sure, can you clarify for  
5 me exactly what you mean?

6 A. It would be easier for me to just  
7 get it out.

8 Q. Okay. You have a bill or document  
9 you're looking at that could help clarify  
10 things?

11 A. A bill. Basically it's easier to  
12 summarize it to say that due to the rates being  
13 significantly less, thanks to Governor  
14 Strickland and PUCO stepping in, my rates  
15 dropped substantially back and they set my  
16 budget high. So whenever they re-evaluated my  
17 budget a month ago, I had put an additional 4  
18 or \$500 into the kitty and they dropped my  
19 budget dramatically to \$41, so it will work  
20 out.

21 Q. So I'm clear on the record, I think  
22 I understand what you're saying, but let me  
23 just clarify this, prior to December of 2009,  
24 your budget amount was approximately \$115 a  
25 month, correct?

1 A. Yes.

2 Q. And then in December of 09 or  
3 January of 2010, it went up to approximately  
4 \$200, correct?

5 A. For the individual bill.

6 Q. And then you paid approximately  
7 \$200 a month for several months, correct?

8 A. No, I'm saying the individual bill  
9 was upwards of 200. The budget was -- my wife  
10 pays it so I can't say exactly, but I'm  
11 guessing 130, 140.

12 Q. So you still paid --

13 A. More.

14 Q. -- more than you had been, but you  
15 still were paying on a budgetary amount?

16 A. This gets complicated. I just got  
17 a GE hybrid hot water heat pump tank, which  
18 saves 300, and I just got an electric dryer  
19 that spins a lot of extra water out, and what  
20 was an hour and a half to dry clothes turned  
21 into 23 to 35 minutes. So whenever you look at  
22 the whole picture, I'm using considerably less  
23 energy, combined with the rates going back. We  
24 actually are using a lot less.

25 Q. And you made these advances in

1 2010?

2 A. Yes. And this is part of what I  
3 had mentioned to Sue, the GE hybrid hot water  
4 tank, if anybody is looking for a shot in the  
5 arm, it's good for about 300 kilowatt hours a  
6 month and it's a good investment.

7 Q. When your bills went up in December  
8 of 2009 and January of 2010, I understand your  
9 bills increased, do you know if you were still  
10 paying less than non-all-electric heat  
11 customers?

12 A. I have no way of answering that.

13 Q. Now, you've been using -- because  
14 of certain advancements you made in your home  
15 that you referenced in 2010, you've been using  
16 less kilowatts of electricity, correct?

17 A. Dramatically less.

18 Q. Have you noticed any sort of  
19 additional -- not just obviously gross savings  
20 because if you use less, you're going to pay  
21 less, but have you noticed any proportional or  
22 incremental savings because you're in a lesser  
23 use threshold?

24 A. I wouldn't know how to analyze my  
25 bill to say incrementally -- you get your usage

1 and you get your dollar amount.

2 Q. I would like to mark this -- I have  
3 marked it, I would like to give it to you.

4 It's Willetts Exhibit 3. Please take a minute  
5 to look at that, sir, and while you're looking  
6 at it, I could describe it for the record.

7 Willetts 3 is a two-page document, the first  
8 page of which is from the Public Utilities  
9 Commission and it's an e-mail that's passing  
10 along a document, it's dated Friday, July 23rd,  
11 2010, and you'll see on the front page, it says  
12 Re: Ellen Willetts, with your address there.  
13 Is Ellen your wife, sir?

14 A. Yes, she is.

15 Q. And the first page says, Please  
16 docket the attached in the case number above,  
17 which is this PUCO proceeding that brings you  
18 here today.

19 The second page appears to be a  
20 complaint, and you'll see your name there, sir?

21 A. Yes.

22 Q. With your address as well?

23 A. Yes.

24 Q. And then at the bottom part of the  
25 page it says Complaint Description and there is

Page 42

Page 44

1 text there; do you see that?

2 A. Yes.

3 Q. And that reads, "I am concerned  
4 all-electric homes are selling for  
5 significantly less than similar homes that are  
6 natural gas a street away, same builder," and  
7 then you give an example there, correct?

8 A. Yes.

9 Q. And the -- the third line from the  
10 bottom, "I fear my home value will be similarly  
11 less due to it is also all electric. Please  
12 find a way to tie electric home discounts to  
13 the home permanently. If not, please reduce  
14 our Cuyahoga County taxes to reflect the real  
15 value. Thanks." Did I read that correctly?

16 A. Yes.

17 Q. Did you write that letter, sir?

18 A. Yes, and if you'll look at the date  
19 on the top, it's before I joined CKAP.

20 Q. Understood. What led you to send  
21 this complaint to the PUCO?

22 A. I feel my home value will be less  
23 after attending the Strongsville meeting.

24 Q. In February, 2010?

25 A. Where they basically had said home

1 and even looking, and there was a realtor lady  
2 who got up and she mentioned all the above.

3 Q. Have you had your home value  
4 appraised at any time?

5 A. It has been appraised by the  
6 Cuyahoga County Auditor, and its value, like  
7 all the other homes in the county, went down a  
8 small amount.

9 Q. And that would include all-electric  
10 homes, as well as --

11 A. All homes.

12 Q. -- gas homes, correct?

13 A. All homes.

14 Q. Sure. So based upon your value  
15 that your home has been appraised for, you  
16 don't have any current understanding that your  
17 home is worth less because it's all electric;  
18 is that correct?

19 A. My home was appraised at 124,9, and  
20 based on what the lady had said at the  
21 Strongsville meeting, I figure if you knock  
22 30 percent off, my home would be worth about  
23 \$90,000, like the home that sold up the street,  
24 which is giving the home away whenever you pay  
25 \$50,000 and you make a \$35,000 investment in

Page 43

Page 45

1 values will drop probably in the range of  
2 30 percent, approximately.

3 Q. Okay.

4 A. And then whenever you've worked  
5 hard your whole life to buy a home and pay it  
6 off, it becomes an asset.

7 Q. Understood.

8 A. So you'll notice I didn't mention  
9 anything about rates in here or anything, just  
10 my home value.

11 Q. That was one of my questions, why  
12 is it that the only thing you mentioned here is  
13 your home value?

14 A. That's what's important to me.

15 Q. Did anybody ask you to send this?

16 A. No.

17 Q. Now, the basis for your concern  
18 about your home value declining was something  
19 you heard at the Strongsville meeting about  
20 homes going down 30 percent?

21 A. Absolutely. It was mentioned there  
22 that the Strongsville homes are having  
23 difficulty selling, the ones that are all  
24 electric. Even whenever people had installed  
25 new heat pumps, the customers are not coming

1 the home. So you're handing the keys to a new  
2 owner and my home value is not there.

3 Q. As far as the current appraisal of  
4 your home, the current appraisal of your home  
5 is not reflected at \$90,000 correct?

6 A. No, it's reflected at the  
7 124-something.

8 Q. Now, the example you set forth in  
9 this complaint that's Willetts Exhibit 3, you  
10 have one parcel in Cuyahoga County that sold  
11 March 30th, 2010, it sold for \$145,500,  
12 correct?

13 A. That's up the street from me, yes.

14 Q. And then a block away you're  
15 suggesting there's the same basic style of  
16 home, but it has all electric heat, and it sold  
17 July 19th, 2001 for \$147,900, correct?

18 A. Yes.

19 Q. And that same home, meaning all  
20 electric home, sold in December 29th, 2009 for  
21 \$90,000, correct?

22 A. Yes.

23 Q. So you're comparing, if I  
24 understand correctly, the December, 2009 sale  
25 of this electric home for \$90,000 with the

12 (Pages 42 to 45)



Page 46

Page 48

1 March, 2010 sale of, in your view, a comparable  
2 home with gas heat for \$145,5, correct?

3 A. That's it.

4 Q. And do you know anything else about  
5 the sale of those two homes other than what the  
6 sales prices were?

7 A. They look identical except one has  
8 a gas meter on the side and the other one  
9 doesn't.

10 Q. Okay. Have you spoken to either of  
11 the purchasers of those homes?

12 A. I don't even know my neighbors five  
13 houses away anymore.

14 Q. So my answer is no, you have not  
15 spoken to either purchaser?

16 A. No.

17 Q. And you didn't speak to either of  
18 the sellers; is that fair?

19 A. No.

20 Q. So you don't particularly know what  
21 may have gone into the decisions or the  
22 determinations as to what those houses were  
23 sold for, correct?

24 A. The house that sold for the \$90,000  
25 was all electric and it was for sale for a

1 A. It would extend to me, that's  
2 right.

3 Q. And the only complaint you raised  
4 to the PUCO was home values, correct?

5 A. Yes.

6 Q. You have not filed any other  
7 complaints with the PUCO; is that correct?

8 A. I just recently e-mailed the new  
9 Governor, so it wouldn't be PUCO, just saying  
10 please look at this seriously, there's a lot of  
11 people counting on it. That's it.

12 Q. Why was it that you didn't list  
13 anything else with the PUCO in your complaint?

14 A. After I wrote this letter, I joined  
15 CKAP and they're doing my talking.

16 Q. Now, this PUCO proceeding involves  
17 FirstEnergy, it involves CEI, Ohio Edison and  
18 Toledo Edison. As far as those companies are  
19 concerned, you've always been a company of --  
20 strike that. You've always been a customer of  
21 CEI, correct?

22 A. Yes.

23 Q. You mentioned a conversation or you  
24 testified, sir, about a conversation that you  
25 had with someone from CEI in around 1975 when

Page 47

Page 49

1 long, long time. The one that was gas sold  
2 within a period of weeks.

3 Q. And what's your basis for knowing  
4 that, sir, just driving by and seeing the For  
5 sale sign, or did you check anything else?

6 A. It's the For Sale sign, as well as  
7 seeing it. Every Sunday I look in the  
8 Cleveland Plain Dealer in the rental homes  
9 area, and I always look to see what homes in my  
10 neighborhood or in Parma sold for what.

11 Q. Since hearing that person at the  
12 February, 2010 Strongsville meeting talk about  
13 home values, have you discussed all-electric  
14 home values with anybody else?

15 A. Just my wife.

16 Q. Now, your request to the PUCO in  
17 the complaint is that the all-electric rate  
18 extend to the home permanently, correct?

19 A. Yes.

20 Q. And I believe your testimony was,  
21 but just to be clear, the statement in the  
22 letter that you received in 1980 that you  
23 believe formed a contract, that's not a  
24 provision of that letter, correct, that the  
25 discount would extend to the home permanently?

1 you moved into your home.

2 A. Yes.

3 Q. Have you had any other  
4 conversations that you can recall since with  
5 CEI regarding the rate for which you'll pay for  
6 electricity?

7 A. None.

8 Q. Have you made any investments in  
9 your electric heating equipment over the years?

10 A. I have upgraded the heat pump once,  
11 I've made improvements to the home to the tune  
12 of \$35,000, which is absurd. Most people that  
13 have a gas home would put a new furnace in,  
14 perhaps windows and call it quits. If it's the  
15 latest and greatest, I have it.

16 Q. What has comprised the \$35,000 of  
17 improvements to your home?

18 A. To basically the R-11, I upgraded  
19 the R-20 in the walls by sheathing the exterior  
20 of my home. I could have done like the  
21 neighbors who spray painted aluminum siding. I  
22 chose, if I'm going to do something, I'm going  
23 to do something of value to improve the home.

24 Consequently, I had quality siding  
25 put on with a full one-inch of Styrofoam

13 (Pages 46 to 49)

Page 50

Page 52

1 underneath. In the process of doing so, cold  
2 spots in the walls went away, and the home is  
3 much better thermally insulated.

4 I have put the better heat pump in,  
5 which I had mentioned. I put in insulation all  
6 around my garage, an insulated garage door to  
7 further complete the home, a new front door, a  
8 new back door, and Stanek's Best System 9  
9 windows, which are R-9, most people don't even  
10 want to think of the cost, and it was about  
11 \$12,000 worth of windows.

12 So whenever you add everything up,  
13 which I have already done that at home once, it  
14 comes to be about \$35,000, of which I will  
15 never recoup probably ever in my life, but my  
16 home is thermally warm, it's comfortable, and  
17 if I keep my discount with FirstEnergy, I think  
18 it will be easily sellable to anybody.

19 Q. Now, when you said you made these  
20 improvements, early on in your testimony or in  
21 your response you said it was much higher than  
22 someone with a gas heated home would have been,  
23 correct?

24 A. My initial bills with resistance  
25 heat were in the range of 6,000 kilowatt hours.

Page 51

Page 53

1 My current consumption for the winter months  
2 has dropped from 6,000 to in the range of 16 or  
3 1,800. That's a significant chop.

4 Q. Just so I'm sure the record is  
5 clear, you were saying your initial bills, the  
6 consumption was 6,000 a month?

7 A. 6,000 kilowatt hours in a month.  
8 My summertime rates were in the ranges of 15 to  
9 1,600 a month. They're currently 1,600 with  
10 the air conditioning on. That's a dramatic  
11 drop.

12 Q. Understood. When you got aluminum  
13 siding, I assume prior to that time you had  
14 wood exterior and you painted the home?

15 A. No, the house was aluminum sided.  
16 Most neighbors bring somebody out and they  
17 spray paint it and it looks fresh. I chose to  
18 have a complete tear-off and have insulation  
19 and had wind film put underneath, a barrier,  
20 and that is like an insulated bottle, and it  
21 dramatically improved the quality of my house,  
22 the living style inside.

23 Q. When did you do that?

24 A. 2001, whenever I retired.

25 Q. So that had nothing to do with

1 discounted rates being taken away or changed;  
2 is that correct?

3 A. The rates were still there.

4 Q. So the answer to my question is  
5 yes, that had nothing to do with the rates  
6 being changed?

7 A. Yes.

8 Q. Other than the discounted rates for  
9 electric heat, do you find there to be any  
10 benefits of electric heat?

11 A. I don't have to have a carbon  
12 monoxide sensor or ever worry about it, that's  
13 the main item, and I find that the heat pump,  
14 when it's properly sized, slightly oversized,  
15 is more than adequate to provide warm air. I'm  
16 very happy with it.

17 Q. Do you find it cleaner than your  
18 understanding of gas heat?

19 A. I have been in gas homes, and where  
20 there are registers in ceilings and walls, they  
21 are slightly discolored. I prefer the  
22 electric, and I hope I get my discount.

23 Q. So putting aside your complaint  
24 with the discount and your home value, you've  
25 been satisfied with the quality of the electric

1 heat over the years?

2 A. 110 percent.

3 Q. We've spoken and you've testified  
4 about the change in rates that you think you  
5 were promised in the 1980 letter and the value  
6 of your home. Is there anything else about  
7 which you have a complaint with FirstEnergy or  
8 CEI?

9 A. No. It's summed up in this one  
10 line, There will be no change in the discount  
11 provisions, and that's what I would like to  
12 tell PUCO face to face, this letter says there  
13 will be no change, end of discussion.

14 Q. You understand that you have been  
15 listed by CKAP as a witness for the PUCO  
16 proceeding in this matter, correct?

17 A. Yes.

18 Q. And other than -- do you intend to  
19 come down and testify next week?

20 A. Yes.

21 Q. Have you -- did you -- I know you  
22 testified that you attended the Strongsville  
23 meeting in February, 2010. Did you attend any  
24 of the public hearings that were held in this  
25 matter?

14 (Pages 50 to 53)

Page 54

1 A. Yes, I did, in Strongsville. I  
 2 believe it was in October.  
 3 Q. Or November of 2010 or thereabouts?  
 4 A. Yes. The Commissioner was there  
 5 and he was very nice.  
 6 Q. Did you testify, sir?  
 7 A. No.  
 8 Q. Why not?  
 9 A. I guess I got there too late.  
 10 Q. Okay.  
 11 A. I believe it opened and started at  
 12 6, and I believe if you wanted to testify, you  
 13 had to be there early because there was -- I  
 14 walked in and it was crowded.  
 15 MR. SAKS: Why don't we go off the  
 16 record a minute. I want to go over my notes.  
 17 I think we're either done or close to being  
 18 done. Let's go off the record.  
 19 (A brief recess was taken.)  
 20 MR. SAKS: Go back on.  
 21 Q. Mr. Willetts, have you tried to  
 22 sell your home, sir?  
 23 A. I don't plan on ever selling it.  
 24 Q. So at the current time or since  
 25 this issue arose, you have not looked to sell

Page 55

1 your home or been interested in selling your  
 2 home, correct?  
 3 A. I like my home and I like my car  
 4 and I plan to keep both.  
 5 Q. So the issues about home value are  
 6 just some point in time in the future?  
 7 A. If my wife, who has issues with  
 8 walking, should decide that we would need or  
 9 require to sell to move to a ranch, as an  
 10 example, all on one floor, I would like to be  
 11 able to sell my home and get a reasonable price  
 12 that is going in the neighborhood fair.  
 13 Whenever I say neighborhood, I don't mean all  
 14 electric, I mean Cuyahoga County.  
 15 MR. SAKS: I have no further  
 16 questions, sir. Thank you. But with the --  
 17 thank you for your time today, and just  
 18 renewing our request for the e-mails, subject  
 19 to the Attorney Examiner's determination of  
 20 that issue.  
 21 MR. CORCORAN: You also have the  
 22 opportunity to read your testimony to see if  
 23 there's anything that wasn't transcribed  
 24 correctly.  
 25 THE WITNESS: Sure.

Page 56

1 MR. CORCORAN: You would like to  
 2 have that opportunity?  
 3 THE WITNESS: Sure.  
 4 (The deposition was concluded.)  
 5  
 6  
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Page 57

1 Whereupon, counsel was requested to give  
 2 instruction regarding the witness's review of  
 3 the transcript pursuant to the Civil Rules.  
 4  
 5 SIGNATURE:  
 6 It was agreed by and between counsel and the  
 7 parties that the Deponent will read and sign  
 8 the transcript of said deposition.  
 9  
 10 TRANSCRIPT DELIVERY:  
 11 Counsel was requested to give instruction  
 12 regarding delivery date of transcript.  
 13 Jeffrey Saks ordered the original transcript.  
 14 Kevin Corcoran ordered a copy of the  
 15 transcript.  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

15 (Pages 54 to 57)

Page 58

## REPORTER'S CERTIFICATE

The State of Ohio, )  
 SS:  
 County of Cuyahoga. )

I, Jill A. Kulewsky, a Notary Public  
 within and for the State of Ohio, duly  
 commissioned and qualified, do hereby certify  
 that the within named witness, Jesse Willetts,  
 was by me first duly sworn to testify the  
 truth, the whole truth and nothing but the  
 truth in the cause aforesaid; that the  
 testimony then given by the above-referenced  
 witness was by me reduced to stenotypy in the  
 presence of said witness; afterwards  
 transcribed, and that the foregoing is a true  
 and correct transcription of the testimony so  
 given by the above-referenced witness.

I do further certify that this  
 deposition was taken at the time and place in  
 the foregoing caption specified and was  
 completed without adjournment.

Page 60

DEPOSITION REVIEW  
CERTIFICATION OF WITNESS

RE: The Application of Ohio  
 Edison Company  
 DEPONENT: Jesse Willetts  
 COURT REPORTER: Jill A. Kulewsky, Rennillo  
 Deposition & Discovery  
 In accordance with the Rules of Civil  
 Procedure, I have read the entire transcript of  
 my testimony or it has been read to me.  
 I have made no changes to the testimony  
 as transcribed by the court reporter.

Date                      Witness  
 Sworn to and subscribed before me, a  
 Notary Public in and for said State and County,  
 the referenced witness did personally appear  
 acknowledge that:

1. They have read the transcript;
2. They signed the foregoing sworn  
statement; and
3. Their execution of this Statement is  
of their free act and deed.

I have affixed my name and official seal  
 this    day of    , 20    .

Notary Public

My Commission Expires:

Page 59

I do further certify that I am not a  
 relative, counsel or attorney for either party,  
 or otherwise interested in the event of this  
 action.

IN WITNESS WHEREOF, I have hereunto  
 set my hand and affixed my seal of office at  
 Cleveland, Ohio, on this       day of  
 \_\_\_\_\_, 2011.

Jill A. Kulewsky, Notary Public  
 within and for the State of Ohio

My commission expires August 31, 2015.

Page 61

DEPOSITION REVIEW  
ERRATA & CERTIFICATION OF WITNESS

RE: The Application of Ohio  
 Edison Company  
 DEPONENT: Jesse Willetts  
 COURT REPORTER: Jill A. Kulewsky, Rennillo  
 Deposition & Discovery

In accordance with the Rules of Civil  
 Procedure, I have read the entire transcript of  
 my testimony or it has been read to me.

I have listed my changes on the attached  
 Errata Sheet, listing page and line numbers as  
 well as the reason(s) for the change(s).

I request that these changes be entered  
 as part of the record of my testimony.

I have executed the Errata Sheet, as well  
 as this Certificate, and request and authorize  
 that both be appended to the transcript of my  
 testimony and be incorporated therein.

Date                      Witness  
 Sworn to and subscribed before me, a  
 Notary Public in and for said State and County,  
 the referenced witness did personally appear  
 and acknowledge that:

1. They have read the transcript;
2. They have listed all of their  
corrections in the appended Errata Sheet;
3. They signed the foregoing sworn  
statement; and
4. Their Errata and execution of this  
Statement is of their free act and deed.

I have affixed my name and official seal  
 this    day of    , 20    .

Notary Public

My Commission Expires:

16 (Pages 58 to 61)

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 Approval of a New  
Rider and Revision of an Existing Rider.

Case No. 10-176-EL-ATA

-----

Deposition of  
SUSAN STEIGERWALD

January 21st, 2011

9:00 a.m.

Taken at:

Jones Day

901 Lakeside Avenue, North Point

Cleveland, Ohio

Kelly A. Hill, Notary Public

## 1 APPEARANCES:

2  
3 On behalf of the Applicants:  
4 Jones Day, by  
5 DAVID A. KUTIK, ESQ.  
6 North Point, 901 Lakeside Avenue  
7 Cleveland, Ohio 44114-1190  
8 (216) 579-0212  
9 dakutik@jonesday.com

10  
11 On behalf of the Intervenor:  
12 Corcoran & Assoc., Co., L.P.A., by  
13 KEVIN CORCORAN, ESQ.  
14 8501 Woodbridge Court  
15 North Ridgeville, Ohio 44039  
16 (440) 225-8965  
17 corcoranlaw@yahoo.com  
18 ~~~~~

## 20 ALSO PRESENT:

21 James Burk, Esq.  
22 ~~~~~  
23  
24  
25

## 1 TRANSCRIPT INDEX

2  
3 APPEARANCES..... 2  
4  
5 INDEX OF EXHIBITS ..... 4  
6  
7 EXAMINATION OF SUSAN STEIGERWALD:  
8 By Mr. Kutik..... 6  
9 By Mr. Kutik..... 162  
10  
11 REPORTER'S CERTIFICATE..... 270  
12  
13 EXHIBIT CUSTODY  
14 EXHIBITS RETAINED BY COURT REPORTER  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1 INDEX OF EXHIBITS  
2 NUMBER DESCRIPTION MARKED  
3 Exhibit E-mail Bates Stamped 005423 .. 40  
4 Steigerwa through 005424  
5 Id 1  
6 Exhibit Distribution List Name..... 43  
7 Steigerwa  
8 Id 2  
9 Exhibit E-mails Bates Stamped 005082 .. 53  
10 Steigerwa through 005085  
11 Id 3  
12 Exhibit Political E-mails Marked ..... 56  
13 Steigerwa Pages 27 and 28  
14 Id 4  
15 Exhibit Letter to Governor Tod ..... 65  
16 Steigerwa Strickland on CKAP  
17 Id 5 Letterhead  
18 Exhibit Letter Authored by Susan ..... 74  
19 Steigerwa Steigerwald  
20 Id 6  
21 Exhibit E-mails Bates Stamped 005452 .. 88  
22 Steigerwa through 005453  
23 Id 7  
24 Exhibit E-mails Bates Numbered ..... 91  
25 Steigerwa 005427 through 005429  
Id 8  
Exhibit E-mails Bates Stamped 005472 .. 99  
Id 9  
Exhibit E-mails Bates Stamped 005676 .. 104  
Id 10  
Exhibit Recurse of Chester Karchafsky.. 111  
Id 11  
Exhibit Complaint filed with PUCO by .. 117  
Id 12  
Exhibit Complaint filed with PUCO by .. 119  
Id 13  
Exhibit E-mails Bates Numbered 00545 .. 123  
Id 14  
Exhibit E-mails Bates Stamped 005562 .. 125  
Id 15

1 Exhibit E-mails Bates Stamped 005468 .. 129  
Steigerwa through 005471  
2 Id 16  
3 Exhibit E-mails Bates Stamped 005372 .. 133  
Steigerwa through 005374  
4 Id 17  
5 Exhibit Media E-mails..... 138  
Steigerwa  
6 Id 18  
7 Exhibit E-mail Bates Stamped 005023... 143  
Steigerwa  
8 Id 19  
9 Exhibit Media E-mails..... 154  
Steigerwa  
10 Id 20  
11 Exhibit Media E-mails..... 156  
Steigerwa  
12 Id 21  
13 Exhibit Complaint Form to the Ohio .. 162  
Steigerwa Inspector's Office  
14 Id 22  
15 Exhibit Press Release..... 169  
Steigerwa  
16 Id 23  
17 Exhibit E-mail Sent from Susan ..... 178  
Steigerwa Steigerwald to CKAP Members  
18 Id 24  
19 Exhibit Urgent Message From Sue ..... 261  
Steigerwa Steigerwald  
20 Id 25  
21  
22  
23  
24  
25

Page 6

1 SUSAN STEIGERWALD, of lawful age, called  
2 for examination, as provided by the Ohio Rules  
3 of Civil Procedure, being by me first duly  
4 sworn, as hereinafter certified, deposed and  
5 said as follows:

6 EXAMINATION OF SUSAN STEIGERWALD  
7 BY MR. KUTIK:

8 Q. What is your name?  
9 A. Susan Steigerwald.  
10 Q. Could you spell that for the court 09:11:38  
11 reporter, please?

12 A. SUSAN, STEIGERWALD.  
13 Q. Where do you live?  
14 A. 10731 Beechwood Drive, Kirtland,  
15 Ohio 44094. 09:11:50

16 Q. Is your husband's name Wilbert?  
17 A. Yes.

18 Q. Is the size of your home  
19 approximately 2,800 square feet?

20 A. Yes. 09:11:59

21 Q. Is it four bedrooms?

22 A. Yes.

23 Q. Do you heat your home with  
24 electricity?

25 A. Yes. 09:12:08

Page 7

1 Q. What type of electric heating  
2 system do you have in your home?  
3 A. Baseboard.  
4 Q. Is it correct that you purchased  
5 your home from your in-laws? 09:12:15

6 A. Correct.

7 Q. In 1988?

8 A. Yes.

9 Q. For \$85,000?

10 A. Yes. 09:12:28

11 Q. Have you installed any electric  
12 heating systems in your home since you've  
13 purchased it?

14 A. No.

15 Q. Your in-laws converted the home to 09:12:37  
16 electric heat from oil, correct?

17 A. Yes.

18 Q. Did your in-laws provide you with  
19 any materials that they received from -- well,  
20 I'll back up. 09:13:03

21 Is your electric company CEI?

22 A. Yes.

23 Q. Did your in-laws provide you any  
24 materials that they had received from CEI?

25 A. No. 09:13:13

Page 8

1 Q. Do you know whether you or your  
2 husband are listed as the customer of record  
3 for CEI?

4 A. My husband.

5 Q. When you purchased your home, do 09:13:26  
6 you know what the electric rate was?

7 A. Could you define the electric rate?

8 Q. Do you know what the word electric  
9 rate means or the term --

10 A. Well, it depends if you mean the 09:13:45  
11 kilowatt rate, the --

12 Q. Yes, I mean the kilowatt.

13 A. The kilowatt rate was 1.9 cents.

14 Q. Do you know what the standard  
15 residential customers for CEI were paying at 09:13:58  
16 that time?

17 A. No.

18 Q. Do you believe that you were paying  
19 a rate less than the standard residential  
20 customers were paying? 09:14:08

21 A. Yes.

22 Q. But you don't know by how much?

23 A. Nope.

24 Q. Pardon?

25 A. No. 09:14:12

Page 9

1 Q. Have you ever had your deposition  
2 taken before?

3 A. No.

4 Q. Have you ever testified --

5 A. Yes. 09:14:27

6 Q. -- in court before?

7 A. Um-hum.

8 Q. Tell me about that.

9 A. I testified as an employee of Ohio  
10 Savings once. 09:14:33

11 Q. Anything else?

12 A. No.

13 Q. Where did you testify?

14 A. It was in Cleveland -- a court in  
15 Cleveland. 09:14:53

16 Q. Was it in state court or federal  
17 court?

18 A. State.

19 Q. Was Ohio Savings being sued?

20 A. Were they being sued? All I 09:14:59

21 remember is I had an employee who had brought a  
22 case for vacation pay, and I was her manager.

23 That's all I remember.

24 Q. You were not a party in the case?

25 A. No. 09:15:14

3 (Pages 6 to 9)

Page 10

1 Q. You were testifying on behalf of  
2 Ohio Savings?  
3 A. Correct.  
4 Q. And you've only testified in that  
5 one case? 09:15:28  
6 A. That I recall, yes.  
7 Q. But you did not give a deposition  
8 in that case?  
9 A. No.  
10 Q. Ms. Steigerwald, let me go through 09:15:33  
11 a couple of the rules of a deposition. I'm  
12 sure your counsel has told you a little bit  
13 about them, but let me review them with you  
14 here.  
15 First, you've just taken an oath to 09:15:45  
16 tell the truth. And so we will assume that if  
17 you answer my questions you've understood them.  
18 So if you don't understand my  
19 question like you indicated earlier, I need you  
20 to tell me that so we can work to understand 09:15:58  
21 each other.  
22 Will you do that for me?  
23 A. Um-hum, yes.  
24 Q. Secondly -- which gets to the  
25 second rule, because we are taking this 09:16:05

Page 11

1 deposition down by transcription, the court  
2 reporter, you need to answer my questions  
3 orally with words and avoid phrases like um-hum  
4 or hu-hum, because those don't come off well in  
5 the transcript. We can't tell what you're 09:16:19  
6 saying. So because we want to make sure we  
7 understand what you're saying, you need to  
8 answer my questions only with words.  
9 Will you do that?  
10 A. Yes. 09:16:29  
11 Q. Also, the final thing, and I don't  
12 believe this will be a problem, but you need to  
13 wait to answer my question at the end of my  
14 question, and I will wait to make my next  
15 question until you've finished your answer, 09:16:42  
16 because we can't talk over each other or the  
17 court reporter -- so the court reporter won't  
18 be able to get down things accurately if we're  
19 talking over each other.  
20 Will you do that for me, please? 09:16:52  
21 A. Yes.  
22 Q. Are you a college graduate?  
23 A. Yes.  
24 Q. Where did you go to college?  
25 A. Lakeland College and Notre Dame 09:16:58

Page 12

1 College.  
2 Q. Do you have a degree?  
3 A. Yes.  
4 Q. From which college?  
5 A. Both. 09:17:07  
6 Q. What was your degree from Lakeland?  
7 A. Computer programming.  
8 Q. Was that a bachelor's?  
9 A. Associate.  
10 Q. And what was your degree from Notre 09:17:15  
11 Dame College?  
12 A. Information systems management.  
13 Q. When did you get your associate's  
14 degree?  
15 A. 85. 09:17:26  
16 Q. When did you get your bachelor's  
17 degree?  
18 A. 88.  
19 Q. Where did you go to high school?  
20 A. Mentor High School. 09:17:39  
21 Q. When did you graduate?  
22 A. 83.  
23 Q. Were you employed while you were  
24 going to school at Lakeland or Notre Dame  
25 College? 09:17:49

Page 13

1 A. Yes.  
2 Q. Where did you work?  
3 A. At Lakeland I worked at the college  
4 itself, and also while I was at Notre Dame.  
5 Q. So you had part-time work at Notre 09:18:00  
6 Dame and Lakeland?  
7 A. No, I worked at Lakeland while  
8 going to Lakeland and Notre Dame.  
9 Q. What did you do for Lakeland?  
10 A. I worked in the admissions office. 09:18:10  
11 Q. Doing what?  
12 A. I was an admissions clerk. I  
13 answered the phones, did filing, et cetera.  
14 Q. You had that job through your  
15 graduation at Notre Dame? 09:18:24  
16 A. Um-hum.  
17 Q. Is that yes?  
18 A. Yes.  
19 Q. What did you do next in terms of  
20 employment? 09:18:30  
21 A. My next job was working at Ohio  
22 Savings Bank.  
23 Q. What do you do at Ohio Savings?  
24 A. I was there my entire business  
25 career and started in -- I was hired in as a 09:18:40



| Page 14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Page 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 programmer 2 in the IT department and -- I<br/>2 mean, do you want all of my job titles there?<br/>3 Q. Yes.<br/>4 A. I spent six years in the IT<br/>5 department. I was promoted to programmer 3, 09:18:58<br/>6 programmer analyst, senior programmer analyst.<br/>7 Then I moved over to the business<br/>8 side and was a senior project manager. And<br/>9 when I left I was a vice-president senior<br/>10 project manager. 09:19:14<br/>11 Q. How long did you work for Ohio<br/>12 Savings?<br/>13 A. Twelve years.<br/>14 Q. Starting in 1988?<br/>15 A. Yes. 09:19:24<br/>16 Q. What were your responsibilities as<br/>17 vice-president senior -- senior project<br/>18 manager?<br/>19 A. I oversaw a team of project<br/>20 managers and business analysts. 09:19:38<br/>21 Q. And what did they do?<br/>22 A. They handled corporate-wide IT<br/>23 projects for the bank.<br/>24 Q. So all your responsibilities were<br/>25 within the IT department? 09:19:50</p> | <p>1 Q. Is that yes?<br/>2 A. Yes.<br/>3 Q. Is that the first job you held<br/>4 since leaving Ohio Savings?<br/>5 A. No. I was a preschool teacher in 09:21:00<br/>6 07 and 08 at Caring Tree Preschool.<br/>7 Q. Say that again.<br/>8 A. Caring Tree Preschool.<br/>9 Q. Where is that?<br/>10 A. It was in Kirtland, Ohio. It's now 09:21:13<br/>11 closed.<br/>12 Q. Did you have any jobs before the<br/>13 preschool job and after Ohio Savings?<br/>14 A. No.<br/>15 Q. What was your job at the preschool? 09:21:25<br/>16 A. Preschool teacher.<br/>17 Q. Did you have to get any<br/>18 certifications or qualifications for that job?<br/>19 A. You had to have a four-year degree,<br/>20 and I had to take a CPR class. 09:21:40<br/>21 Q. We said that -- earlier that you<br/>22 bought your house -- or you and your husband<br/>23 bought your house for \$85,000, correct?<br/>24 A. Yes.<br/>25 Q. Have you attempted to value your 09:22:07</p>                     |
| Page 15                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Page 17                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>1 A. That -- that particular job was --<br/>2 I was not part of IT. I was part of -- I<br/>3 reported directly to the owners of the bank.<br/>4 Q. But your responsibilities related<br/>5 to IT work? 09:20:04<br/>6 A. Yes.<br/>7 Q. So all of your work for Ohio<br/>8 Savings was IT-related?<br/>9 A. Yes.<br/>10 Q. And is it correct to say that when 09:20:10<br/>11 you left Ohio Savings you left basically to<br/>12 take care of your family?<br/>13 A. Yes.<br/>14 Q. And you've been working in the home<br/>15 ever since? 09:20:28<br/>16 A. No, I work outside the home now,<br/>17 too.<br/>18 Q. Okay. What do you do now?<br/>19 A. I am a writing consultant tutor at<br/>20 Lakeland College part time. 09:20:37<br/>21 Q. How long have you had that job?<br/>22 A. I started last fall, September of<br/>23 10 -- September of 9.<br/>24 Q. September of 09?<br/>25 A. Um-hum. 09:20:52</p>                                                                   | <p>1 house since you purchased it?<br/>2 A. Could you explain the question?<br/>3 Q. Okay. Well, do you know what the<br/>4 value of your house is now?<br/>5 A. Approximately -- according to what 09:22:21<br/>6 is on the property tax evaluation.<br/>7 Q. What is that?<br/>8 A. I believe last time I looked it was<br/>9 roughly \$200,000.<br/>10 Q. So is it your current belief that 09:22:33<br/>11 your house is worth \$200,000?<br/>12 A. No.<br/>13 Q. Do you have any basis to believe<br/>14 your house is worth something other than<br/>15 \$200,000? 09:22:44<br/>16 A. No factual basis, no.<br/>17 Q. In other words, the only value that<br/>18 you've seen on your house or the most current<br/>19 value that you've seen on your house is from<br/>20 your tax assessment; fair to say? 09:23:01<br/>21 A. Yes.<br/>22 Q. Do you know whether that \$200,000<br/>23 value is the highest value that your house has<br/>24 ever had?<br/>25 A. No. 09:23:12</p> |

5 (Pages 14 to 17)

Page 18

1 Q. Has it been higher?  
 2 A. Yes.  
 3 Q. When was it higher?  
 4 A. The last tax evaluation it was  
 5 higher. 09:23:20  
 6 Q. Okay. When was -- what was the  
 7 last tax evaluation?  
 8 A. I believe it was two years ago.  
 9 Q. And what was the value?  
 10 A. I don't recall, but I believe it 09:23:26  
 11 was about 20,000 higher.  
 12 Q. So your most current tax assessment  
 13 shows that the value of your house has been  
 14 assessed at \$200,000, correct?  
 15 A. If I recall, yes. I believe it's 09:23:41  
 16 \$200,200.  
 17 Q. And before that, the tax evaluation  
 18 was approximately \$220,000?  
 19 A. From what I recall, yes.  
 20 Q. Do you recall any value higher than 09:23:52  
 21 \$220,000?  
 22 A. No.  
 23 Q. When did you receive your most  
 24 recent tax assessment?  
 25 A. I don't recall. 09:24:04

Page 19

1 Q. Was it within the last year?  
 2 A. Yeah. Yes.  
 3 Q. Do you recall when the \$220,000  
 4 number value was assessed?  
 5 A. Nope. 09:24:20  
 6 Q. No?  
 7 A. I do not, no.  
 8 Q. Have you ever attempted to sell  
 9 your house?  
 10 A. No. 09:24:32  
 11 Q. Have you consulted with a realtor  
 12 at any time to get a value of your house?  
 13 A. No.  
 14 Q. Prior to 2007, did you have any  
 15 dealings with CEI regarding rates? 09:24:59  
 16 A. No.  
 17 Q. Did your husband?  
 18 A. No.  
 19 Q. Did you or your husband receive any  
 20 written guarantees about rates? 09:25:10  
 21 A. No.  
 22 Q. Did you and your husband receive  
 23 any verbal guarantees about rates?  
 24 A. I do not recall.  
 25 Q. When was your first awareness that 09:25:25

Page 20

1 there was a problem with your electric bill?  
 2 A. January of 2010.  
 3 Q. And what happened?  
 4 A. My bill appeared to be higher than  
 5 normal. 09:25:41  
 6 Q. What do you mean by that?  
 7 A. It was considerably higher dollar  
 8 amount for the kilowatts that I used and what I  
 9 expected.  
 10 Q. Are you the bill payer in the 09:25:57  
 11 house?  
 12 A. Yes.  
 13 Q. So once you saw that the bill was  
 14 higher than you expected, what did you do?  
 15 A. The next day I called the 09:26:08  
 16 Illuminating Company and asked why.  
 17 Q. Did you get the name of whoever you  
 18 talked to?  
 19 A. No.  
 20 Q. What did you tell them or what did 09:26:19  
 21 you ask them?  
 22 A. I said, My bill is 100 some dollars  
 23 higher than it should be. Can you explain why?  
 24 Q. And do you recall what the  
 25 explanation was? 09:26:32

Page 21

1 A. Um-hum.  
 2 Q. Is that yes?  
 3 A. Yes.  
 4 Q. What was the explanation?  
 5 A. The explanation included things 09:26:37  
 6 such as, Well, you realize the all-electric  
 7 rate is no longer available. And when I asked  
 8 regarding that, they also -- I said, Could that  
 9 possibly have made my bill go up this much?  
 10 And the response that I got back was, Yes. 09:26:55  
 11 And I further questioned what  
 12 justification was there for raising a bill 60,  
 13 70 percent, and from what I recall the CSR said  
 14 something along the lines of, They hadn't  
 15 raised their distribution rates in X number of 09:27:12  
 16 years.  
 17 So I realized I wasn't going to get  
 18 anywhere with that particular call and left it  
 19 at that.  
 20 Q. Was anything that that person said 09:27:25  
 21 to you untrue?  
 22 A. No.  
 23 Q. What did you do next?  
 24 A. I called numerous people. I  
 25 started searching the internet for information 09:27:39

6 (Pages 18 to 21)

Page 22

1 regarding these high rates.  
 2 Q. Who did you call?  
 3 A. Who did I call?  
 4 Q. Yes.  
 5 A. I called the consumers' counsel. I 09:27:52  
 6 mostly contacted people via e-mail.  
 7 Q. Well, you said you called people.  
 8 A. Right. I called the consumers'  
 9 counsel, I believe. I called people I knew,  
 10 friends I knew that had all-electric homes. 09:28:06  
 11 And primarily contacted -- you know, sent out  
 12 numerous e-mails.  
 13 Q. Well, before we get to your  
 14 e-mails, I'm still on the calls.  
 15 A. Um-hum. 09:28:19  
 16 Q. You said you called OCC. You  
 17 called friends. Did you call anyone else?  
 18 A. Not that I recall.  
 19 Q. Do you recall what friends you  
 20 called? 09:28:26  
 21 A. I called my brother-in-law.  
 22 Q. Whose name is that -- or what is  
 23 his name?  
 24 A. Dave Cooper.  
 25 Q. Dave Cooper? 09:28:32

Page 23

1 A. Um-hum.  
 2 Q. Is that yes?  
 3 A. Yes.  
 4 Q. Where does Dave Cooper live?  
 5 A. Chesterland. 09:28:36  
 6 Q. Do you remember calling anyone  
 7 else?  
 8 A. Not that I recall.  
 9 Q. You said you called the OCC. Do  
 10 you know who you spoke to at OCC? 09:28:56  
 11 A. No.  
 12 Q. Can you recall the conversation  
 13 that you had with OCC?  
 14 A. No.  
 15 Q. So the call you had with OCC wasn't 09:29:07  
 16 memorable as far as you were concerned?  
 17 A. Correct.  
 18 Q. You said you sent out e-mails. Who  
 19 did you send e-mails out to?  
 20 A. Many different entities. 09:29:18  
 21 Q. Can you tell me who?  
 22 A. I pretty much sent an e-mail to any  
 23 government entity I could find. I sent them  
 24 out to -- starting with Kirtland, to the  
 25 Kirtland mayor. I sent them out to Lake County 09:29:29

Page 24

1 commissioners. I sent them to the OCC, the  
 2 PUCO, state senators -- my state senator, my  
 3 state representative, my federal  
 4 representative, my federal senator.  
 5 I can't remember if I immediately 09:29:57  
 6 sent to the media, but I know I sent e-mails to  
 7 The Plain Dealer and News-Herald as well.  
 8 Q. Who is your state senator?  
 9 A. My state senator is Grendell.  
 10 Q. Who is your state rep? 09:30:18  
 11 A. Fende.  
 12 Q. Who is your -- I think you said  
 13 federal rep?  
 14 A. LaTourette.  
 15 Q. And did you send to both U.S. 09:30:28  
 16 senators?  
 17 A. I sent to Voinovich.  
 18 Q. Now, was this one just e-mail that  
 19 you sent out to all these people or were they  
 20 different e-mails that you sent out? 09:30:43  
 21 A. Different.  
 22 Q. And what was the gist of these  
 23 e-mails?  
 24 A. The gist of the e-mails, from what  
 25 I recall was, is my bill is -- my electric bill 09:30:51

Page 25

1 is up 60 percent and I wanted people to  
 2 understand this and to help me resolve the  
 3 problem of why the bills were up.  
 4 Q. Did you contact any legislators  
 5 other than Grendell and Fende? 09:31:15  
 6 A. Initially?  
 7 Q. Yes.  
 8 A. Well, I said I contacted the  
 9 federal legislators.  
 10 Q. Yes, I think my question was state 09:31:28  
 11 legislators.  
 12 A. I may have, but I don't have my  
 13 e-mail list with me now.  
 14 Q. Okay. You can't recall?  
 15 A. Correct. 09:31:38  
 16 Q. Did you get a response from OCC?  
 17 A. Yes.  
 18 Q. What was the response from OCC?  
 19 A. The response was from a Brian  
 20 Bayless, and it was a response regarding -- I 09:31:51  
 21 believe he said that the rates were --  
 22 something along the lines of the state -- that  
 23 the state had changed its laws, and, therefore,  
 24 it would be unlikely that the all-electric  
 25 rates would be reinstated. 09:32:10

7 (Pages 22 to 25)

Page 26

1 Q. Did you respond to Mr. Bayless?  
 2 A. I did.  
 3 Q. What'd you say?  
 4 A. I told him I didn't care that the  
 5 state had changed its laws, that it seemed 09:32:23  
 6 unrealistic that people's rates could go up 60  
 7 percent. And I told him it was an  
 8 unsatisfactory answer.  
 9 Q. Did he respond to you?  
 10 A. I don't believe he responded back 09:32:40  
 11 at that time.  
 12 Q. Did you receive a response back  
 13 from the PUCO?  
 14 A. I don't recall if I did.  
 15 Q. Did you receive a response back 09:32:49  
 16 from Mr. Grendell?  
 17 A. An e-mail response?  
 18 Q. Any response.  
 19 A. I don't recall that I did.  
 20 Q. Did you have any further 09:32:59  
 21 conversation with Mr. Grendell or anyone from  
 22 his office?  
 23 A. Many afterwards, yes.  
 24 Q. Okay. When was the first  
 25 conversation that you had with anyone from Mr. 09:33:11

Page 27

1 Grendell after you sent out your e-mail?  
 2 A. February.  
 3 Q. Was it a telephone conversation,  
 4 face to face or an e-mail?  
 5 A. Probably face to face. 09:33:27  
 6 Q. Where?  
 7 A. Chagrin Valley Country Club.  
 8 Q. Was this with Tim himself or --  
 9 A. Yes.  
 10 Q. -- with someone from his office? 09:33:37  
 11 A. Tim.  
 12 Q. And how did you and he come to meet  
 13 at the Chagrin Valley Country Club in February  
 14 of 2010?  
 15 A. He had called for a small gathering 09:33:46  
 16 of town hall meeting, and I was one of the  
 17 people who attended.  
 18 Q. Was the town hall meeting devoted  
 19 to the subject of CEI's all-electric rates, or  
 20 was it just generally a town hall meeting? 09:34:02  
 21 A. It was devoted to the electric  
 22 rates.  
 23 Q. Did you -- did you help set up that  
 24 meeting?  
 25 A. That one? I do not believe I 09:34:09

Page 28

1 helped set that one up.  
 2 Q. What happened at that meeting?  
 3 A. We discussed the electric rates.  
 4 Q. And can you be any more specific  
 5 than that? 09:34:26  
 6 A. He discussed his plans to file a  
 7 lawsuit potentially.  
 8 Q. Did he ask you to become involved  
 9 in that lawsuit at that time?  
 10 A. Yes. 09:34:42  
 11 Q. Did you agree at that time?  
 12 A. Yes.  
 13 Q. Did Mr. Grendell discuss any other  
 14 plans he had?  
 15 A. I don't recall at that time that he 09:34:57  
 16 did.  
 17 Q. Okay. Did you have any further  
 18 conversations with Mr. Grendell after the  
 19 meeting at the Chagrin Valley Country Club?  
 20 A. Yes. 09:35:07  
 21 Q. When was the next one, if you can  
 22 recall?  
 23 A. Again, at the Chagrin Valley  
 24 Country Club, another much larger town hall  
 25 meeting. 09:35:18

Page 29

1 Q. When was that?  
 2 A. February.  
 3 Q. Was this one also devoted to the  
 4 issue of the CEI all-electric rates?  
 5 A. Yes. 09:35:30  
 6 Q. Did you help set that meeting up?  
 7 A. Yes.  
 8 Q. And when you say you helped set  
 9 that up, or you agreed to that statement, what  
 10 does that mean? 09:35:43  
 11 A. I just helped publicize it.  
 12 Q. How did you do that?  
 13 A. Via e-mails, flyers.  
 14 Q. What was the next conversation or  
 15 contact that you had with Mr. Grendell or his 09:35:56  
 16 office?  
 17 A. Well, I had numerous conversations  
 18 with his legislative aide.  
 19 Q. Who was that?  
 20 A. Lynne Crowe. 09:36:18  
 21 Q. Can you spell her name, please?  
 22 A. C R O W E.  
 23 Q. Let's just limit it now to the  
 24 conversations you had with Tim himself.  
 25 When was the next conversation you 09:36:34

8 (Pages 26 to 29)

Page 30

1 had with him after the second Chagrin Valley  
 2 Country Club meeting -- town hall meeting?  
 3 A. I believe the next time I met Tim  
 4 was at the courthouse -- Geauga County  
 5 courthouse. 09:36:52  
 6 Q. What was that meeting for?  
 7 A. Filing of the lawsuit.  
 8 Q. Why did you have to be there for  
 9 the filing of the lawsuit?  
 10 A. I didn't have to be there. 09:37:03  
 11 Q. Why were you there?  
 12 A. Because I wanted to be there.  
 13 Q. Okay. Was there press there?  
 14 A. Yes.  
 15 Q. Was that the reason you were 09:37:13  
 16 there --  
 17 A. No.  
 18 Q. -- to publicize the filing of the  
 19 lawsuit?  
 20 A. Well, I was there to support the 09:37:18  
 21 lawsuit.  
 22 Q. Okay. And to publicize the filing  
 23 of the lawsuit?  
 24 A. Yes.  
 25 Q. Did you and Mr. Grendell discuss 09:37:32

Page 31

1 any other things that Mr. Grendell could do to  
 2 help you out, other than filing the lawsuit?  
 3 A. At what point in time?  
 4 Q. Any point in time.  
 5 A. Yes. 09:37:44  
 6 Q. Tell me what else you discussed in  
 7 terms of what Mr. Grendell could do for you.  
 8 A. Mr. Grendell discussed filing a  
 9 bill in the state legislature.  
 10 Q. And did that happen? 09:37:58  
 11 A. Yes.  
 12 Q. What was the name of the bill?  
 13 A. Senate Bill 236.  
 14 Q. And can you summarize what that  
 15 bill called for? 09:38:06  
 16 A. The bill called for making the  
 17 all-electric discount part of state law.  
 18 Q. Did that bill ever go up for a  
 19 vote?  
 20 A. No. 09:38:22  
 21 Q. Did that bill ever get a vote out  
 22 of any committee?  
 23 A. No.  
 24 Q. Do you know whether there are any  
 25 plans to introduce that bill into the -- or a 09:38:37

Page 32

1 similar bill into the current session of the  
 2 general assembly?  
 3 A. Yes.  
 4 Q. And what are those plans?  
 5 A. The plans are to reintroduce it. 09:38:46  
 6 Q. Did Mr. Grendell indicate anything  
 7 else he could do to help you?  
 8 A. No.  
 9 Q. Did you and Mr. Grendell ever talk  
 10 about things that he could do to "put pressure" 09:39:09  
 11 on the PUCO?  
 12 A. Not that I recall.  
 13 Q. Did you ever mention to him that  
 14 you wanted to help -- have him help you put  
 15 pressure on the PUCO? 09:39:28  
 16 A. Sure. Yes.  
 17 Q. And you've used words like that, to  
 18 put pressure, on the PUCO?  
 19 A. Yes.  
 20 Q. You were looking for Mr. Grendell 09:39:36  
 21 to help you put pressure on the PUCO?  
 22 A. Yes.  
 23 Q. Did you view the filing of the  
 24 lawsuit as something that you could use to put  
 25 pressure on the PUCO? 09:39:45

Page 33

1 A. At the time I didn't know. That  
 2 was the first thing that happened. So, no, I  
 3 would say no.  
 4 Q. Okay. Do you believe that the  
 5 lawsuit could be used to put pressure on the 09:39:52  
 6 PUCO?  
 7 A. Yes.  
 8 Q. How?  
 9 A. Just as another avenue to --  
 10 another avenue to publicize the issue and -- 09:40:03  
 11 primarily that's the issue.  
 12 Q. Okay. So that the lawsuit, in your  
 13 view, could put pressure on the PUCO by keeping  
 14 the issue in the media?  
 15 A. Yes. 09:40:22  
 16 Q. And using the lawsuit and using  
 17 media attention to the lawsuit to help put  
 18 pressure on the PUCO?  
 19 A. Yes.  
 20 Q. You're familiar with a group called 09:40:31  
 21 CKAP?  
 22 A. Yes.  
 23 Q. What's CKAP?  
 24 A. Citizens for Keeping the  
 25 All-Electric Promise. 09:40:52

1 Q. Did you create CKAP?  
 2 A. Yes.  
 3 Q. Are you the leader of CKAP?  
 4 A. Yes.  
 5 Q. Are there other leaders of CKAP? 09:40:58  
 6 A. Yes.  
 7 Q. Who are the other leaders of CKAP?  
 8 A. There are many different leaders.  
 9 Q. Tell me the leaders that you  
 10 believe there are. 09:41:09  
 11 A. Currently?  
 12 Q. Yes.  
 13 A. Myself, Rich Jordan, Kevin  
 14 Corcoran, Connie Kline.  
 15 Q. Anybody else? 09:41:25  
 16 A. Different people are -- fall in and  
 17 out of the leadership, depending on what we  
 18 need.  
 19 Q. So are these the current leaders --  
 20 A. Yes. 09:41:37  
 21 Q. -- the folks you just gave me?  
 22 The four of you?  
 23 A. Um-hum.  
 24 Q. Is that yes?  
 25 A. Yes. 09:41:41

1 Q. Ma'am, I don't mean to be picky  
 2 with you, but I need to make sure your answers  
 3 are accurately reflected on the record. That's  
 4 why I keep asking you if it's a yes or a no.  
 5 Do you understand that? 09:41:55  
 6 A. Yes.  
 7 Q. Is there any formal legal structure  
 8 for CKAP, C K A P?  
 9 A. No.  
 10 Q. Is it a non-profit organization? 09:42:07  
 11 A. Yes.  
 12 Q. Has it been registered as a  
 13 non-profit --  
 14 A. No.  
 15 Q. -- organization? 09:42:12  
 16 Pardon?  
 17 A. No.  
 18 Q. Ma'am, you need to wait until I  
 19 finish my question before you answer.  
 20 Will you do that, please? 09:42:19  
 21 A. Yes.  
 22 Q. So it is or is not registered as a  
 23 non-profit organization?  
 24 A. It is not.  
 25 Q. Is there any structure to the 09:42:36

1 organization?  
 2 A. Define structure.  
 3 Q. I don't think I can. Just an  
 4 ordinary meaning of structure.  
 5 A. Well, then I don't understand the 09:42:42  
 6 question.  
 7 Q. Okay. Can you -- I'm trying to  
 8 understand. You said there are leaders. Is  
 9 there -- are there members and leaders and  
 10 that's it? 09:42:53  
 11 A. There are members and leaders, yes.  
 12 Q. Okay. Is there any way you can  
 13 describe how the organization is organized?  
 14 A. There are members and leaders.  
 15 Q. And who decides who's a leader? 09:43:05  
 16 A. Who decides who's a leader? I  
 17 suppose that would be me.  
 18 Q. And how do you decide who becomes a  
 19 leader?  
 20 A. Well, the initial leaders were set 09:43:21  
 21 up when we first -- when I first started the  
 22 group.  
 23 Q. So when did you first start the  
 24 group?  
 25 A. In February. 09:43:39

1 Q. 2010?  
 2 A. Correct.  
 3 Q. How did you form it?  
 4 A. How did I form the group?  
 5 Q. Yes. 09:43:58  
 6 A. Via e-mail.  
 7 Q. Okay. You just basically had the  
 8 idea to have a group and say, Hey, does anybody  
 9 want to be a member of my group; is that  
 10 basically the way it worked? 09:44:14  
 11 A. No.  
 12 Q. Okay. So tell me how it worked.  
 13 A. People told me they wanted to be  
 14 part of the group.  
 15 Q. So is it your testimony that there 09:44:25  
 16 was a need to have people organize together to  
 17 deal with CEI's or the FirstEnergy operating  
 18 company's rates -- all-electric rates, and so  
 19 you had the idea to form it, and you said, I'm  
 20 going to form this group, do you want to join; 09:44:41  
 21 is that basically how it worked?  
 22 A. We formed the group around a common  
 23 cause to fight the all-electric rate  
 24 reinstatement, yet.  
 25 Q. And when you say we, who's we? 09:44:54

Page 38

1 A. Myself, and at the time Rich Jordan  
2 was the other primary person.  
3 Q. And how do you know Mr. Jordan?  
4 A. He's another all-electric  
5 homeowner. 09:45:05  
6 Q. How did you get to know him?  
7 A. How did I get to know him? I found  
8 his name in a local newspaper article on the  
9 issue.  
10 Q. Okay. And then you contacted him? 09:45:13  
11 A. Um-hum, yes.  
12 Q. And did you contact anyone else to  
13 form the group?  
14 A. At the time, no.  
15 Q. How did Mr. Corcoran become a 09:45:28  
16 leader in the group?  
17 A. He became a leader in the group  
18 after he and I went to Columbus to testify.  
19 Q. How did Ms. Kline become a leader  
20 in the group? 09:45:39  
21 A. She had contacted me and I realized  
22 her knowledge on the subject and made her a  
23 leader.  
24 Q. What knowledge does she have?  
25 A. She had previous knowledge in the 09:45:49

Page 39

1 Sierra Club and different electric issues from  
2 the 80s and 90s.  
3 Q. Is she currently employed?  
4 A. I don't know.  
5 Q. What can you tell me about her? 09:46:07  
6 Where does she live?  
7 A. I believe she lives in Willoughby  
8 Hills.  
9 Q. And you don't know whether she's  
10 employed or not? 09:46:14  
11 A. I do not.  
12 Q. What can you tell me about Mr.  
13 Jordan?  
14 A. I know he lives in Munson and I  
15 know he's self-employed. 09:46:24  
16 Q. Do you know what he does for a  
17 living?  
18 A. Something with parts -- like,  
19 customized parts he makes.  
20 Q. He manufactures parts? 09:46:32  
21 A. No. He outsource -- he finds --  
22 finds people to make custom-made parts that are  
23 difficult to made -- to make.  
24 Q. Was Joan Heginbotham ever a leader?  
25 A. At different times, yes. 09:46:50

Page 40

1 Q. Why was she a leader?  
2 A. Why was she a leader?  
3 Q. Yes.  
4 A. At different times if we would need  
5 different people to fall into leadership roles, 09:46:58  
6 then they fell into leadership roles.  
7 Q. What did Ms. Heginbotham do for the  
8 group?  
9 A. She helped organize the bus rally.  
10 Q. Did she do anything else? 09:47:09  
11 A. Not that I recall.  
12 Q. When was the bus rally?  
13 A. In May.  
14 MR. KUTIK: Let's mark this as  
15 Steigerwald 1. 09:48:02  
16 - - - - -  
17 (Thereupon, Deposition Exhibit  
18 Steigerwald 1, E-mail Bates Stamped  
19 005423 through 005424, was marked  
20 for purposes of identification.)  
21 - - - - -  
22 Q. Ms. Steigerwald, I'm showing you  
23 what's been marked by the court reporter as  
24 Steigerwald Exhibit 1.  
25 Do you recognize this as e-mails 09:48:49

Page 41

1 that you either received or sent?  
2 A. Yes.  
3 Q. I want to direct you to the e-mail  
4 that was sent from you to Lynne Crowe and Tim  
5 Lynch dated May 17, 2010, at the time 4:17 p.m. 09:49:19  
6 Do you see that?  
7 A. Yes.  
8 Q. And you list some people in that  
9 e-mail starting with Dan Ross; do you see that?  
10 A. Yes. 09:49:36  
11 Q. Were each of these people, at the  
12 time you wrote this e-mail, members of CKAP?  
13 A. Yes.  
14 Q. Were they leaders of CKAP?  
15 A. I do not recall. 09:49:46  
16 Q. Was anyone on this list at any time  
17 a leader of CKAP?  
18 A. Yes.  
19 Q. Can you tell me who?  
20 A. Gail Larson, Joan Heginbotham, Jim 09:49:58  
21 Jankura, Bill Sass, myself.  
22 Q. Is that it?  
23 A. Um-hum, yes.  
24 Q. What did Ms. Larson do in her  
25 leadership role? 09:50:25

11 (Pages 38 to 41)

1 A. She just helped publicize different  
2 events we would have.  
3 Q. What did Mr. Jankura do?  
4 A. Publicized different events.  
5 Q. Mr. Sass, what did he do? 09:50:34  
6 A. Helped organize the bus rally.  
7 Q. How does one become a member of  
8 CKAP?  
9 A. They send me an e-mail and tell me  
10 that they would like to become a member. 09:50:58  
11 Q. Okay. So, basically, that's all  
12 anybody has to do, I want to be a member of  
13 CKAP, and they become a member?  
14 A. Correct.  
15 Q. So, for example, I could be a 09:51:08  
16 member of CKAP?  
17 A. If you told me you wanted to be,  
18 sure.  
19 Q. They don't have to show you that  
20 they're an all-electric customer or even a 09:51:18  
21 customer of one of the FirstEnergy utility  
22 companies, correct?  
23 A. When they write to me they say they  
24 are an all-electric homeowner and they would  
25 like to join as a reason for joining. 09:51:29

1 Q. So they have to tell you that  
2 they're an all-electric customer?  
3 A. Do they have to tell me?  
4 Q. Yes.  
5 A. No. 09:51:38  
6 Q. So someone could conceivably just  
7 say, I want to be a member, and they wouldn't  
8 necessarily be an all-electric homeowner?  
9 A. Correct.  
10 Q. They wouldn't necessarily be even a 09:51:48  
11 customer of one of the FirstEnergy utility  
12 companies, correct?  
13 A. Yes.  
14 Q. They wouldn't have to do that?  
15 A. Correct. 09:51:56  
16 MR. KUTIK: Let's mark this as  
17 Steigerwald 2.  
18 - - - - -  
19 (Thereupon, Deposition Exhibit  
20 Steigerwald 2, Distribution List  
21 Name, was marked for purposes of  
22 identification.)  
23 - - - - -  
24 Q. Ms. Steigerwald, the court reporter  
25 has handed you a multi-page document which 09:53:04

1 starts at the top, Distribution list name:  
2 120-all-electric, and it says members: And  
3 then there are a series of what appear to be  
4 e-mail addresses; is that correct?  
5 A. Yes. 09:53:23  
6 Q. Do you recognize this document?  
7 A. Yes.  
8 Q. What is it?  
9 A. A list of CKAP member e-mail  
10 addresses. 09:53:29  
11 Q. Did you prepare this document?  
12 A. Yes.  
13 Q. When did you prepare it?  
14 A. In -- I don't recall the exact  
15 date, but in the last month. 09:53:39  
16 Q. Did you provide this document to  
17 your lawyer?  
18 A. Yes.  
19 Q. And this represented, at the time,  
20 all of the e-mail addresses of the folks who 09:53:49  
21 were members of CKAP?  
22 A. All the ones that I maintain, yes.  
23 Q. Does anyone else maintain a list of  
24 e-mail addresses for CKAP?  
25 A. Yes. 09:54:04

1 Q. Who?  
2 A. I don't know exactly who has all of  
3 the addresses, but different people forward  
4 other e-mails on, basically. Different people  
5 -- it's more of a tree type of a structure, and 09:54:23  
6 other people will forward on to their mailing  
7 list.  
8 Q. Okay. So that you might send an  
9 e-mail to, let's say, the first e-mail address  
10 here, buzznanc@roadrunner.com, and that person 09:54:36  
11 may in turn get an e-mail from you, e-mail  
12 others?  
13 A. Yes.  
14 Q. Now, are you aware of who some of  
15 the members of CKAP are other than the folks 09:54:56  
16 that we saw on Exhibit 1?  
17 A. Yes.  
18 Q. Okay. Using this e-mail list, can  
19 you go through these addresses and tell me the  
20 names of the e-mail members -- of CKAP members? 09:55:13  
21 A. No, not all of them.  
22 Q. Well, what I want you to do is, to  
23 the extent you can and to the extent you  
24 recognize any names from the e-mail addresses,  
25 I'd like you to tell us, please, at this time. 09:55:27



1 A. You want me to go through the  
2 entire list?  
3 Q. Yes, I do.  
4 A. Okay. I need to get my glasses.  
5 I don't know the first one. I 09:56:10  
6 don't know the second one --  
7 Q. Just the ones you know. When you  
8 see one you know say, With respect to e-mail  
9 address such and such, I recognize that and the  
10 name is so and so. 09:56:20  
11 A. I recognize none on the first page.  
12 I recognize Diane Blanchard on the second page.  
13 I recognize Andy Bushman. I recognize Carr,  
14 Colby, Cooper, Corcoran, Dimer, Gift, Gruber --  
15 Q. How about Edwards? 09:56:59  
16 A. I don't recognize.  
17 Q. All right.  
18 A. Jordan, Kisty, Kline, Koziol,  
19 Lambert, Lawrey, L A W R E Y, Lockitski,  
20 McKevitt, Rowles, Roy, Slabe, Slabe -- 09:57:29  
21 Q. Slabe, Brendan; Slabe, Christopher;  
22 Slabe, Edward?  
23 A. Correct.  
24 Vicki, Weir, Zimmer.  
25 MR. CORCORAN: Weir is W E I R. 09:57:55

1 MR. KUTIK: You'll see these on the  
2 exhibit.  
3 A. Bubnow, Brian Kurz, cnagy1.  
4 Q. And what's -- what's that name?  
5 A. Charles Nagy. 09:58:16  
6 Espitz is Elle Spitz; ezaretsky --  
7 Q. What's the first name there?  
8 A. Ed.  
9 Thlogan is Tom Logan.  
10 Q. Going to the next page? 09:59:11  
11 A. 103, yes.  
12 Borthwickrb is Paul Borthwick;  
13 Kristin MacLellan --  
14 Q. Where is that? Could you show me  
15 what e-mail address that is, please? 09:59:46  
16 A. It's about two-thirds of the way  
17 down.  
18 Q. I'm sorry; I still don't see.  
19 Just -- could you point it to me?  
20 A. Right here (indicating). 09:59:58  
21 Q. Thank you.  
22 A. Peg Gift; spfeifferi is Sandy  
23 Pfeifferi; amatic is Andrea Matic; prichmond is  
24 Peter Richmond.  
25 Q. Going to page 105; is that right? 10:01:17

1 A. Yes.  
2 Chuck Blouir; Frank Dragolich;  
3 Roger Sustar; V L C H E K A is Anita Vlcheka.  
4 106, Bill Sass; jneuger is Judy  
5 Neuger. 10:02:26  
6 107 -- 108, tstahlberg is Tim  
7 Stahlberg.  
8 109, Anita Whitlock; bkurz --  
9 bpkurz is Brian Kurz; recampo is Eileen Campo.  
10 110, jfenderbosch is Jennifer 10:04:57  
11 Fenderbosch; srobinson is Scott Robinson; Will  
12 and Georgie Steigerwald.  
13 Q. Are they related to you?  
14 A. Yes.  
15 Q. How are they related to you? 10:05:50  
16 A. My father and mother-in-law.  
17 111, David Bly; jicarney is John  
18 Carney; mcarney is Michael Carney.  
19 112, Denis Kolar; John Zultner;  
20 Rich Biasella; wmbruton is Bill Bruton. 10:07:12  
21 113, Jan Wardlaw is -- or that's  
22 Jan Wardlaw and HG Wardlaw; Susan Pasqualone.  
23 114, ldstoltz is Lynn Stoltz; Mike  
24 Payne; Peter Vladimir.  
25 115, Barb Mullet. 10:09:22

1 Q. Where is that, ma'am?  
2 MR. CORCORAN: It's under M for  
3 Mullet.  
4 A. Sweeneygrp is Tom Sweeney.  
5 116, B O B O B A S I L E is Bob 10:10:17  
6 Basile; jjtheibert is Jude Theibert; Larry  
7 Frawley; Paula Geer; usconstruction is Gary  
8 Spatz; bouman4070 is Paul Bouman; Matt  
9 Westerhold.  
10 118, Steve Inchak. 10:11:55  
11 119, dtruly is Doris Truly.  
12 Q. Have you completed the list?  
13 A. Yes.  
14 Q. Now, you were able to recognize  
15 some names that were not spelled -- their names 10:13:19  
16 were not spelled out; is that correct?  
17 A. Yes.  
18 Q. You were also unable to recognize  
19 certain names that were spelled out, correct?  
20 A. Correct. 10:13:35  
21 Q. Can I take it from that that the  
22 people that you recognized were people that you  
23 have had some type of additional contact with?  
24 A. Yes.  
25 Q. In other words, these are people 10:13:48

| Page 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Page 52                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 that just didn't ask to sign up; you've had</p> <p>2 some type of e-mail contact or meetings or</p> <p>3 other types of conversations?</p> <p>4 A. Yes.</p> <p>5 Q. Have you ever had a conversation 10:13:58</p> <p>6 with Mr. Spatz?</p> <p>7 A. Yes.</p> <p>8 Q. Was this in person or telephone?</p> <p>9 A. Telephone.</p> <p>10 Q. Was it more than one conversation? 10:14:23</p> <p>11 A. I know I exchanged a few e-mails</p> <p>12 with him, and I recall speaking once with him</p> <p>13 by phone.</p> <p>14 Q. Tell me what you can recall about</p> <p>15 the phone call, starting with who called who. 10:14:40</p> <p>16 A. I called -- let me think about</p> <p>17 this. I received an e-mail from him, and I</p> <p>18 believe I called him to discuss his e-mail.</p> <p>19 Q. Okay. What was the subject of the</p> <p>20 e-mail? 10:15:07</p> <p>21 A. He had written to me and said that</p> <p>22 he was a builder in Erie County, and he had</p> <p>23 been solicited by Ohio Edison and Illuminating</p> <p>24 Company, I believe, to build all-electric</p> <p>25 homes. I believe they are multi-family 10:15:29</p> | <p>1 the FirstEnergy utility companies said to him</p> <p>2 about the longevity of all-electric rates?</p> <p>3 A. I do not recall.</p> <p>4 Q. So as far as you know, he did not</p> <p>5 say anything to you about that fact? 10:16:45</p> <p>6 A. No.</p> <p>7 Q. You don't recall he said anything</p> <p>8 about that fact, correct?</p> <p>9 A. Correct.</p> <p>10 Q. Are there members of the media that 10:16:55</p> <p>11 are members of CKAP?</p> <p>12 A. A few.</p> <p>13 Q. Okay. Can you tell me who they</p> <p>14 are?</p> <p>15 A. Matt Westerhold. 10:17:06</p> <p>16 Q. Anybody else?</p> <p>17 A. Dee Riley.</p> <p>18 Q. Anyone else?</p> <p>19 A. Joe Koziol.</p> <p>20 Q. How do you spell that name? 10:17:22</p> <p>21 A. K O Z I O L.</p> <p>22 Q. Anyone else?</p> <p>23 A. Not that I recall.</p> <p>24 Q. Mr. Westerhold works for who?</p> <p>25 A. Sandusky Register. 10:17:40</p>        |
| Page 51                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Page 53                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>1 residences in Erie County.</p> <p>2 Q. Is that all he told you, either in</p> <p>3 his e-mail or his telephone call?</p> <p>4 A. I don't recall everything he told</p> <p>5 me. 10:15:42</p> <p>6 Q. I didn't ask you to tell me</p> <p>7 everything he told you.</p> <p>8 I said: Did he say anything else</p> <p>9 other than what you've just told me?</p> <p>10 A. In that particular phone call -- I 10:15:50</p> <p>11 don't recall everything he said in that phone</p> <p>12 call.</p> <p>13 Q. Well, again, ma'am --</p> <p>14 A. We discussed --</p> <p>15 Q. Tell me what you can recall. 10:16:07</p> <p>16 A. We discussed the fact that he was a</p> <p>17 builder who was solicited and that he was going</p> <p>18 to write a letter to the PUCO.</p> <p>19 Q. Is that it?</p> <p>20 A. Yes. 10:16:17</p> <p>21 Q. That's all you can recall?</p> <p>22 A. Yes.</p> <p>23 Q. Did -- either in his telephone call</p> <p>24 with you or the e-mail communications that you</p> <p>25 had, did he indicate anything about what any of 10:16:28</p>                                                                                 | <p>1 Q. Ms. Riley?</p> <p>2 A. Some local Ashtabula paper.</p> <p>3 Q. Mr. Koziol?</p> <p>4 A. Geauga Courier.</p> <p>5 Q. So those are all the members of the 10:18:01</p> <p>6 media that are CKAP members that you're aware</p> <p>7 of?</p> <p>8 A. Correct. And also all-electric</p> <p>9 homeowners.</p> <p>10 Q. You mentioned an individual by the 10:18:09</p> <p>11 name of Irv Zaretsky?</p> <p>12 A. Correct.</p> <p>13 Q. Was Mr. Zaretsky a leader?</p> <p>14 A. At times.</p> <p>15 Q. What did Mr. Zaretsky do? 10:18:31</p> <p>16 A. He provided some statistical</p> <p>17 analysis for us.</p> <p>18 Q. Did he do anything else?</p> <p>19 A. Not that I recall.</p> <p>20 - - - - -</p> <p>21 (Thereupon, Deposition Exhibit</p> <p>22 Steigerwald 3, E-mails Bates Stamped</p> <p>23 005082 through 005085, was marked</p> <p>24 for purposes of identification.)</p> <p>25 - - - - - 10:19:16</p> |

14 (Pages 50 to 53)

Page 54

1 Q. Ms. Steigerwald, the court reporter  
2 has handed you what's been marked for  
3 identification as Steigerwald Exhibit 3.

4 At the bottom of the page there are  
5 some numbers; do you see that? 10:19:25

6 A. I'm sorry; I didn't hear what you  
7 said.

8 Q. At the bottom of the page and to  
9 the right, there are some numbers.

10 A. Yes.

11 Q. This document bears numbers  
12 starting with 005082 through 005085, correct?

13 A. Um-hum.

14 Q. Correct?

15 A. Yes. 10:19:47

16 Q. Do you recognize this document?

17 A. I need a minute to take a look at  
18 it.

19 Q. And particularly what I'm  
20 interested in, Ms. Steigerwald, starts on the 10:20:25  
21 second page of the document.

22 A. What in particular do you want to  
23 ask about on that page?

24 Q. Well, first starting a little less  
25 perhaps than a quarter of the way down there is 10:21:02

Page 55

1 something that says, Original message from Sue  
2 Steigerwald to Gail Larson.

3 Do you see that?

4 A. Yes.

5 Q. That's an e-mail that you wrote? 10:21:11

6 A. Yes.

7 Q. It's an e-mail dated September  
8 22nd, 2010 at 9:13 a.m.?

9 A. Yes.

10 Q. And it says, Good idea. I'm 10:21:24  
11 copying Irv on this e-mail because he's "the  
12 brain" on our CKAP team who understands all the  
13 formulas and everything.

14 Do you see that?

15 A. Yes. 10:21:37

16 Q. Did I read that correctly?

17 A. Yes.

18 Q. When you said that he was a brain  
19 for our CKAP team, who was the CKAP team?

20 A. Everybody. 10:21:46

21 Q. So the team is just the entire  
22 organization?

23 A. Yes.

24 Q. And when you said he's the brain,  
25 it's because he was the one who understood all 10:21:55

Page 56

1 the formulas and everything?

2 A. At that time, yes.

3 Q. Okay. And when you say at that  
4 time, is it that other people now understand  
5 that? 10:22:03

6 A. I believe I understand a lot of it,  
7 yes.

8 Q. Okay. So you would be one of the  
9 brains now?

10 A. Yes. 10:22:13

11 MR. KUTIK: Let's mark this as the  
12 next exhibit.

13 - - - - -

14 (Thereupon, Deposition Exhibit  
15 Steigerwald 4, Political E-mails  
16 Marked Pages 27 and 28, was marked  
17 for purposes of identification.)

18 - - - - -

19 Q. Ms. Steigerwald, the court reporter  
20 has handed you a document. It's two pages. At 10:23:13  
21 the bottom of the page are page 27 and page 28.

22 Do you see that?

23 A. Yes.

24 Q. Do you recognize this?

25 A. Not yet I don't. I don't recognize 10:23:24

Page 57

1 the top section at all.

2 Q. Well, do you recognize your name  
3 about three-quarters of the way down?

4 A. I do.

5 Q. Does that look like you had 10:24:08  
6 received an e-mail or a copy of an e-mail from  
7 Tom Logan?

8 A. Yes.

9 Q. And this is a copy of an e-mail  
10 that Tom Logan had sent to a Senator Widener? 10:24:22

11 A. Yes.

12 Q. I assume when you got this e-mail  
13 you read it?

14 A. I assume I did.

15 Q. Okay. And so you were familiar 10:24:37  
16 with the fact that Mr. Widener had an issue  
17 with Ohio Edison about his business, correct?

18 A. Mr. Widener is a senator.

19 Q. Excuse me; Mr. Logan had an issue  
20 about his business, correct? 10:25:00

21 A. Yes.

22 Q. And he felt that he had reached an  
23 oral agreement with Ohio Edison to change his  
24 rate and Ohio Edison had reneged on that,  
25 correct? 10:25:10

15 (Pages 54 to 57)

| Page 58                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Page 60                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 A. To change his rate?</p> <p>2 Q. Is that correct?</p> <p>3 A. I would -- I would like time to</p> <p>4 read the e-mail, please.</p> <p>5 MR. CORCORAN: Are you asking 10:25:44</p> <p>6 her --</p> <p>7 MR. KUTIK: Well, I'm asking what I</p> <p>8 asked her, and don't coach her, please. If you</p> <p>9 have an objection, make an objection.</p> <p>10 Otherwise -- 10:25:52</p> <p>11 MR. CORCORAN: Could I hear the</p> <p>12 question again, then, please?</p> <p>13 (Record read.)</p> <p>14 MR. CORCORAN: Objection.</p> <p>15 A. I've read the e-mail. Could you 10:27:21</p> <p>16 restate the question, please?</p> <p>17 Q. Are you aware that Mr. Logan had an</p> <p>18 issue with Ohio Edison where he claimed that he</p> <p>19 had reached an oral agreement with Ohio Edison</p> <p>20 to change the rate on his business, and that 10:27:33</p> <p>21 Ohio Edison had reneged on that agreement,</p> <p>22 correct?</p> <p>23 A. I'm aware of what --</p> <p>24 MR. CORCORAN: Objection.</p> <p>25 Q. Go ahead. 10:27:43</p>                                                                                           | <p>1 A. Yes.</p> <p>2 Q. At some point?</p> <p>3 A. Yes.</p> <p>4 Q. All right. So based upon that</p> <p>5 e-mail, you were aware that he had a bone to 10:28:46</p> <p>6 pick with Ohio Edison, correct?</p> <p>7 MR. CORCORAN: Objection.</p> <p>8 A. No.</p> <p>9 Q. You don't think that he had a bone</p> <p>10 to pick with Ohio Edison based on that e-mail? 10:28:52</p> <p>11 MR. CORCORAN: Objection.</p> <p>12 A. I don't know what he had. I am</p> <p>13 aware of just the words he wrote in the e-mail.</p> <p>14 Q. And so you're aware he had a</p> <p>15 dispute with Ohio Edison? 10:29:02</p> <p>16 A. I'm aware of the words he wrote in</p> <p>17 the e-mail.</p> <p>18 Q. Okay. So you are aware of the</p> <p>19 facts that are in there, correct, since you</p> <p>20 read them? 10:29:12</p> <p>21 A. I'm aware of the words he wrote in</p> <p>22 the e-mail, yes.</p> <p>23 Q. And you're aware then that he had a</p> <p>24 dispute with Ohio Edison, correct?</p> <p>25 A. I'm aware of the words in the 10:29:20</p>                                                        |
| Page 59                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Page 61                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>1 A. I'm aware of what Mr. Logan had</p> <p>2 said in this e-mail.</p> <p>3 Q. So you were aware that Mr. Logan</p> <p>4 had a disagreement with Ohio Edison about</p> <p>5 changing his rate where he said that he had 10:27:54</p> <p>6 reached an oral agreement to change the rate</p> <p>7 for his business and Ohio Edison had reneged on</p> <p>8 that, correct?</p> <p>9 MR. CORCORAN: Objection.</p> <p>10 Q. You can answer, ma'am. Ma'am, the 10:28:07</p> <p>11 rules of the deposition are -- since there's no</p> <p>12 judge here, you have to go ahead and answer,</p> <p>13 unless he instructs you not to answer, okay?</p> <p>14 A. Um-hum.</p> <p>15 Q. So go ahead and answer my question 10:28:22</p> <p>16 now, please.</p> <p>17 A. I'm aware of the material that Mr.</p> <p>18 Logan wrote in this e-mail, yes.</p> <p>19 Q. Okay. So you were aware that he</p> <p>20 had a bone to pick with Ohio Edison, correct? 10:28:32</p> <p>21 MR. CORCORAN: Objection.</p> <p>22 A. No, I was not aware he had a bone</p> <p>23 to pick.</p> <p>24 Q. Okay. Well, you had read that</p> <p>25 e-mail, correct? 10:28:42</p> | <p>1 e-mail.</p> <p>2 Q. Okay. Well, why do you keep saying</p> <p>3 that, ma'am? Are you aware of the substance of</p> <p>4 what's in the e-mail, that is, that he had a</p> <p>5 dispute with Ohio Edison? 10:29:28</p> <p>6 A. I'm aware of the words in the</p> <p>7 e-mail.</p> <p>8 Q. Why do you keep saying that, ma'am?</p> <p>9 A. Because that's what I'm aware of.</p> <p>10 Q. All right. Are you not aware that 10:29:37</p> <p>11 he had a dispute with Ohio Edison?</p> <p>12 A. No.</p> <p>13 Q. Are you saying you read the e-mail,</p> <p>14 but you're not aware that he had a dispute with</p> <p>15 Ohio Edison -- 10:29:45</p> <p>16 A. I'm aware --</p> <p>17 Q. -- is that your testimony?</p> <p>18 A. -- of what he said in the e-mail.</p> <p>19 Q. Okay. And in the e-mail did he say</p> <p>20 he had a dispute with Ohio Edison? 10:29:49</p> <p>21 A. I believe he did, yes.</p> <p>22 Q. All right. So then are you aware</p> <p>23 that, according to Mr. Logan, he had a dispute</p> <p>24 with Ohio Edison?</p> <p>25 A. I'm aware of what he said in the 10:29:58</p> |

16 (Pages 58 to 61)

Page 62

1 e-mail, yes.  
 2 Q. All right. And what he said in the  
 3 e-mail was he had a dispute with Ohio Edison,  
 4 correct?  
 5 A. Yes. 10:30:04  
 6 Q. So then are you aware, based upon  
 7 his e-mail, that he had a dispute with Ohio  
 8 Edison?  
 9 A. Yes.  
 10 Q. So then you're aware that he had a 10:30:10  
 11 dispute with Ohio Edison, correct?  
 12 A. Yes.  
 13 Q. All right. Did you think that Mr.  
 14 Logan was being less than truthful with Senator  
 15 Widener? 10:30:25  
 16 MR. CORCORAN: Objection.  
 17 A. No.  
 18 Q. Do you have any reason to believe  
 19 that the story that Mr. Logan tells in the  
 20 e-mail is untrue? 10:30:32  
 21 MR. CORCORAN: Objection.  
 22 A. No.  
 23 Q. Did you ever talk to Mr. Logan  
 24 about his dispute with Ohio Edison about his  
 25 business? 10:30:55

Page 63

1 A. No.  
 2 Q. Is today the first day that you  
 3 were aware that Mr. Logan had a dispute with  
 4 Ohio Edison?  
 5 A. It's the first day I remember it. 10:31:02  
 6 Q. So you didn't recall it before  
 7 today?  
 8 A. Correct.  
 9 Q. CKAP has a website?  
 10 A. Yes. 10:31:37  
 11 Q. And were you the designer of that  
 12 website?  
 13 A. Yes.  
 14 Q. Are you the person who maintains  
 15 the content on the website? 10:31:44  
 16 A. Yes.  
 17 Q. Does anyone else do that?  
 18 A. Nope. No.  
 19 Q. So it would be fair to say that all  
 20 of the content on the website is yours -- 10:31:52  
 21 A. Yes.  
 22 Q. -- or put there by you?  
 23 A. Yes.  
 24 Q. You said before that CKAP was not  
 25 registered as a non-profit organization, 10:32:06

Page 64

1 correct?  
 2 A. Yes.  
 3 Q. So it would be fair to say that  
 4 CKAP does not have, let's say, a tax  
 5 identification? 10:32:14  
 6 A. Yes; correct.  
 7 Q. Does CKAP receive any monetary  
 8 donations?  
 9 A. No.  
 10 Q. So it's fair to say that with 10:32:21  
 11 respect to what's happened with CKAP or the  
 12 work that CKAP's done, everything that's done  
 13 on behalf of CKAP is basically in-kind  
 14 contributions?  
 15 A. Yes. 10:32:34  
 16 Q. With respect -- at one point in  
 17 time CKAP organized, I believe you said, a bus  
 18 trip to Columbus and Akron, correct?  
 19 A. Yes.  
 20 Q. Who paid for the buses? 10:32:47  
 21 A. Each person paid their own way.  
 22 Q. So someone figured out how much it  
 23 would be per head and the people were charged  
 24 accordingly?  
 25 A. Yes. 10:32:59

Page 65

1 Q. And I assume that would include the  
 2 cost of all refreshments and things like that?  
 3 A. Yes.  
 4 MR. KUTIK: Let's mark this as the  
 5 next one. 10:33:13  
 6 - - - - -  
 7 (Thereupon, Deposition Exhibit  
 8 Steigerwald 5, Letter to Governor  
 9 Ted Strickland on CKAP Letterhead,  
 10 was marked for purposes of  
 11 identification.)  
 12 - - - - -  
 13 Q. Ms. Steigerwald, the court reporter  
 14 has handed you what's been marked for  
 15 identification as Exhibit 5. 10:33:39  
 16 It appears to be a letter to  
 17 Governor Ted Strickland on letterhead that  
 18 appears to be CKAP letterhead, correct?  
 19 A. Yes.  
 20 Q. Do you have the original of this 10:33:50  
 21 letter?  
 22 A. No, I do not.  
 23 Q. Do you know if anyone does?  
 24 A. It was given to Jen Lynch, the  
 25 governor's energy assistant to present to 10:34:03

17 (Pages 62 to 65)

| Page 66                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Page 68                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 Governor Strickland.<br/> 2 Q. Did anyone keep a copy of the<br/> 3 signed letter?<br/> 4 A. No.<br/> 5 Q. Did you write this letter? 10:34:19<br/> 6 A. Yes.<br/> 7 Q. Do you know how many people signed<br/> 8 this letter?<br/> 9 A. Whoever was on the bus signed, so<br/> 10 there was approximately 50. 10:34:28<br/> 11 Q. Did you design the letterhead?<br/> 12 A. Yes.<br/> 13 Q. Do you remember sending any other<br/> 14 letters out on the CKAP letterhead other than<br/> 15 this one? 10:34:39<br/> 16 A. Yes.<br/> 17 Q. Have those been produced to us?<br/> 18 A. They were media ones, so, yes.<br/> 19 Q. Frankly, ma'am, that's the only<br/> 20 letter that we have that's on CKAP letterhead. 10:34:51<br/> 21 A. There were -- some media e-mails<br/> 22 were turned over and anything that was sent out<br/> 23 to the media was turned over and occasionally<br/> 24 some of the press releases were on CKAP<br/> 25 letterhead. 10:35:05</p> | <p>1 internet?<br/> 2 A. Yes.<br/> 3 Q. As part of that research, did you<br/> 4 become familiar with any of the FirstEnergy<br/> 5 operating companies' or utility companies' 10:36:49<br/> 6 rates and tariffs?<br/> 7 A. Not initially, no.<br/> 8 Q. At any time.<br/> 9 A. Yes.<br/> 10 Q. Do you understand the difference 10:37:05<br/> 11 between a rate and a tariff?<br/> 12 A. From a technical standpoint,<br/> 13 probably not.<br/> 14 Q. Do you believe that there is a<br/> 15 difference between a rate and a tariff? 10:37:18<br/> 16 A. Yes.<br/> 17 Q. And what's the difference?<br/> 18 A. I believe a rate is a monetary<br/> 19 amount that is paid and a tariff is the laws<br/> 20 and the entire report -- the entire report of 10:37:27<br/> 21 the rates that somebody -- that a customer is<br/> 22 being paid -- is being charged.<br/> 23 Q. So a tariff might include<br/> 24 conditions of eligibility?<br/> 25 A. Yes. 10:37:43</p> |
| Page 67                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Page 69                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p>1 Q. All right. So what you're saying<br/> 2 is there may be other things on CKAP<br/> 3 letterhead, but we've received those because<br/> 4 we've received all your e-mails?<br/> 5 A. Correct. 10:35:14<br/> 6 Q. Do you have copies of those press<br/> 7 releases?<br/> 8 A. I should.<br/> 9 Q. On the CKAP letterhead?<br/> 10 A. I should. 10:35:20<br/> 11 Q. Could you produce those to us,<br/> 12 please?<br/> 13 A. If they've not been turned over,<br/> 14 yes.<br/> 15 Q. Thank you. 10:35:28<br/> 16 Now, you said as part of the effort<br/> 17 that you undertook after your initial call to<br/> 18 CEI was that you started to call people, e-mail<br/> 19 people and do searches on the internet,<br/> 20 correct? 10:36:19<br/> 21 A. Yes.<br/> 22 Q. During that effort, did you do your<br/> 23 own research?<br/> 24 A. Yes.<br/> 25 Q. And was that mainly searching the 10:36:33</p>                                                              | <p>1 Q. And how long it might be in effect?<br/> 2 A. Yes.<br/> 3 Q. And other rules and regulations?<br/> 4 A. Yes.<br/> 5 Q. So did you review any of the 10:37:49<br/> 6 FirstEnergy utilities' tariffs at any time?<br/> 7 A. I'm quite certain I did.<br/> 8 Q. Did you review any of the PUCO<br/> 9 opinions about -- in cases involving<br/> 10 FirstEnergy operating companies' or utility 10:38:21<br/> 11 companies' rates?<br/> 12 A. I don't believe I did.<br/> 13 Q. Did you -- are you familiar with a<br/> 14 law called SB 221?<br/> 15 A. Yes. 10:38:39<br/> 16 Q. Did you read that?<br/> 17 A. Yes.<br/> 18 Q. Are you familiar with that?<br/> 19 A. Somewhat, yes.<br/> 20 Q. Did you review a law called SB 3? 10:38:46<br/> 21 A. Yes.<br/> 22 Q. And what's your familiarity with<br/> 23 that? Can you tell me what that law was about?<br/> 24 A. My understanding is SB 3 was<br/> 25 deregulation. 10:38:59</p>                          |

18 (Pages 66 to 69)

Page 70

1 Q. What was SB 221?  
 2 A. SB 221 was along the lines of  
 3 implementing energy conservation requirements  
 4 for the utility companies, as well as the  
 5 energy security plan -- 10:39:21  
 6 Q. Electricity security --  
 7 A. Electricity security plans, yes.  
 8 Q. Is it your understanding -- and I  
 9 recognize you're not -- you're not a lawyer,  
 10 correct? 10:39:34  
 11 A. Correct.  
 12 Q. I recognize that you're not a  
 13 lawyer; do -- is it your understanding that the  
 14 FirstEnergy utility companies are subject to  
 15 certain load reduction benchmarks? 10:39:50  
 16 A. Yes.  
 17 Q. And that's part of SB 221?  
 18 A. Correct.  
 19 Q. And that's part of the conservation  
 20 issues that are addressed in SB 221? 10:40:00  
 21 A. Yes.  
 22 Q. Is it the case that you reached out  
 23 to people who you felt were knowledgeable about  
 24 the issues relating to the various changes in  
 25 the rates charged by, say, CEI? 10:40:22

Page 71

1 A. I suppose I did.  
 2 Q. Okay.  
 3 A. I tried to do homework, yes.  
 4 Q. Was one of those people John Funk  
 5 from The Plain Dealer? 10:40:40  
 6 A. Yes.  
 7 Q. When did you contact him or how did  
 8 you end up contacting him?  
 9 A. I initially contacted John in  
 10 January. 10:41:02  
 11 Q. Why did you contact him?  
 12 A. Because I wanted him to write a  
 13 story on the enormous bills people were  
 14 receiving.  
 15 Q. So before you contacted Mr. Funk, 10:41:14  
 16 he had not written on this issue?  
 17 A. He had written issues -- I'm sorry;  
 18 he had written previously on the fact that the  
 19 all-electric discount was going to be removed,  
 20 but he had not written on the effect of the 10:41:34  
 21 discount being removed.  
 22 Q. Did he write the story about the  
 23 all-electric discount being removed, in your  
 24 words, prior to January?  
 25 A. Yes. 10:41:46

Page 72

1 Q. Okay. So sometime in 2009 he had  
 2 written that story?  
 3 A. I don't recall when he had written  
 4 it.  
 5 Q. All right. But it was before you 10:41:52  
 6 contacted him in early January?  
 7 A. Yes.  
 8 Q. And you wanted him to write a story  
 9 on how the -- the change in the rates affected  
 10 people? 10:42:06  
 11 A. Correct.  
 12 Q. You wanted to get some publicity  
 13 about that fact?  
 14 A. Yes.  
 15 Q. Did Mr. Funk provide you with 10:42:11  
 16 information about the change in FirstEnergy  
 17 rates?  
 18 A. Yes.  
 19 Q. And you felt he was somebody who  
 20 was knowledgeable about the tariffs, the rates, 10:42:35  
 21 the past cases?  
 22 A. Yes.  
 23 Q. So he was a good resource for you  
 24 in helping you understand what had happened to  
 25 the rates of the utility companies? 10:42:50

Page 73

1 A. Yes.  
 2 Q. Now, at some point in time did you  
 3 contact any legislators other than the  
 4 legislators that you told me earlier?  
 5 A. Yes. 10:43:17  
 6 Q. And who did you contact?  
 7 A. I've contacted former Rep.  
 8 Schneider, Newcomb, Senator -- or State Rep.  
 9 Patton -- former State Rep. Patton. I have  
 10 contacted Mike Davila, Senator Patton, the 10:43:39  
 11 incumbent -- or the incoming senator -- what's  
 12 his name? Kozlowski, who took Newcomb's place;  
 13 Sandusky Rep. Murray. That's all I recall  
 14 right now.  
 15 Q. And was your approach to them 10:44:22  
 16 basically all the same; that you wanted them to  
 17 know about the issues?  
 18 A. Yes.  
 19 Q. Do you recall having contacts with  
 20 some of those and not others more frequently? 10:44:36  
 21 A. Yes.  
 22 Q. Which ones were the more frequent  
 23 contacts with?  
 24 A. Fende, Senator Patton. Probably  
 25 those two more than -- 10:44:57

19 (Pages 70 to 73)

1 Q. And why were those two more  
2 frequently contacted than the others?  
3 A. Because Fende was my own state rep,  
4 and Patton because he was more involved in the  
5 issue from the senator standpoint. 10:45:12  
6 Q. Were these individuals folks who  
7 were sponsoring the bill that you mentioned  
8 earlier along with Senator Grendell?  
9 A. Senator Patton sponsored -- was one  
10 of the sponsors. 10:45:26  
11 Q. Was a bill ever introduced in the  
12 other part of the general assembly other than  
13 the senate?  
14 A. No.  
15 MR. CORCORAN: Excuse me, could we 10:45:42  
16 go off the record for a second?  
17 (Discussion had off the record.)  
18 - - - - -  
19 (Thereupon, Deposition Exhibit  
20 Steigerwald 6, Letter Authored by  
21 Susan Steigerwald, was marked for  
22 purposes of identification.)  
23 - - - - -  
24 Q. Ms. Steigerwald, the court reporter  
25 has handed you what's been marked as Exhibit 6 10:51:58

1 in this deposition.  
2 Do you recognize that?  
3 A. Yes.  
4 Q. What is it?  
5 A. It's a document on -- the document 10:52:04  
6 I wrote on whether or not I believed the gas  
7 customer had ever subsidized the all-electric  
8 customer.  
9 Q. And you sent this to others?  
10 A. Yes. 10:52:27  
11 Q. And this was a result of some of  
12 the research you had done, correct?  
13 A. Yes.  
14 Q. Correct?  
15 A. Yes. 10:52:34  
16 Q. Is there anything in this document  
17 that you wrote that you believe now is untrue?  
18 A. I'd have to review the document at  
19 this time.  
20 Q. Please do. 10:52:45  
21 A. Could you repeat the question?  
22 Q. Sure.  
23 Is there anything in this document  
24 that you wrote that you now believe is untrue?  
25 A. No. 10:54:46

1 Q. You had come to an understanding as  
2 to why the companies initially offered  
3 discounted or special rates to electric heating  
4 customers, correct?  
5 A. Yes. 10:55:08  
6 Q. And you describe it as a  
7 win-win-win situation, correct?  
8 A. Yes.  
9 Q. And can I take that to mean that  
10 you believe it was a win for the company, a win 10:55:19  
11 for the customers who were receiving the  
12 special rate, and a win for the rest of the  
13 customers?  
14 A. Yes.  
15 Q. And how was it a win for the rest 10:55:28  
16 of the customers?  
17 A. Because it kept their rates  
18 manageable, too.  
19 Q. And how did it do that?  
20 A. It kept their rates manageable -- 10:55:39  
21 it kept their rates lower by us buying a larger  
22 amount of kilowatts in the off-peak season.  
23 Q. And how would that keep rates low?  
24 A. Because it helped offset the  
25 overhead of FirstEnergy. 10:55:55

1 Q. And you're aware at sometime there  
2 was deregulation, correct?  
3 A. Yes.  
4 Q. And deregulation means that the  
5 generation portion of electric service was no 10:56:16  
6 longer going to be regulated, correct?  
7 A. Correct.  
8 Q. Are you aware of whether the  
9 statute that brought deregulation to the  
10 electric industry in Ohio had any requirements 10:56:35  
11 about continued ownership or operation of  
12 generation facilities by electric distribution  
13 utilities?  
14 A. Could you repeat the question?  
15 Q. Sure. 10:56:49  
16 MR. KUTIK: Can you read it,  
17 please?  
18 (Record read.)  
19 A. No.  
20 Q. So you're not aware of whether it 10:57:10  
21 has any requirements, or is it your belief  
22 there are no requirements?  
23 A. I'm not aware if it has any  
24 requirements.  
25 Q. Are you aware that after 10:57:19



Page 78

1 deregulation -- the deregulation statute was  
 2 enacted in Ohio that Ohio Edison, CEI and  
 3 Toledo Edison sold their generation plants?  
 4 A. Yes.  
 5 Q. And they sold their plants to a 10:57:37  
 6 FirstEnergy affiliate?  
 7 A. Yes.  
 8 Q. Now, on the second page of this  
 9 document, beginning of the second paragraph, it  
 10 says, FirstEnergy must not be allowed to raise 10:58:23  
 11 other customers' rates to pay for their own  
 12 breach of contract and poor business planning.  
 13 Can you tell me what you mean by  
 14 poor business planning?  
 15 A. Poor business planning would be to 10:58:36  
 16 remove a discount rate that had been offered.  
 17 Q. So that's -- that's what that  
 18 means?  
 19 A. To make that decision, yes.  
 20 Q. Now, you are aware, are you not, 10:58:48  
 21 that in about 2007, the FirstEnergy utility  
 22 companies no longer offered special electric  
 23 heating rates to new customers, correct?  
 24 A. Yes.  
 25 Q. And those rates were what's called 10:59:20

Page 79

1 -- were grandfathered, correct?  
 2 A. Yes.  
 3 Q. And what does a grandfathering of  
 4 rates or tariffs mean to you?  
 5 A. It means whoever has it at that 10:59:35  
 6 time will continue to have it.  
 7 Q. But new customers will not?  
 8 A. Correct.  
 9 Q. Are you aware of how it came to be  
 10 that the special rates that electric heating 10:59:49  
 11 customers enjoyed became grandfathered?  
 12 A. I don't understand the question.  
 13 Q. Okay. Did it come as a result of a  
 14 PUCO decision?  
 15 A. I believe it did, yes. 11:00:07  
 16 Q. Are you familiar with the case  
 17 which that happened?  
 18 A. The grandfathering of rates -- I  
 19 don't recall the case number right now, no.  
 20 Q. Okay. Are you familiar with 11:00:28  
 21 something called the rate certainty plan?  
 22 A. Yes.  
 23 Q. What is the rate certainty plan?  
 24 A. The rate certainty plan, I believe,  
 25 is what came -- okay. It was the case -- it 11:00:37

Page 80

1 was the -- the case that happened in 2007 that  
 2 -- it was the first ESP plan that was -- it was  
 3 the first ESP plan that came out of the Senate  
 4 Bill 221.  
 5 Q. So the grandfathering of rates came 11:00:59  
 6 out of an ESP plan?  
 7 A. That's my understanding, yes.  
 8 Q. Okay. Was the grandfathering of  
 9 rates, whatever case that came from, the result  
 10 of a stipulation that was approved by the 11:01:18  
 11 commission?  
 12 A. I don't know for sure.  
 13 Q. Do you know whether OCC agreed to  
 14 the grandfathering?  
 15 A. I believe they did. 11:01:29  
 16 Q. How did you come to think they did?  
 17 A. I believe in my research that I  
 18 came across that they did originally agree to  
 19 that.  
 20 Q. Were you aware that Bob Schmitt 11:01:42  
 21 Homes attempted to appeal or challenge the  
 22 grandfathering?  
 23 A. Yes.  
 24 Q. And are you aware that that --  
 25 obviously, that appeal or challenge was 11:02:01

Page 81

1 unsuccessful?  
 2 A. Yes.  
 3 Q. How did you become aware of that?  
 4 A. By research.  
 5 Q. Were you aware of that more than a 11:02:08  
 6 month ago?  
 7 A. Yes.  
 8 Q. And are you aware of what the  
 9 commission's stance was with respect to  
 10 grandfathering, and then specifically, with 11:02:20  
 11 respect to the challenge that was attempted to  
 12 be raised by Bob Schmitt Homes?  
 13 A. Yes.  
 14 Q. What was the commission's position?  
 15 A. My understanding is it was their -- 11:02:30  
 16 their request was denied.  
 17 Q. Do you recall why the request was  
 18 denied? Do you recall whether the commission  
 19 had any rationale in denying it?  
 20 A. My understanding is they told them 11:02:41  
 21 they were too late in applying.  
 22 Q. Was there any other rationale that  
 23 the commission had?  
 24 A. Not that I recall.  
 25 Q. Are you aware of something called a 11:04:02

21 (Pages 78 to 81)

Page 82

1 declining block rate?  
 2 A. Yes.  
 3 Q. And did all-electric customers have  
 4 a declining block rate?  
 5 A. That's my understanding, yes. 11:04:11  
 6 Q. And at some point the declining  
 7 block rate was eliminated?  
 8 A. Yes.  
 9 Q. And when did that happen?  
 10 A. I believe it happened in 09 with 11:04:22  
 11 the rate certainty plan.  
 12 Q. Okay. Was that something that the  
 13 OCC agreed to?  
 14 A. Yes.  
 15 Q. Do you know why it was eliminated? 11:04:41  
 16 A. I know the reason it was said to be  
 17 eliminated, was because of energy conservation  
 18 needs.  
 19 Q. And how does energy conservation  
 20 needs relate to the elimination of the 11:04:55  
 21 declining block rate?  
 22 A. Because energy conservation would  
 23 logically require that you pay more the more  
 24 you use electricity. And a declining block  
 25 structure is set up that you pay less the more 11:05:11

Page 83

1 you use.  
 2 Q. Okay. So the idea with the  
 3 declining block rate is you pay less the more  
 4 you use?  
 5 A. Correct. 11:05:20  
 6 Q. And that idea is seen by some to be  
 7 antithetical to conservation and promoting  
 8 conservation, correct?  
 9 A. Yes.  
 10 Q. You're aware, are you not, that 11:05:28  
 11 under a rate structure that was in effect prior  
 12 to 2009, the three FirstEnergy Ohio utilities  
 13 had over 100 different tariffs, correct?  
 14 A. Yes.  
 15 Q. And as a result of the case that 11:05:50  
 16 went -- whose rates -- or which rates went into  
 17 effect in 2009, the 100 rates were reduced to  
 18 about six?  
 19 A. Yes.  
 20 Q. And the companies also introduced 11:06:14  
 21 riders, correct?  
 22 A. Yes.  
 23 Q. And the riders could be additional  
 24 charges or they could be some credits, correct?  
 25 A. Yes. 11:06:25

Page 84

1 Q. And when we're talking about  
 2 credits, we're talking about a reduction or a  
 3 discount of the bill -- off the rate, correct?  
 4 A. Yes.  
 5 Q. And at the time that the special 11:06:36  
 6 all-electric or electric heating rate was  
 7 discontinued, there was introduced a rider --  
 8 two riders at least, that were credits that  
 9 all -- that electric heating customers could  
 10 enjoy, correct? 11:06:59  
 11 A. Yes.  
 12 Q. So after the change in rates from  
 13 the all-electric or electric heating special  
 14 rate to a single residential rate and riders,  
 15 all-electric customers or electric heating 11:07:13  
 16 customers still had a discount, correct?  
 17 A. Yes.  
 18 Q. The discount was smaller, correct?  
 19 A. Yes.  
 20 Q. There was a credit for distribution 11:07:27  
 21 that electric heating customers had, correct?  
 22 A. Yes.  
 23 Q. This is as a result of one of the  
 24 riders that were established, correct?  
 25 A. Yes. 11:07:36

Page 85

1 Q. Do you know the name of that rider?  
 2 A. We just call it residential  
 3 distribution rider.  
 4 Q. All right.  
 5 A. I don't know if it has another 11:07:44  
 6 name.  
 7 Q. Okay. And are you aware that  
 8 before this case there was also a credit  
 9 provided to generation -- for generation --  
 10 A. Yes. 11:07:54  
 11 Q. -- as a result of a rider, correct?  
 12 A. Yes.  
 13 Q. And as a result of this case, there  
 14 is an additional rider that is a credit for  
 15 generation, correct? 11:08:04  
 16 A. Yes.  
 17 Q. So what this case so far has done  
 18 is to increase the credits that electric  
 19 heating customers can have, correct?  
 20 A. Which case are you referring to? 11:08:15  
 21 Q. The case that you're testifying in,  
 22 this case.  
 23 A. Those credits were not made part of  
 24 this particular -- were not part of 10-176.  
 25 Q. So is it your understanding that as 11:08:29

22 (Pages 82 to 85)

1 a result of this case, 10-176, there was not an  
 2 additional rider that was put in place for  
 3 generation?  
 4 A. Yes, there was, but not one that  
 5 you've mentioned yet. 11:08:40  
 6 Q. All right. Well, let's go back.  
 7 Do you believe prior to this case,  
 8 that electric heating customers had a rider  
 9 which provided a credit for generation?  
 10 A. Yes. 11:08:56  
 11 Q. So before this case there were two  
 12 credits that electric heating customers had,  
 13 correct?  
 14 A. Yes.  
 15 Q. One for distribution and one for 11:09:01  
 16 generation, correct?  
 17 A. Correct.  
 18 Q. And there's an additional  
 19 generation credit in this case, correct?  
 20 A. Correct. 11:09:16  
 21 Q. Was there ever a time throughout --  
 22 let's say, starting in 2005 till today, when an  
 23 electric heating customer did not enjoy some  
 24 type of discount vis-a-vis standard residential  
 25 customers? 11:09:54

1 A. Not that I'm aware of, no.  
 2 Q. Do you believe that at some point  
 3 in time -- I'll back up.  
 4 Prior to this case there were two  
 5 riders that provided credits to electric 11:11:05  
 6 heating customers, correct?  
 7 A. Yes.  
 8 Q. And the general magnitude of those  
 9 riders in cents per PWH was what?  
 10 A. The distribution rider was 1.7 11:11:18  
 11 cents, the generation rider was 1.9.  
 12 Q. So about 3.6 cents?  
 13 A. Yes. And it varied depending on  
 14 the operating company.  
 15 Q. And it's your belief, is it not, 11:11:31  
 16 that at some point the companies had applied to  
 17 get rid of one or both of those credits?  
 18 A. Yes.  
 19 Q. Okay. And when did that happen?  
 20 A. It was in 09 they applied to get 11:11:47  
 21 rid of the distribution credit.  
 22 Q. Okay. Do you know what case that  
 23 was in?  
 24 A. 090906.  
 25 MR. KUTIK: Let's have this marked 11:12:22

1 as the next one.  
 2 - - - - -  
 3 (Thereupon, Deposition Exhibit  
 4 Steigerwald 7, E-mails Bates Stamped  
 5 005452 through 005453, was marked  
 6 for purposes of identification.)  
 7 - - - - -  
 8 Q. Ms. Steigerwald, the court reporter  
 9 has handed you what's been marked as Exhibit 7  
 10 for this deposition. 11:12:52  
 11 Do you recognize this?  
 12 A. Yes.  
 13 Q. And these were a series of e-mails  
 14 that either you wrote or received?  
 15 A. Yes. 11:13:09  
 16 Q. And is it correct -- I want to ask  
 17 you first; the first e-mail that appears at the  
 18 top of the page that has the numbers 05452 is  
 19 an e-mail from you to another Sue, a Sue D,  
 20 correct? 11:13:33  
 21 A. Yes.  
 22 Q. Who is Sue D?  
 23 A. Sue Daughterty.  
 24 Q. And Sue Daughterty is who?  
 25 A. She is the Sandusky Serving Our 11:13:40

1 Seniors director.  
 2 Q. And you were sending her some  
 3 information about the discount that electric  
 4 heating customers enjoyed, correct?  
 5 A. Yes. 11:13:53  
 6 Q. And what you said in your e-mail to  
 7 her was true?  
 8 A. Yes.  
 9 Q. Now, on the second page -- can you  
 10 turn there, please. 11:14:06  
 11 At the bottom, there's an e-mail  
 12 from a woman at FirstEnergy, correct?  
 13 A. Yes.  
 14 Q. And the e-mail is from a woman by  
 15 the name of Ellen Raines? 11:14:20  
 16 A. I'm assuming that that's her e-mail  
 17 address.  
 18 Q. Okay. Is that -- do you recognize  
 19 someone by the name of Raines as being  
 20 FirstEnergy's PR director? 11:14:39  
 21 A. Yes.  
 22 Q. And is there anything that -- that  
 23 is in that e-mail from Ms. Raines or from the  
 24 person that's from FirstEnergy that you  
 25 disagree with? 11:14:54

Page 90

1 A. Let me take a minute to read it  
 2 here. No.  
 3 Q. So when she says, "We never stopped  
 4 providing a discount to customers who were on  
 5 special electric heating rates," that was true? 11:15:22  
 6 A. Yes.  
 7 Q. Now, as a result of this case, I  
 8 think we agreed, there were additional -- there  
 9 were additional credits provided, correct?  
 10 A. Yes. 11:15:55  
 11 Q. And those credits were ordered by  
 12 the commission to restore the discounts to the  
 13 levels that electric heating customers enjoyed  
 14 as of the end of 2008, correct?  
 15 A. Yes. 11:16:12  
 16 Q. And the result of that was that  
 17 some customers enjoyed even larger discounts,  
 18 correct?  
 19 A. They may have enjoyed slightly  
 20 increased credits. Some -- some different 11:16:31  
 21 bills -- some different people have reported  
 22 that, yes.  
 23 Q. Some people reported record low  
 24 bills, correct?  
 25 A. Yes. 11:16:41

Page 91

1 MR. KUTIK: Let me have this one  
 2 marked.  
 3 - - - - -  
 4 (Thereupon, Deposition Exhibit  
 5 Steigerwald 8, E-mails Bates  
 6 Numbered 005427 through 005429, was  
 7 marked for purposes of  
 8 identification.)  
 9 - - - - -  
 10 Q. The court reporter has handed you 11:17:15  
 11 what's been marked as Exhibit 8.  
 12 Do you recognize this document?  
 13 A. Yes.  
 14 Q. And this also contains e-mails that  
 15 you either sent or were sent to you? 11:17:25  
 16 A. Yes.  
 17 Q. And you were passing along, in this  
 18 e-mail, information about record low bills,  
 19 correct?  
 20 A. Yes. 11:17:37  
 21 Q. Someone's telling you that their  
 22 rates have never been lower, correct?  
 23 A. Yes.  
 24 Q. Do you know whether -- let me back  
 25 up. 11:17:55

Page 92

1 The e-mail came from a Bill Bruton,  
 2 correct?  
 3 A. Yes.  
 4 Q. Was Mr. Bruton at any point a  
 5 leader of CKAP? 11:18:05  
 6 A. No.  
 7 Q. And was -- do you know whether Mr.  
 8 Bruton had an all-electric home?  
 9 A. Yes.  
 10 Q. Do you know whether the other 11:18:23  
 11 individuals that are shown in the e-mail  
 12 attachment also are homeowners of an  
 13 all-electric home?  
 14 A. Yes.  
 15 Q. They all are? 11:18:37  
 16 A. Yes.  
 17 Q. Have you ever had any conversations  
 18 with anyone that's listed on Mr. Bruton's  
 19 e-mail other than Mr. Bruton? And  
 20 specifically, when I say Mr. Bruton's e-mail, 11:18:58  
 21 I'm talking about page 005429.  
 22 A. No.  
 23 Q. Not that you can recall?  
 24 A. Correct.  
 25 Q. Now, during this -- during your 11:19:18

Page 93

1 time working on this issue, you solicited CKAP  
 2 members or others for information, correct?  
 3 A. Yes.  
 4 Q. And one of the information -- one  
 5 of the pieces of information that you requested 11:19:37  
 6 was that people send you their bills, correct?  
 7 A. Yes.  
 8 Q. Did people do that?  
 9 A. Yes.  
 10 Q. Did you compile that information? 11:19:46  
 11 A. Yes.  
 12 Q. Did you provide it to us?  
 13 A. It was internal CKAP information,  
 14 so, no, I did not.  
 15 Q. Okay. 11:19:55  
 16 A. Well, actually, if it was attached  
 17 to an e-mail that was sent to the media or to  
 18 the OCC, then you would have received it.  
 19 Q. Okay. That's not -- that's not  
 20 what I've asked for. 11:20:08  
 21 I asked -- in our discovery, we  
 22 asked for any communication you had with any  
 23 customers about this issue. Certainly that  
 24 would apply.  
 25 MR. KUTIK: So, counsel, we request 11:20:19

24 (Pages 90 to 93)

Page 94

1 that information.  
 2 MR. CORCORAN: I believe there were  
 3 objections to those requests.  
 4 MR. KUTIK: What was the basis for  
 5 the objection? 11:20:31  
 6 MR. CORCORAN: I don't remember. I  
 7 have to look back at the document.  
 8 MR. KUTIK: Okay. Well, I'll let  
 9 you know that we'll probably arrange for a  
 10 conference call with Greg Price, the attorney 11:20:38  
 11 examiner, to resolve this.  
 12 MR. CORCORAN: Okay.  
 13 Q. How many bills do you have?  
 14 A. Approximately 2 to 300.  
 15 Q. Have you put them on some type of 11:20:58  
 16 spreadsheet?  
 17 A. Yes.  
 18 Q. Have you done some analysis?  
 19 A. Yes.  
 20 Q. Do you intend to present that 11:21:02  
 21 analysis in this case?  
 22 A. I haven't decided yet.  
 23 Q. Okay. When are you going to  
 24 decide?  
 25 A. Sometime before Thursday. 11:21:11

Page 95

1 Q. Okay. At this point in time are  
 2 you telling me you don't know what you're going  
 3 to testify about?  
 4 A. Correct.  
 5 Q. So if I ask you what you're going 11:21:19  
 6 to testify about, what's your answer?  
 7 A. I haven't decided yet.  
 8 MR. KUTIK: All right. Let's get  
 9 Greg on the phone now.  
 10 MR. CORCORAN: Okay. 11:21:33  
 11 (Discussion had off the record.)  
 12 Q. When we broke, Ms. Steigerwald, we  
 13 broke to talk to the attorney examiner, who has  
 14 ordered you to produce what you have with  
 15 respect to the bills that were collected, 12:05:26  
 16 correct?  
 17 A. Yes.  
 18 Q. We also talked to the attorney  
 19 examiner about your answers about what you'll  
 20 be able to testify about. And he asked you and 12:05:39  
 21 your counsel to get together to be able to  
 22 provide me with an answer to that question,  
 23 correct?  
 24 A. Yes.  
 25 Q. So let me ask the question to you 12:05:47

Page 96

1 again: Can you tell me what you're going to  
 2 testify about at the hearing?  
 3 A. We have a list of topics, yes.  
 4 Q. Okay. Can you give me that list,  
 5 please? 12:05:57  
 6 A. The first area -- and, again, I  
 7 reserve to say that I may or may not talk about  
 8 everything on here.  
 9 But the first area would be my  
 10 experience as an all-electric homeowner; my 12:06:17  
 11 experience of communication -- my experience  
 12 within CKAP, a communication of hardship;  
 13 three, my opinions of the expert testimony that  
 14 is given; four, the rate structure and riders  
 15 going forward and the effects if they are put 12:06:40  
 16 in place or the effects if they are not put in  
 17 place; the history of the discount and the idea  
 18 of a subsidy; why am I doing this; docket  
 19 evidence; FirstEnergy marketing practices; and  
 20 who should be included -- which homeowners 12:07:06  
 21 should be included and any permanent solution  
 22 going forward.  
 23 Q. Okay. In your effort to collect  
 24 information about this case, did you receive  
 25 information from Mr. Grendell? 12:07:28

Page 97

1 A. Yes.  
 2 Q. What information did you receive.  
 3 from him?  
 4 A. I received at one point a  
 5 time-stamped copy of the lawsuit he filed in 12:07:38  
 6 Geauga County and another time I received back  
 7 from him original documents -- advertising  
 8 documents that Mike Payne Builders had given  
 9 him.  
 10 Q. And were the documents with respect 12:07:55  
 11 to Mike Payne Builders produced at a public  
 12 hearing in this case?  
 13 A. Yes.  
 14 Q. Is that all the information you got  
 15 from Mr. Grendell? 12:08:07  
 16 A. Yes.  
 17 Q. Now, from time to time did you  
 18 encourage individuals to file complaints or  
 19 comments with the Public Utilities Commission?  
 20 A. Yes. 12:08:25  
 21 Q. And how did you -- how would you do  
 22 that? How would you urge that to happen?  
 23 A. Via e-mail.  
 24 Q. And would the e-mails just  
 25 generally say, It's time for folks to send 12:08:34

25 (Pages 94 to 97)

Page 98

1 complaints?  
 2 A. Sometimes, and sometimes I would  
 3 give suggestions as to what to say.  
 4 Q. Okay. And have you produced those  
 5 e-mails? 12:08:44  
 6 A. Yes.  
 7 Q. Did you also urge individuals to  
 8 make telephone calls?  
 9 A. Yes.  
 10 Q. And whom did you urge people to 12:08:52  
 11 call?  
 12 A. The OCC, the PUCO, their  
 13 legislators, the governor and FirstEnergy.  
 14 Q. So you'd send an e-mail and say,  
 15 It's time to put out a call -- I'm putting out 12:09:08  
 16 a call for people to call the governor, for  
 17 example?  
 18 A. Yes.  
 19 Q. And so you were attempting to  
 20 orchestrate calls and complaints to the 12:09:18  
 21 commission and to the governor?  
 22 A. Yes.  
 23 Q. As part of your work for this --  
 24 for your investigation about these issues, is  
 25 it the case that you had been in contact with 12:09:35

Page 99

1 former employees of the FirstEnergy utilities?  
 2 A. Yes.  
 3 Q. And the FirstEnergy -- and other  
 4 FirstEnergy affiliates?  
 5 A. Yes. 12:09:45  
 6 Q. One of these individuals was Teryl  
 7 Bishop?  
 8 A. Yes.  
 9 Q. And he's a member of CKAP?  
 10 A. Yes. 12:09:57  
 11 Q. Do you know when he became a member  
 12 of CKAP?  
 13 A. Not -- no, I don't.  
 14 Q. Was it fairly early on?  
 15 A. Yes. 12:10:05  
 16 Q. And what was your first contact  
 17 with him?  
 18 A. My first personal contact with him  
 19 was via e-mail after he had come forward at a  
 20 Lakeland public meeting -- public hall meeting. 12:10:21  
 21 MR. KUTIK: Let's mark this the  
 22 next one.  
 23 -----  
 24 (Thereupon, Deposition Exhibit  
 25 Steigerwald 9, E-mails Bates Stamped

Page 100

1 005472 through 005474, was marked  
 2 for purposes of identification.)  
 3 -----  
 4 Q. The court reporter has handed you  
 5 what's been marked as Exhibit 9. 12:11:24  
 6 Do you recognize this document or  
 7 what's on this document?  
 8 A. Yes.  
 9 Q. These, again, are e-mails that you  
 10 either have sent or received? 12:11:31  
 11 A. Yes.  
 12 Q. And these are e-mails -- or some of  
 13 these e-mails involve your communications with  
 14 Mr. Bishop, correct?  
 15 A. Yes. 12:11:43  
 16 Q. Was this e-mail that appears at the  
 17 bottom of the page marked with the number  
 18 005472, an e-mail dated February 20th, 2010,  
 19 the first e-mail that you can recall with him?  
 20 I guess I should -- I should actually refer to 12:12:13  
 21 the subsequent pages.  
 22 A. Right. The very first one would be  
 23 the last one on the exhibit.  
 24 Q. Okay. So there was an e-mail you  
 25 sent to him dated February 18th at 4:56, 12:12:27

Page 101

1 correct?  
 2 A. Yes.  
 3 Q. And that was your first contact?  
 4 A. Yes.  
 5 Q. And you asked him to provide you a 12:12:33  
 6 brief statement, correct?  
 7 A. Um-hum, yes.  
 8 Q. And the e-mail that he sent to you  
 9 dated February 19th at 4:07 p.m. was what he  
 10 sent back, correct? 12:12:47  
 11 A. Yes.  
 12 Q. Did you have any discussions, that  
 13 is, other than by e-mail, with him --  
 14 A. No.  
 15 Q. -- about his statement? 12:12:58  
 16 A. No.  
 17 Q. So this e-mail of February 19th,  
 18 2010 at 4:07 was the first e-mail you received  
 19 where he was telling you his story?  
 20 A. Yes. 12:13:12  
 21 Q. Referring to the e-mail dated  
 22 February 19 from Mr. Bishop, the third  
 23 paragraph, the paragraph that begins, One of  
 24 the major obstacles.  
 25 Are you there? 12:13:46

26 (Pages 98 to 101)

Page 102

1 A. Yes.  
 2 Q. The second sentence says, To  
 3 counter this, we assured them that if the  
 4 special rate was ever eliminated or replaced by  
 5 a different rate, that they could remain on 12:13:55  
 6 that rate until they decided to change to a  
 7 different rate or when there was a change in  
 8 account (i.e. they moved).  
 9 Is that -- did I read that  
 10 correctly? 12:14:12  
 11 A. Yes.  
 12 Q. So Mr. Bishop was telling you that  
 13 the discount would be a discount that the  
 14 customer could have, but if a new customer  
 15 moved into the house, the discount would not be 12:14:21  
 16 available?  
 17 A. That's what he said, yes.  
 18 Q. So Mr. -- Mr. Bishop, as far as you  
 19 know, never told others that the discount would  
 20 remain with the house forever? 12:14:35  
 21 A. I don't know what he told others.  
 22 Q. Okay.  
 23 A. I only know what he told -- what he  
 24 said here.  
 25 Q. Right.

Page 103

1 But he -- as far as you know, if  
 2 this is an accurate story, he was not telling  
 3 folks that the discount would remain with the  
 4 house, correct?  
 5 A. I don't know what he was telling 12:14:52  
 6 others.  
 7 Q. Well, again, if this is correct, as  
 8 you understand it, and this is what he told  
 9 others and this is all he told others, would  
 10 you understand it to mean that he was 12:15:00  
 11 representing that the discount would not stay  
 12 with the house?  
 13 A. Yes.  
 14 Q. Okay. Now, it is true, is it not,  
 15 that you asked him if he could change his story 12:15:20  
 16 to say that he told others that the discount  
 17 stayed with the house?  
 18 A. I asked him if he remembered that,  
 19 yes.  
 20 Q. Okay. And when you asked Mr. 12:15:31  
 21 Bishop if he remembered that, what did he tell  
 22 you?  
 23 A. I believe he commented that he  
 24 didn't remember that specifically so he would  
 25 not be comfortable saying that. And I said, 12:16:28

Page 104

1 Fine.  
 2 MR. KUTIK: Let's mark this as the  
 3 next one.  
 4 - - - - -  
 5 (Thereupon, Deposition Exhibit  
 6 Steigerwald 10, E-mails Bates  
 7 Stamped 005676 through 005677, was  
 8 marked for purposes of  
 9 identification.)  
 10 - - - - - 12:16:50  
 11 Q. Exhibit 10 is another series --  
 12 represents another series of e-mails that you  
 13 either sent or received, correct?  
 14 A. Yes.  
 15 Q. And in this e-mail, starting on the 12:17:01  
 16 second page -- or in this document, starting on  
 17 the second page, there's an e-mail from you  
 18 dated February 2nd, correct?  
 19 A. Which page are you on; I'm sorry?  
 20 Q. The page that has the Bates number 12:17:26  
 21 005677.  
 22 A. Yes.  
 23 Q. All right. And this is the e-mail  
 24 where you're asking him if he can recall  
 25 whether he told folks -- or that anyone from 12:17:50

Page 105

1 Ohio Edison told folks that the discount would  
 2 stay with the house?  
 3 A. Yes.  
 4 Q. He says, We wanted to know from  
 5 you, I spoke directly with OCC today, is 12:18:02  
 6 whether you believe the intention was to tie  
 7 the all-electric program to the house or to the  
 8 owner.  
 9 That's the question you asked him,  
 10 correct? 12:18:13  
 11 A. Yes.  
 12 Q. And on the first page of this  
 13 document, the document with the number 5676,  
 14 there's an e-mail from Mr. Bishop to you with  
 15 the same date, and he's relying to your e-mail, 12:18:28  
 16 correct?  
 17 A. Yes.  
 18 Q. And he says -- he basically  
 19 understands your issue, but he says, I do not  
 20 recall promoting it in that fashion. I clearly 12:18:38  
 21 recall what I had earlier stated. I just don't  
 22 think anyone felt the special rate would ever  
 23 go away. After all, they were making an  
 24 investment. It was something out of the norm  
 25 that definitely benefited the electric utility. 12:18:49

27 (Pages 102 to 105)

| Page 106                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 108                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 Do you see that?</p> <p>2 A. Um-hum.</p> <p>3 Q. Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. So that he clearly recalled what he 12:18:57</p> <p>6 said, correct?</p> <p>7 A. Yes.</p> <p>8 Q. He could not recall saying it --</p> <p>9 saying that the discount would go with the</p> <p>10 house, correct? 12:19:04</p> <p>11 A. Yes.</p> <p>12 Q. And that was his clear</p> <p>13 recollection, correct?</p> <p>14 A. Yes.</p> <p>15 Q. Now, can you tell me what you know 12:19:15</p> <p>16 about Mr. Bishop?</p> <p>17 A. Not a whole lot.</p> <p>18 Q. Do you know where he works?</p> <p>19 A. No.</p> <p>20 Q. Do you know what he did for Ohio 12:19:21</p> <p>21 Edison?</p> <p>22 A. I know he said he worked there for</p> <p>23 13 years or whatever he said in his statement.</p> <p>24 Q. Do you know what he did -- what</p> <p>25 kind of position he had at Ohio Edison? 12:19:33</p>                                                                 | <p>1 not successful?</p> <p>2 A. Not that I'm aware of; he was not</p> <p>3 successful.</p> <p>4 Q. In light of Mr. Bishop's refusal or</p> <p>5 inability to agree with you about FirstEnergy 12:21:02</p> <p>6 or Ohio Edison promoting the discount as</p> <p>7 remaining with the house, did you feel that</p> <p>8 trying to get discounts for new homes built</p> <p>9 after 2007 or for homes converted to</p> <p>10 all-electric homes after 2007 was a lost cause? 12:21:26</p> <p>11 A. No.</p> <p>12 Q. Did you ever say that to anyone?</p> <p>13 A. I might have.</p> <p>14 Q. Okay. When you say you might have,</p> <p>15 why might you have? 12:21:38</p> <p>16 A. I don't remember why I might have</p> <p>17 said something. You have to be more specific.</p> <p>18 Q. Well, no. You say you might have,</p> <p>19 and I'm trying to understand why you might</p> <p>20 have. It's your testimony; not mine. 12:21:50</p> <p>21 A. Right. You need to ask a question</p> <p>22 so I can answer.</p> <p>23 Q. No, you need to explain what you</p> <p>24 mean by might have. Can you?</p> <p>25 A. Can you restate the question? 12:22:00</p> |
| Page 107                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 109                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>1 A. Selling the all-electric customers.</p> <p>2 Q. And do you know specifically what</p> <p>3 position he held?</p> <p>4 A. No.</p> <p>5 Q. Do you know whether he was a 12:19:40</p> <p>6 supervisor or not?</p> <p>7 A. Yes, I do.</p> <p>8 Q. Was he a supervisor?</p> <p>9 A. Yes.</p> <p>10 Q. Do you know anything about the 12:19:45</p> <p>11 circumstances of his separation from Ohio</p> <p>12 Edison, FirstEnergy?</p> <p>13 A. No.</p> <p>14 Q. Do you know whether his wife works</p> <p>15 for a competitor of FirstEnergy? 12:19:54</p> <p>16 A. I do not know.</p> <p>17 Q. Now, it's true, is it not, that Mr.</p> <p>18 Bishop tried to get other former FirstEnergy</p> <p>19 company employees to corroborate what he told</p> <p>20 you, correct? 12:20:20</p> <p>21 A. Yes.</p> <p>22 Q. And he was not successful in doing</p> <p>23 that, correct?</p> <p>24 A. Not that I'm aware of.</p> <p>25 Q. So what I said was correct; he was 12:20:29</p> | <p>1 Q. You said might have. Under what</p> <p>2 circumstances might you have said that?</p> <p>3 A. I might have just been talking to</p> <p>4 friends.</p> <p>5 Q. Okay. Is it your habit to say 12:22:08</p> <p>6 things you don't believe in e-mails?</p> <p>7 A. No.</p> <p>8 Q. Okay. Do you think that generally</p> <p>9 that what you say in e-mails reflects an</p> <p>10 accurate statement of what you believe to be 12:22:16</p> <p>11 the truth?</p> <p>12 A. Yes.</p> <p>13 Q. Now, is it true in addition to Mr.</p> <p>14 Bishop you have spoken with at least one other</p> <p>15 former FirstEnergy employee? 12:22:34</p> <p>16 A. Yes.</p> <p>17 Q. And is that Mr. Karchefsky?</p> <p>18 A. Yes.</p> <p>19 Q. And how did you get in contact with</p> <p>20 Mr. Karchefsky? 12:22:43</p> <p>21 A. He contacted me via e-mail.</p> <p>22 Q. What did Mr. Karchefsky tell you?</p> <p>23 A. He told me he worked for</p> <p>24 FirstEnergy and he had some documents he wanted</p> <p>25 to show me. 12:23:01</p>                                                                                                                           |



1 Q. What did he show you?  
 2 A. He showed me all of the documents  
 3 he presented at the hearing at Lakeland.  
 4 Q. Okay. Can you describe those  
 5 documents for me? 12:23:09  
 6 A. There's a set of fast facts  
 7 documents. There's a set of testimonials on  
 8 geothermal. There's a set of  
 9 leads-generate-sales documents, and I believe  
 10 there's a set of builder proposals. 12:23:29  
 11 Q. So all of these documents were  
 12 documents that showed that one or all of the  
 13 FirstEnergy utility companies was actively  
 14 promoting all-electric homes, correct?  
 15 A. Yes. 12:23:46  
 16 Q. Did any of the documents that Mr.  
 17 Karchefsky provided indicate anything in the  
 18 form of a written guarantee as to how long the  
 19 discount or discounted rates would last?  
 20 A. No. 12:24:00  
 21 Q. Do -- what do you know about Mr.  
 22 Karchefsky in terms of his work for any of the  
 23 FirstEnergy companies?  
 24 A. Not much. I know he was an  
 25 employee there for, I believe, eight years 12:24:14

1 selling all-electric technologies.  
 2 Q. Did at some point in time you  
 3 receive a resume of his?  
 4 A. Yes.  
 5 Q. Do you have any reason to believe 12:24:26  
 6 that his resume stated his work inaccurately or  
 7 incompletely?  
 8 A. No.  
 9 -----  
 10 (Thereupon, Deposition Exhibit  
 11 Steigerwald 11, Resume of Chester  
 12 Karchefsky, was marked for purposes  
 13 of identification.)  
 14 -----  
 15 Q. The court reporter has handed you 12:25:12  
 16 what's marked as Exhibit 11.  
 17 Do you recognize this as Mr.  
 18 Karchefsky's resume?  
 19 A. Yes.  
 20 Q. Mr. Karchefsky indicates on, I 12:25:22  
 21 guess, the third page of this particular  
 22 document that he worked for something called  
 23 FirstEnergy Solutions Corporation, correct?  
 24 A. I'm sorry; you're on the first  
 25 page? 12:25:43

1 Q. No.  
 2 Well, let me ask you this: Did he  
 3 -- does this resume indicate he worked for  
 4 FirstEnergy Solutions Corporation?  
 5 A. Yes. 12:26:05  
 6 Q. And -- so does it indicate anywhere  
 7 in this resume that Mr. Karchefsky worked for  
 8 any company other than FirstEnergy Solutions  
 9 Corporation in the FirstEnergy family?  
 10 A. I don't see that it does, no. 12:26:30  
 11 Q. So it doesn't indicate that he  
 12 worked for CEI, Toledo Edison or Ohio Edison,  
 13 correct?  
 14 A. Correct.  
 15 Q. And under where he says, 12:26:40  
 16 FirstEnergy Solutions Corporation, he says he  
 17 was a senior sales representative national  
 18 accounts, correct?  
 19 A. Um-hum, yes.  
 20 Q. Does it indicate that he also was 12:26:51  
 21 marketing products and services to commercial  
 22 and industry customers?  
 23 A. Yes.  
 24 Q. Does it indicate on his resume that  
 25 he was selling to builders or residential 12:27:09

1 customers?  
 2 A. Does this indicate he was selling  
 3 to builders or residential customers?  
 4 Q. Yes.  
 5 A. I don't see it on here, no. 12:27:26  
 6 Q. Were Mr. Karchefsky and Mr. Bishop  
 7 the only two former employees of FirstEnergy or  
 8 FirstEnergy company that you had contact with?  
 9 A. No. I phone call -- made one phone  
 10 call to a Marla Haughn. 12:29:55  
 11 Q. So you had contact information for  
 12 Marla Haughn?  
 13 A. I found it myself, yes.  
 14 Q. Are you aware that we have asked  
 15 for that information and it was not provided? 12:30:08  
 16 A. I was never asked for that  
 17 information.  
 18 Q. Okay. Can you provide that  
 19 information to us?  
 20 A. Sure. 12:30:15  
 21 Q. Okay. When did you call  
 22 Ms. Haughn?  
 23 A. Maybe last week sometime. It was  
 24 recently.  
 25 Q. And can you tell me what you and 12:30:31

1 she talked about?  
 2 A. I asked her if she had worked for  
 3 FirstEnergy, and I asked her if she'd be  
 4 willing to talk to Kevin.  
 5 Q. What did she say? 12:30:44  
 6 A. She said she would have to discuss  
 7 it with her husband, and she never got back to  
 8 me.  
 9 Q. Why did you want to talk to Marla  
 10 Haughn? 12:30:59  
 11 A. Because she had -- she was  
 12 mentioned in several of the documents that I  
 13 had looked at as the FirstEnergy rep who had  
 14 signed them.  
 15 Q. What kind of documents were these? 12:31:10  
 16 A. Builder -- builder documents.  
 17 Q. Okay. And these were documents  
 18 indicating that FirstEnergy had provided  
 19 incentives and payments to builders --  
 20 A. Some of them were, but some of them 12:31:26  
 21 were personal documents, too.  
 22 Q. Like what?  
 23 A. I just remember seeing her name on  
 24 personal electric rate documents that had been  
 25 set up on an individual basis at least one 12:31:39

1 time.  
 2 Q. So these were documents confirming  
 3 through Bob Schmitt customers receiving  
 4 all-electric rates?  
 5 A. The builder ones were Bob Schmitt. 12:31:55  
 6 I don't recall who the -- who the other one  
 7 was, but I know I saw it on at least one other  
 8 personal type of document --  
 9 Q. Okay.  
 10 A. -- or a letter to a personal 12:32:06  
 11 customer.  
 12 Q. Did the customer -- did the  
 13 documents that Ms. Haughn signed provide any  
 14 guarantee as to how long the rates would be in  
 15 effect? 12:32:21  
 16 A. No.  
 17 Q. Did they say anything about whether  
 18 the rate would stay with the customer?  
 19 A. I don't recall.  
 20 Q. Is it your best recollection that 12:32:40  
 21 they did not or you don't know one way or the  
 22 other?  
 23 A. I don't recall.  
 24 Q. Do you believe that it's important  
 25 to have as many letters of protest on this 12:32:59

1 issue as possible filed with the PUCO?  
 2 A. Yes.  
 3 Q. And you've worked to do that?  
 4 A. Yes.  
 5 Q. Do you know how to submit letters 12:33:10  
 6 to the PUCO?  
 7 A. Yes.  
 8 Q. And you've done that?  
 9 A. Some, yes.  
 10 Q. Okay. Have you sent letters under 12:33:19  
 11 your own name?  
 12 A. Yes.  
 13 Q. Have you sent what I'll call  
 14 complaint forms under your own name?  
 15 A. Yes. 12:33:28  
 16 Q. Have you sent complaint forms under  
 17 the names of any other individuals?  
 18 A. No.  
 19 Q. So is it the case that you deny  
 20 sending any kind of e-mail or other 12:33:42  
 21 communication to the commission under the name  
 22 of any other individual?  
 23 A. That's correct.  
 24 Q. Are you aware of anyone else doing  
 25 that, that is, sending e-mails or letters to 12:34:15

1 the PUCO under someone else's name?  
 2 A. I'm not aware of that.  
 3 Q. Did you ever talk with  
 4 Ms. Heginbotham about having her send an  
 5 e-mail? 12:34:49  
 6 A. Yes.  
 7 Q. What's your recollection?  
 8 A. She is a CKAP member, so she would  
 9 have gotten any of the e-mails that I sent.  
 10 MR. CORCORAN: David, can we go off 12:35:04  
 11 the record for a second?  
 12 MR. KUTIK: Sure.  
 13 (Discussion had off the record.)  
 14 MR. KUTIK: I only have one copy of  
 15 this for some reason, so let's just mark this 12:36:17  
 16 one copy.  
 17 - - - - -  
 18 (Thereupon, Deposition Exhibit  
 19 Steigerwald 12, Complaint filed with  
 20 PUCO by Wilbert Steigerwald, was  
 21 marked for purposes of  
 22 identification.)  
 23 - - - - -  
 24 Q. Ms. Steigerwald, do you recognize  
 25 this? 12:36:52

Page 118

1 A. Yes.  
 2 Q. Okay. And that's what we'll call a  
 3 complaint that was submitted in the name of  
 4 your husband?  
 5 A. Yes. 12:37:02  
 6 Q. Did you do this?  
 7 A. Yes.  
 8 Q. Okay. So here's one example, at  
 9 least, where you submitted something under  
 10 somebody else's name, right? 12:37:12  
 11 A. Right, because he is the person on  
 12 the account.  
 13 Q. Okay. Well --  
 14 A. The form --  
 15 Q. Does it say -- does it say Sue 12:37:19  
 16 Steigerwald on here anywhere?  
 17 A. The form that is being filled  
 18 out here --  
 19 Q. Does it say here --  
 20 A. -- asks for the account holder's 12:37:25  
 21 name.  
 22 Q. Does it say here anything that  
 23 identifies you as the sender?  
 24 A. Again, the form asks for the  
 25 account holder's name. 12:37:34

Page 119

1 Q. Ma'am, just answer my question.  
 2 Does it say anywhere on here that you sent  
 3 this?  
 4 A. That Sue Steigerwald sent it, no.  
 5 Q. All right. 12:37:47  
 6 A. The account holder sent it.  
 7 Q. All right. Are you saying that you  
 8 never submitted a statement like this that  
 9 indicates your name?  
 10 A. I'm sure I did. 12:37:57  
 11 Q. Okay. But in this case, you  
 12 submitted this statement and you stated it in  
 13 your husband's name, correct?  
 14 A. That's correct.  
 15 MR. KUTIK: Let's mark this as the 12:38:11  
 16 next one.  
 17 - - - - -  
 18 (Thereupon, Deposition Exhibit  
 19 Steigerwald 13, Complaint filed with  
 20 PUCO by Wayne Heginbotham, was  
 21 marked for purposes of  
 22 identification.)  
 23 - - - - -  
 24 Q. Do you recognize that document,  
 25 ma'am? 12:38:42

Page 120

1 A. I recognize it from a couple days  
 2 ago, yes.  
 3 Q. Okay. When you say you recognize  
 4 it from a couple days ago, what does that mean?  
 5 A. Because I looked it up. 12:38:49  
 6 Q. Okay. And when you say you looked  
 7 it up, what does that mean?  
 8 A. I looked it up in the docket.  
 9 Q. Okay. Did you write this?  
 10 A. No. 12:38:57  
 11 Q. Will you agree with me but for the  
 12 last two sentences it's word for word the same  
 13 as your statement?  
 14 A. Yes.  
 15 Q. Do you have any idea as to how Ms. 12:39:07  
 16 Heginbotham or Mr. Heginbotham was able to  
 17 repeat word for word this statement that you  
 18 had -- you had submitted earlier?  
 19 A. Yes. It was a cut and paste from a  
 20 February 23rd e-mail I sent out. 12:39:20  
 21 Q. Okay. So you sent an e-mail  
 22 saying, This is what you should say?  
 23 A. This is an example of what you  
 24 should say, yes.  
 25 Q. Okay. So you were encouraging 12:39:29

Page 121

1 people to use your language in an e-mail?  
 2 A. I was encouraging them to tell  
 3 their story and give them an example, yes.  
 4 Q. And it was okay with you if they  
 5 just used this information? 12:39:39  
 6 A. I told them to modify it and  
 7 personalize it.  
 8 Q. Okay. Now, is that one of the  
 9 e-mails that you provided to us?  
 10 A. Again, it was an internal CKAP 12:39:50  
 11 e-mail, so, no.  
 12 MR. KUTIK: Again, we asked for  
 13 that document.  
 14 THE WITNESS: They're CKAP e-mails.  
 15 MR. CORCORAN: I know what you're 12:40:02  
 16 saying, but we objected to those based on the  
 17 fact that they were an internal party  
 18 communication.  
 19 And according to Mr. Price, he said  
 20 this at one of the hearings we were at, that 12:40:12  
 21 internal communications between the parties  
 22 were exempt from discovery.  
 23 MR. KUTIK: We'll put that on the  
 24 list of things to talk about with Greg.  
 25 MR. CORCORAN: Okay. 12:40:24

31 (Pages 118 to 121)

Page 122

1 Q. So there are e-mails that you've  
2 sent to other customers that -- and other  
3 customers have sent you that you have not  
4 provided, correct?  
5 A. CKAP e-mails, yes. 12:40:36  
6 Q. Again, you have not provided me all  
7 of the e-mails that you've had with other  
8 customers because they were CKAP members,  
9 correct?  
10 A. Yes. 12:40:45  
11 MR. CORCORAN: Objection to that.  
12 Q. Have you deleted or destroyed any  
13 e-mails that you've sent or received from other  
14 customers?  
15 A. I don't believe I have. 12:41:05  
16 Q. So you believe your entire file is  
17 complete?  
18 A. I switched laptops a couple months  
19 ago, so I can't guarantee that everything is  
20 there. But for the most part, yes. 12:41:17  
21 Q. So you're not aware of having  
22 deleted anything?  
23 A. Not that I'm aware of, no.  
24 Q. Now, it's the case, is it not, that  
25 you asked whether you could submit e-mails 12:41:42

Page 123

1 under other folks' names, correct?  
2 A. No.  
3 - - - - -  
4 (Thereupon, Deposition Exhibit  
5 Steigerwald 14, E-mails Bates  
6 Numbered 00545 through 00547, was  
7 marked for purposes of  
8 identification.)  
9 - - - - -  
10 Q. Showing you what's been marked as 12:42:32  
11 Exhibit 14.  
12 Again, this is another series of  
13 e-mails that you either received or sent,  
14 correct?  
15 A. Yes. 12:42:45  
16 Q. About midway down on the first page  
17 there is an e-mail that appears from you dated  
18 September 2nd, 2010, correct?  
19 A. Um-hum.  
20 Q. Correct? 12:42:59  
21 A. Yes.  
22 Q. And this is an e-mail that you sent  
23 to Ms. Gombert at OCC?  
24 A. Yes.  
25 Q. And you said, I find that people 12:43:08

Page 124

1 are often confused about how to submit to the  
2 PUCO docket even when I explain it to them. Is  
3 there any reason why I can't submit letters  
4 such as this for people and have it be logged  
5 on that way? 12:43:23  
6 A. Correct.  
7 Q. Is that a question you asked?  
8 A. Yes.  
9 Q. In other words, you wanted to be  
10 able to send letters in -- 12:43:27  
11 MR. CORCORAN: David, I believe you  
12 read that wrong.  
13 A. For people who had difficulty.  
14 Q. Okay.  
15 A. Read it again. 12:43:35  
16 Q. You said, Is there any reason why I  
17 can't submit letters such as this for people  
18 and have it be logged that way.  
19 A. Right, logged under them.  
20 Q. Well, it doesn't say under them, 12:43:46  
21 correct?  
22 A. Well, that was the intention.  
23 Q. Well, that's not what it says,  
24 though, does it?  
25 A. It depends on logged that way -- 12:43:54

Page 125

1 it's open to interpretation.  
2 Q. You wanted to log -- you wanted to  
3 log other people's complaints in to the  
4 commission, correct, for them?  
5 A. For them under their name, yes. 12:44:05  
6 - - - - -  
7 (Thereupon, Deposition Exhibit  
8 Steigerwald 15, E-mails Bates  
9 Stamped 005562 through 00563, was  
10 marked for purposes of  
11 identification.)  
12 - - - - -  
13 Q. Ms. Steigerwald, the court reporter  
14 has handed you a document that has been marked  
15 as Exhibit 15. 12:45:00  
16 The first two pages -- or at least  
17 the first page, appear to be e-mails that were  
18 either sent to you or sent by you, correct?  
19 A. Yes.  
20 Q. And the last two pages appear to be 12:45:16  
21 a document from the Cleveland Electric  
22 Illuminating Company and an envelope -- a copy  
23 of the front of an envelope, correct?  
24 A. Yes.  
25 Q. And you received the letter and the 12:45:28

32 (Pages 122 to 125)

Page 126

1 envelope from a Mr. Willetts?  
 2 A. Yes.  
 3 Q. And you then shared this letter  
 4 with other people, correct?  
 5 A. Yes. 12:45:45  
 6 Q. Okay. Do you know how it came that  
 7 Mr. Willetts provided you this piece of  
 8 information?  
 9 A. He must have told me he had it and  
 10 sent it to me. 12:46:00  
 11 Q. Now, let me ask you a little bit  
 12 about this letter.  
 13 In the -- about a quarter of the  
 14 way down the letter, it says, Under the new  
 15 rate schedule, there will be no change in the 12:46:14  
 16 discount provisions until there is a change of  
 17 customer.  
 18 Do you see that?  
 19 A. Yes.  
 20 Q. Does that indicate that the 12:46:23  
 21 discount provisions would not stay with the  
 22 house?  
 23 A. For that particular program, yes.  
 24 Q. Okay. And when they're talking  
 25 about, There will be no change in the discount 12:46:31

Page 127

1 provisions, what did you take that to mean?  
 2 A. I didn't receive the letter, but  
 3 when I looked at it, I would assume that the  
 4 rate differential would remain the same.  
 5 Q. Okay. Is it your assumption that 12:46:47  
 6 the specific rate itself would not necessarily  
 7 stay the same?  
 8 A. Correct.  
 9 Q. That the rate would change?  
 10 A. Correct. 12:46:56  
 11 Q. But they would continue to enjoy a  
 12 discount at or about the same level?  
 13 A. Yes.  
 14 Q. And this important information was  
 15 sent out to electric space heating customers, 12:47:07  
 16 correct?  
 17 A. I don't know who it was sent to.  
 18 Q. Well, that was what it's addressed  
 19 to, correct, at the top?  
 20 A. Yes. 12:47:17  
 21 Q. So is it fair to assume this letter  
 22 was not sent out to water heating customers or  
 23 load management customers?  
 24 A. I would assume.  
 25 Q. Okay. And it also indicates in the 12:47:31

Page 128

1 second sentence, "If there is a change in our  
 2 customer of record at any address served under  
 3 these discount provisions after July 14, 1980,  
 4 electric service will be provided under the  
 5 residential schedule without the discount 12:47:53  
 6 provision."  
 7 Do you see that?  
 8 A. Yes.  
 9 Q. So, for example, in the case of  
 10 yourself and your husband, you would be someone 12:48:01  
 11 who would not receive the discount provision,  
 12 according to this letter?  
 13 A. Depending on the rate schedule this  
 14 letter in particular is referring to. As we  
 15 said, there were 100 different rate schedules. 12:48:16  
 16 Q. But respect to whatever rate  
 17 schedule this is referring to, someone like  
 18 you, who moved in after 1980 to an electric  
 19 home, would not be able to take advantage of  
 20 that, correct? 12:48:30  
 21 A. It would depend on if I was on the  
 22 rate schedule this is referring to.  
 23 Q. Well, again, whatever rate schedule  
 24 this was referring to would not be necessarily  
 25 available to you as someone who moved in after 12:48:38

Page 129

1 1980, correct?  
 2 A. That is correct.  
 3 MR. KUTIK: Mark this the next one.  
 4 - - - - -  
 5 (Thereupon, Deposition Exhibit  
 6 Steigerwald 16, E-mails Bates  
 7 Stamped 005468 through 005471, was  
 8 marked for purposes of  
 9 identification.)  
 10 - - - - - 12:49:38  
 11 Q. Ms. Steigerwald, the court reporter  
 12 is showing you what's been marked as Exhibit  
 13 16.  
 14 The first two pages at least -- or  
 15 the first page at least appears to be e-mails 12:49:46  
 16 that you received or sent, correct?  
 17 A. Yes.  
 18 Q. And the last two pages are of an  
 19 attachment that you also received, correct?  
 20 A. Yes. 12:50:03  
 21 Q. And you understood that this is a  
 22 letter that was sent to certain all-electric  
 23 customers who might have been considering  
 24 conversion to gas or natural gas for their  
 25 heat? 12:50:15

33 (Pages 126 to 129)

Page 130

1 A. Yes.  
 2 Q. Does this indicate in any way that  
 3 the company is guaranteeing any rate?  
 4 A. Guaranteeing a rate forever?  
 5 Q. Yes. 12:50:32  
 6 A. No.  
 7 Q. Do you see anything fraudulent or  
 8 miss -- or a misrepresentation in this letter?  
 9 A. No.  
 10 MR. CORCORAN: Objection. 12:50:47  
 11 Q. Is it the case or are you aware of  
 12 whether the gas company or the gas companies in  
 13 the FirstEnergy companies operating territory  
 14 have had marketing efforts? Are you aware of  
 15 those? 12:51:18  
 16 A. In -- I'm sorry; repeat the  
 17 question.  
 18 Q. Okay. Sure.  
 19 There are -- there are two gas  
 20 companies that operate within the first -- in 12:51:25  
 21 the same territory as the FirstEnergy  
 22 territories, correct?  
 23 A. Um-hum.  
 24 Q. Correct?  
 25 A. Yes. 12:51:32

Page 131

1 Q. That's Dominion East Ohio and  
 2 Columbia Gas of Ohio, correct?  
 3 MR. KUTIK: Let's go off the  
 4 record.  
 5 (Discussion had off the record.) 12:51:41  
 6 A. Yes.  
 7 Q. Are you aware of any marketing  
 8 efforts by those two companies to get  
 9 all-electric customers to convert to gas?  
 10 A. In documents that people have sent 12:51:57  
 11 to me, yes, I recall seeing some documents of  
 12 that sort.  
 13 Q. Okay. Did those documents  
 14 guarantee any rates?  
 15 A. They didn't guarantee any rates 12:52:08  
 16 forever, no.  
 17 Q. Okay. Did those documents indicate  
 18 how long rates might be effective?  
 19 A. No.  
 20 Q. Is it the case, Ms. Steigerwald, 12:52:15  
 21 with respect to how you thought this whole  
 22 issue could be resolved, that you thought that  
 23 it was the case that the PUCO was most  
 24 definitely the right venue to hear this  
 25 dispute? 12:52:55

Page 132

1 MR. CORCORAN: Could you read the  
 2 question back, please?  
 3 (Record read.)  
 4 A. I would say my thought on the right  
 5 venue has changed from the beginning of my 12:53:22  
 6 involvement to the end. At first there was a  
 7 lawsuit, then there was the regulatory path and  
 8 then there was the senate bill.  
 9 I think as we saw the lawsuit  
 10 become -- as we saw the lawsuit become a -- 12:53:39  
 11 thrown out of jurisdiction and we saw the  
 12 senate bill not get voted out of committee,  
 13 that, yes, I felt the best way to resolve it  
 14 was the PUCO.  
 15 Q. So you believed that the PUCO most 12:53:54  
 16 definitely was the right venue to hear this  
 17 dispute?  
 18 A. It appeared that way, yes.  
 19 Q. Okay. And you came to that view  
 20 when? 12:54:05  
 21 A. After the lawsuit was thrown out  
 22 and after the senate bill didn't make it out of  
 23 committee.  
 24 Q. Okay. And is it the case that you  
 25 understood from Mr. Grendell that he also 12:54:14

Page 133

1 believed that the PUCO was the proper venue?  
 2 A. No.  
 3 - - - - -  
 4 (Thereupon, Deposition Exhibit  
 5 Steigerwald 17, E-mails Bates  
 6 Stamped 005372 through 005374, was  
 7 marked for purposes of  
 8 identification.)  
 9 - - - - -  
 10 Q. Ms. Steigerwald, Exhibit 17 12:54:54  
 11 comprises three pages, correct?  
 12 A. Um-hum, yes.  
 13 Q. And these are also e-mails to and  
 14 from you?  
 15 A. Yes. 12:55:05  
 16 Q. Now, you have an e-mail here on the  
 17 second page to Joe Pagonakis and others dated  
 18 September 10, 2010 at 9:16, correct?  
 19 A. Yes.  
 20 Q. And in this letter you're writing 12:55:29  
 21 to -- you're sending them, that is, Joe  
 22 Pagonakis and all, an e-mail that you sent to  
 23 CKAP, correct?  
 24 A. Yes.  
 25 Q. And you're reporting to your CKAP 12:55:45

34 (Pages 130 to 133)

Page 134

1 friends - which is the term you use - what  
 2 happened with respect to the lawsuit, correct?  
 3 A. Yes.  
 4 Q. And you say, do you not, in the  
 5 second paragraph, The thing is, the PUCO is 12:56:00  
 6 most definitely the right venue to hear rate  
 7 cases. The problem is they are trying to  
 8 weasel their way out of investigating past  
 9 marketing practicing of FE.  
 10 That's what you said, correct? 12:56:17  
 11 A. Yes.  
 12 Q. And later on you say, Back to Mr.  
 13 Grendell, Grendell said he would file an appeal  
 14 to keep the lawsuit going as back pressure.  
 15 Remember, once the PUCO got involved in the 12:56:32  
 16 case, we always knew and agreed that the best  
 17 place for the all-electric issue to be handled  
 18 was with the PUCO.  
 19 Even Mr. Grendell agrees that it  
 20 would be handled more quickly at the PUCO than 12:56:45  
 21 with a lawsuit, which could take years, and we  
 22 can't wait that long.  
 23 Mr. Grendell also said that he  
 24 would do all he can to put pressure on the PUCO  
 25 to make a quick decision to consider the past 12:56:58

Page 135

1 marketing promises of FE.  
 2 Did I read that correctly?  
 3 A. Yes.  
 4 Q. And did you accurately report your  
 5 views and what Mr. Grendell's views were? 12:57:06  
 6 A. Yes.  
 7 Q. Let me have you turn to the next  
 8 page, where you say at the top of that page,  
 9 So, bottom line, the lawsuit being denied  
 10 jurisdiction is a little bit bad, but could 12:57:30  
 11 turn out to help us in the long run by forcing  
 12 the PUCO to consider the bait and switch  
 13 tactics of FE in their ruling, which we  
 14 absolutely need to do.  
 15 Just remember, we always knew the 12:57:46  
 16 PUCO was where the case was most likely to be  
 17 solved, not the lawsuit.  
 18 Did I read that correctly?  
 19 A. Yes.  
 20 Q. And did that also represent 12:57:57  
 21 accurately what your views were?  
 22 A. Yes.  
 23 Q. Including the views as to what you  
 24 "always knew"?  
 25 A. We knew it would most likely be 12:58:10

Page 136

1 solved in the PUCO because nobody else would  
 2 make a decision on it, yes.  
 3 Q. Again, that's something you always  
 4 knew, correct?  
 5 A. That it was the most likely place 12:58:23  
 6 the case would be solved, yes.  
 7 Q. Okay. And you go on in this e-mail  
 8 to indicate that you are putting your begging  
 9 plea out again to have folks search through  
 10 their files and scan or e-mail or snail mail 12:58:40  
 11 you documents that they may have, right?  
 12 A. Yes.  
 13 Q. And you then indicated that some  
 14 really good stuff, in all caps, has turned up  
 15 from CKAP members in the last week or so, so 12:58:52  
 16 keep it coming.  
 17 Can you tell me what that really  
 18 good stuff was?  
 19 A. I'd have to go back and look.  
 20 Q. So you have no idea what that is? 12:59:01  
 21 A. Not in particular, no.  
 22 Q. Okay.  
 23 A. Anything that would have come in  
 24 that was good stuff to us would be in the  
 25 docket now. 12:59:11

Page 137

1 Q. Okay. You say also at the end of  
 2 that paragraph, (We recently heard from another  
 3 FE employee who had tons of great marketing  
 4 literature that he has turned over to me.)  
 5 Do you see that? 12:59:29  
 6 A. Yes.  
 7 Q. Who is that?  
 8 A. That would have been Karchefsky.  
 9 Q. Now, as part of this work that  
 10 you've been doing, did you feel that you needed 13:00:00  
 11 to put pressure on OCC?  
 12 A. In the beginning, yes.  
 13 Q. Okay. Why did you feel you had to  
 14 put pressure on OCC in the beginning?  
 15 A. Because I didn't feel they were on 13:00:15  
 16 board with what we wanted to do.  
 17 Q. Okay. Because they had agreed with  
 18 respect to the change in the structure of the  
 19 discount?  
 20 A. Yes. 13:00:26  
 21 Q. And they had agreed to the  
 22 elimination of the declining block rates?  
 23 A. Yes.  
 24 Q. And so you were wondering whether  
 25 they would really deal with your issue, which 13:00:34

35 (Pages 134 to 137)

| Page 138                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Page 140                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 is to reinstate the discount?</p> <p>2 A. Correct.</p> <p>3 - - - - -</p> <p>4 (Thereupon, Deposition Exhibit</p> <p>5 Steigerwald 18, Media E-mails, was</p> <p>6 marked for purposes of</p> <p>7 identification.)</p> <p>8 - - - - -</p> <p>9 Q. Ms. Steigerwald, the court reporter</p> <p>10 has handed you what's been marked Exhibit 18, 13:01:43</p> <p>11 another set of e-mails that you have either</p> <p>12 sent or received, correct?</p> <p>13 A. Yes.</p> <p>14 Q. Towards the bottom of the first</p> <p>15 page, which is actually labeled 57, there's an 13:01:56</p> <p>16 e-mail from Anita Bolin to a Mr. Colby,</p> <p>17 correct?</p> <p>18 A. Yes.</p> <p>19 Q. It's Nick Colby?</p> <p>20 A. Um-hum. 13:02:12</p> <p>21 Q. Yes?</p> <p>22 A. Yes.</p> <p>23 Q. And Nick Colby forwarded that to</p> <p>24 you, correct?</p> <p>25 A. Yes. 13:02:17</p>                                                                                                                                                                                        | <p>1 communicated to customers were corporate</p> <p>2 decisions on the part of FirstEnergy.</p> <p>3 Originally the discounts were</p> <p>4 intended as incentives to encourage greater use</p> <p>5 of electricity. 13:04:20</p> <p>6 Do you agree with that statement?</p> <p>7 A. Yes.</p> <p>8 Q. In the next paragraph, the second</p> <p>9 sentence reads, In 2007, FirstEnergy</p> <p>10 discontinued offering discount rates to new 13:04:33</p> <p>11 all-electric customers. However, current</p> <p>12 all-electric customers were allowed to continue</p> <p>13 receiving the discounted rates as long as they</p> <p>14 remained in the residence.</p> <p>15 Do you agree with that statement? 13:04:46</p> <p>16 A. Yes.</p> <p>17 Q. The next paragraph begins - the</p> <p>18 second full paragraph on the page, that</p> <p>19 paragraph begins, The second change to</p> <p>20 FirstEnergy's all-electric rates took place in 13:04:58</p> <p>21 2009 when the utility was allowed to eliminate</p> <p>22 its discounted distribution rates for</p> <p>23 all-electric homes and replace them with a</p> <p>24 distribution credit of about 1.7 cents per</p> <p>25 kilowatt hour for usage above 500 kilowatt 13:05:16</p> |
| Page 139                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Page 141                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p>1 Q. And this was essentially OCC's</p> <p>2 response dated February 23 to Mr. Colby's</p> <p>3 concerns about what was happening with respect</p> <p>4 to all-electric customers, correct?</p> <p>5 A. Yes. 13:02:36</p> <p>6 Q. Had you received a similar</p> <p>7 communication from OCC?</p> <p>8 A. Give me a minute to take a look at</p> <p>9 it here.</p> <p>10 Q. Sure. 13:02:48</p> <p>11 A. I would guess that I have. Quite</p> <p>12 honestly, their automated responses changed so</p> <p>13 frequently in the beginning, but it would be</p> <p>14 likely that I received something similar.</p> <p>15 Q. The information that's discussed 13:03:41</p> <p>16 here is information you were generally familiar</p> <p>17 with, correct?</p> <p>18 A. Yes.</p> <p>19 Q. Let me have you turn to the page</p> <p>20 marked 58. 13:03:54</p> <p>21 Are you there?</p> <p>22 A. Yes.</p> <p>23 Q. The third line down there's a</p> <p>24 sentence, The decisions to remove discounted</p> <p>25 rates and how these changes and rates have been 13:04:07</p> | <p>1 hours during the winter months, September to</p> <p>2 May.</p> <p>3 Did you agree with that?</p> <p>4 A. Yes.</p> <p>5 Q. The next paragraph begins, The 13:05:24</p> <p>6 third change affected the discounted generation</p> <p>7 rates existing customers had been receiving.</p> <p>8 FirstEnergy was permitted to replace the</p> <p>9 discounted generation rates with a residential</p> <p>10 generation credit of 1.9 cents for usage above 13:05:40</p> <p>11 500 kilowatt hours during the winter months.</p> <p>12 These rates took effect in June 2009.</p> <p>13 Did I read that correctly?</p> <p>14 A. Yes.</p> <p>15 Q. And is that something you agree is 13:05:56</p> <p>16 true?</p> <p>17 A. Yes.</p> <p>18 Q. Two paragraphs down, which I</p> <p>19 believe is the last paragraph on that page, it</p> <p>20 starts, During the period when FirstEnergy had 13:06:07</p> <p>21 requested all of its changes related to</p> <p>22 all-electric rate customers, our office</p> <p>23 supported the idea of gradualism, correct?</p> <p>24 A. Yes.</p> <p>25 Q. And "our office" is OCC? 13:06:19</p>                                                                                                                  |

36 (Pages 138 to 141)



1 A. Yes.  
 2 Q. And you believe that also to be a  
 3 true statement?  
 4 A. Yes.  
 5 Q. And these are also -- these are all 13:06:25  
 6 things that you knew as of February 24th, 2010,  
 7 correct?  
 8 A. Yes.  
 9 Q. When did you believe that OCC --  
 10 well, I'll back up. 13:07:20  
 11 So initially, was it your view that  
 12 OCC would potentially not be someone that would  
 13 help you?  
 14 A. Did I initially believe that? Yes.  
 15 Q. When did your view change? 13:07:34  
 16 A. I guess my view would have changed  
 17 sometime after further contact that I had with  
 18 the OCC, probably at the hearing -- the Lundy  
 19 hearing.  
 20 Q. And the Lundy hearing was 13:07:54  
 21 approximately when; can you tell me?  
 22 A. In February.  
 23 Q. So by February of 2010 -- sometime  
 24 in February 2010, you came to the belief that  
 25 OCC would be an effective advocate for you? 13:08:04

1 A. I would say that I was open to  
 2 working with them.  
 3 Q. Did you come to a belief that at  
 4 some point in time the OCC would be an  
 5 effective advocate for you? 13:08:20  
 6 A. Yes.  
 7 Q. And when did you come to that  
 8 belief?  
 9 A. I don't remember the actual date.  
 10 Probably more in the March or April time frame. 13:08:28  
 11 Q. So certainly by the end of April  
 12 you came to the belief that OCC would be an  
 13 effective advocate for all-electric customers?  
 14 A. Yes.  
 15 - - - - -  
 16 (Thereupon, Deposition Exhibit  
 17 Steigerwald 19, E-mail Bates Stamped  
 18 005023, was marked for purposes of  
 19 identification.)  
 20 - - - - - 13:09:12  
 21 Q. Ms. Steigerwald, I'm showing you  
 22 what's been marked as Exhibit 19.  
 23 It appears to be an e-mail from you  
 24 to John Funk, correct?  
 25 A. Yes. 13:09:27

1 Q. And there's also an e-mail from  
 2 John Funk to you?  
 3 A. I only have one e-mail.  
 4 Q. Well, the e-mail starts at the top  
 5 from John Funk, correct? 13:09:39  
 6 A. Yes.  
 7 Q. And then kind of midway down the  
 8 text there's kind of some arrows indicating  
 9 that he's responding to an e-mail you sent and  
 10 then providing the e-mail that you sent, 13:09:53  
 11 correct?  
 12 A. Yes.  
 13 Q. And your e-mail to him was, No one  
 14 seems to know if the PUCO is actually working  
 15 on the AK case/report at all. This includes 13:10:11  
 16 Janine Migden-Ostrander, whom I spoke to  
 17 yesterday. They won't tell me anything. I was  
 18 -- I've also been blown off by Beth Trombold,  
 19 now CKAP -- now since CKAP has filed a motion  
 20 to intervene. 13:10:26  
 21 Can you tell me what, if anything,  
 22 the PUCO is doing, or are they just waiting to  
 23 see if FE can settle the AE case as part of the  
 24 ESP case, which I know they are trying to do?  
 25 Did I read that correctly? 13:10:43

1 A. Yes.  
 2 Q. How did you know that FE was trying  
 3 to settle the AE case as part of the ESP case?  
 4 A. How did I know? I might have  
 5 learned it from a reporter -- I honestly don't 13:11:16  
 6 remember how I knew that at that time.  
 7 Q. Did you learn it from OCC?  
 8 A. I don't recall who I learned it  
 9 from.  
 10 Q. Had you -- do you think you learned 13:11:26  
 11 -- do you think it came from a reporter or do  
 12 you think it came from OCC?  
 13 A. It could have come from a reporter  
 14 or OCC, but I don't recall.  
 15 Q. Would it be one of those two 13:11:37  
 16 sources?  
 17 A. More than likely, yes.  
 18 MR. KUTIK: Give me a minute.  
 19 (Discussion had off the record.)  
 20 Q. Now, OCC has provided you some 13:12:10  
 21 advice about the public hearings and other  
 22 matters in this case, correct?  
 23 A. Yes.  
 24 Q. For example, did OCC prepare  
 25 talking points for people to use in the public 13:12:28

1 hearings?  
 2 A. Yes.  
 3 Q. And were those talking points  
 4 distributed for you?  
 5 A. Yes. 13:12:39  
 6 Q. Did you receive them from OCC?  
 7 A. Yes.  
 8 Q. Have you provided the documents you  
 9 received from OCC to us?  
 10 A. If it was before June 1st, yes. 13:12:46  
 11 Q. Okay. So if it was after June 1st,  
 12 you have not provided that yet, correct?  
 13 A. Correct.  
 14 Q. Is it the case, Ms. Steigerwald,  
 15 you have also had an opportunity to have 13:13:17  
 16 discussions with the rate consultant hired by  
 17 OCC?  
 18 A. Yes.  
 19 Q. Do you agree with his  
 20 recommendations? 13:13:28  
 21 A. It depends on which recommendation  
 22 you're speaking of.  
 23 Q. Is there any -- well, have you read  
 24 his testimony?  
 25 A. His current testimony? Yes. 13:13:36

1 Q. Okay. Did you read any other  
 2 testimony that he prepared?  
 3 A. No.  
 4 Q. Okay. When you say his current  
 5 testimony, I'm trying to understand if that's 13:13:45  
 6 different than any other testimony. Is it?  
 7 A. Drafts of it.  
 8 Q. Okay. You've seen drafts of it?  
 9 A. Um-hum.  
 10 Q. Did you provide input on the 13:13:53  
 11 drafts?  
 12 A. We discussed it, yes.  
 13 Q. And who did you discuss it with?  
 14 A. We discussed it as a group with the  
 15 OCC. 13:14:01  
 16 Q. Okay. And when you say we, who's  
 17 we?  
 18 A. Myself, Kevin Corcoran, Amy  
 19 Gombert, Beth Hixson, Jeff Small, Tony Yankel.  
 20 MR. KUTIK: YANKEL. 13:14:22  
 21 Q. Do you agree with Mr. Yankel's  
 22 recommendations in his testimony?  
 23 A. To a certain degree, yes.  
 24 Q. All right. Is there anything in  
 25 Mr. Yankel's testimony that you do not agree 13:14:32

1 with?  
 2 A. That I flat out don't agree with?  
 3 Q. Well, that you disagree with in any  
 4 way.  
 5 A. Well, I would have to -- I haven't 13:14:58  
 6 read it in a long time, so --  
 7 Q. Well, frankly, that's an evasive  
 8 answer.  
 9 Do you have anything in Mr.  
 10 Yankel's testimony that you disagree with; yes 13:15:09  
 11 or no?  
 12 A. I can't answer that question  
 13 without reviewing it.  
 14 Q. Okay. So you can't tell me today  
 15 that there's anything in Mr. Yankel's testimony 13:15:16  
 16 that you disagree with, correct?  
 17 A. That I -- I currently can't say  
 18 there's anything I disagree with, yes.  
 19 Q. And this is after having several  
 20 conversations with him, correct? 13:15:29  
 21 A. Correct.  
 22 Q. Seeing numbers of drafts, correct?  
 23 A. One draft, yes.  
 24 Q. Okay. Well, one draft before the  
 25 final, correct? 13:15:36

1 A. Yes.  
 2 Q. And considering it for purposes of  
 3 this case, correct?  
 4 A. Correct.  
 5 Q. So certainly you're not prepared 13:15:43  
 6 today to tell me what you disagree with, if  
 7 anything, with respect to Mr. Yankel's  
 8 recommendations; fair to say?  
 9 A. Correct.  
 10 Q. Do you recall that Mr. Yankel made 13:15:58  
 11 a recommendation as to what customers should  
 12 pay for the credit received by all-electric  
 13 customers?  
 14 A. Yes.  
 15 Q. Do you agree with that 13:16:28  
 16 recommendation?  
 17 A. That all depends on if the standard  
 18 rate that is based on is going to be correct.  
 19 Q. What does that mean?  
 20 A. His credits could potentially be 13:16:41  
 21 sufficient if the rate structure proposed under  
 22 the new ESP is as the PUCO has projected in the  
 23 September 24th report.  
 24 Q. Okay. So that if Mr. -- in other  
 25 words, if what Mr. Yankel has described in his 13:17:01

Page 150

1 testimony comes to pass --  
 2 A. Um-hum.  
 3 Q. -- that you agree with his  
 4 recommendations as to who should pay for the  
 5 discount? 13:17:14  
 6 A. I'm sorry; you have to repeat that.  
 7 MR. KUTIK: Could you read it,  
 8 please?  
 9 (Record read.)  
 10 A. As to who should pay for the 13:17:42  
 11 discount?  
 12 Q. Yes.  
 13 A. No, not necessarily.  
 14 Q. Okay. What does that mean?  
 15 A. I don't necessarily agree that it 13:17:48  
 16 should be passed down to all the other rate  
 17 payers.  
 18 Q. Should it be passed on to any rate  
 19 payers?  
 20 A. I'm not a rate expert. 13:17:59  
 21 Q. Are there certain rate payers that  
 22 should not pay?  
 23 A. Are there certain rate payers who  
 24 should not pay?  
 25 Q. For the discount. 13:18:08

Page 151

1 A. Again, I'm not a rate expert.  
 2 Q. Well, do you have a view on that at  
 3 all, whether you're a rate expert or not?  
 4 A. Yeah, my view -- my preference  
 5 would be that no rate payers pay for it. 13:18:18  
 6 Q. So to the extent that he's making a  
 7 recommendation that any rate payer paid for it,  
 8 you would disagree with that, correct?  
 9 A. I would disagree with it to a  
 10 certain extent, yes. 13:18:32  
 11 Q. What does that mean, to a certain  
 12 extent?  
 13 A. My preference -- my philosophical  
 14 preference is that FirstEnergy should pay for  
 15 it. 13:18:40  
 16 Q. And that no one else --  
 17 A. The practical standpoint is it  
 18 probably will be paid by the rate payers.  
 19 Q. Okay. So -- and so your preference  
 20 would be that no rate payer pay for it, but if 13:18:48  
 21 someone has to pay for it, you would agree with  
 22 Mr. Yankel's recommendation?  
 23 A. I agree with it, yes.  
 24 Q. Did you retain Mr. Corcoran as your  
 25 lawyer? 13:19:18

Page 152

1 A. He's pro bono, yes.  
 2 Q. You're not paying him?  
 3 A. No.  
 4 Q. When did you retain him?  
 5 A. February. 13:19:25  
 6 Q. So the very beginning, basically?  
 7 A. Yes.  
 8 Q. And who does Mr. Corcoran represent  
 9 other than you?  
 10 A. Bob Schmitt Homes, Joan Heginbotham 13:19:39  
 11 and CKAP.  
 12 Q. Does he represent all the  
 13 individual CKAP members, as far as you know?  
 14 A. Yes.  
 15 Q. You were involved in the decision 13:19:50  
 16 to intervene in this case?  
 17 A. Yes.  
 18 Q. And why did you intervene?  
 19 A. We intervened so that we could have  
 20 our voices heard equally on the case. 13:20:04  
 21 Q. Is that the only reason?  
 22 A. We wanted a seat at the table, yes.  
 23 Q. So having a seat at the table is  
 24 the only reason that you intervened?  
 25 A. Yes. 13:20:24

Page 153

1 Q. Now, you mentioned earlier there  
 2 were two individuals with the last name of  
 3 Carney who are members of CKAP, correct?  
 4 A. Yes.  
 5 Q. And they're developers as well, 13:20:45  
 6 correct?  
 7 A. Yes.  
 8 Q. Do you know whether they live in  
 9 all-electric homes?  
 10 A. I believe Mike Carney lives in an 13:20:50  
 11 all-electric apartment. I don't know where  
 12 John Carney lives.  
 13 Q. Do you know whether John Carney's  
 14 interest is the same as yours if you don't know  
 15 whether he's an all-electric homeowner? 13:21:08  
 16 A. His interests are still to protect  
 17 the all-electric residents.  
 18 Q. From a developer's perspective?  
 19 A. Yes.  
 20 Q. Did Mr. Carney explore with you 13:21:25  
 21 being part of your group?  
 22 A. Yes.  
 23 Q. In other words, the group of  
 24 intervenors?  
 25 MR. CORCORAN: Mr. Kutik, could you 13:21:38

39 (Pages 150 to 153)

Page 154

1 identify which Carney --  
 2 MR. KUTIK: By the way, it's Kutik.  
 3 MR. CORCORAN: I'm sorry.  
 4 MR. KUTIK: You're not the first  
 5 person -- 13:21:45  
 6 MR. CORCORAN: Could you identify  
 7 which Carney you're talking about?  
 8 MR. KUTIK: Either of them.  
 9 A. I don't recall.  
 10 Q. I think we agreed earlier that an 13:22:08  
 11 important part of your work was to bring  
 12 publicity to the perceived problem caused by  
 13 the change in rates to all-electric customers,  
 14 correct?  
 15 A. Yes. 13:22:27  
 16 Q. And you wanted the significance of  
 17 the elimination of the all-electric discount to  
 18 be publicized, correct?  
 19 A. Yes.  
 20 - - - - -  
 21 (Thereupon, Deposition Exhibit  
 22 Steigerwald 20, Media E-mails, was  
 23 marked for purposes of  
 24 identification.)  
 25 - - - - - 13:23:36

Page 155

1 Q. Ms. Steigerwald, the court reporter  
 2 has handed you what's been marked as Exhibit  
 3 20.  
 4 This is an e-mail that you wrote to  
 5 John Funk? 13:23:49  
 6 A. Correct.  
 7 Q. At least the first page.  
 8 And the second page is an e-mail  
 9 that he wrote back to you?  
 10 A. Yes. 13:24:11  
 11 Q. You say in the beginning of your  
 12 e-mail to Mr. Funk on the first page, I'm still  
 13 feeling that the significance of the  
 14 elimination of the all-electric discount hasn't  
 15 been thoroughly publicized and the amount of 13:24:29  
 16 the impact is being underestimated.  
 17 Do you see that?  
 18 A. Um-hum, yes.  
 19 Q. And that was your view at the time?  
 20 A. Yes. 13:24:40  
 21 Q. And so you worked to make sure that  
 22 the significance of the elimination of the  
 23 all-electric account was thoroughly publicized?  
 24 A. Yes.  
 25 Q. And you want to make sure that the 13:24:50

Page 156

1 amount of the impact was not underestimated and  
 2 was fully and widely known, correct?  
 3 A. Yes.  
 4 Q. You say a couple lines later, about  
 5 the middle of the page, I have made contact 13:25:06  
 6 with another disgruntled Illuminating -- or,  
 7 Illum Company customer who has kept a very  
 8 detailed record of his battle.  
 9 Is that Rich Jordan?  
 10 A. Yes. 13:25:22  
 11 Q. Now, along the way you worked with  
 12 Mr. Funk and provided him information;  
 13 sometimes on your own, sometimes at his  
 14 request, correct?  
 15 A. Yes. 13:25:39  
 16 - - - - -  
 17 (Thereupon, Deposition Exhibit  
 18 Steigerwald 21, Media E-mails, was  
 19 marked for purposes of  
 20 identification.)  
 21 - - - - -  
 22 Q. This is another series of e-mails,  
 23 this Exhibit 21, correct?  
 24 A. Yes.  
 25 Q. And this includes some e-mails from 13:26:11

Page 157

1 John Funk to you and from you to John Funk?  
 2 A. Yes.  
 3 Q. And on the first page, the page  
 4 that's actually numbered 45, you -- he's asking  
 5 you two questions, correct? 13:26:30  
 6 A. Yes.  
 7 Q. And he wanted to get -- he wanted  
 8 you -- he told you that, If you want to say  
 9 anything else, please tell me and I will make  
 10 room in the story. 13:26:44  
 11 Do you see that?  
 12 A. Um-hum, yes.  
 13 Q. So he was very cooperative to make  
 14 sure that you got whatever message you needed  
 15 to send out, correct? 13:26:51  
 16 A. Yes.  
 17 Q. You thought he was your ally in  
 18 that regard, correct?  
 19 A. Yes.  
 20 Q. And he also asked you whether he 13:26:57  
 21 could use your brother-in-law's statement that  
 22 was sent in an e-mail to him, correct?  
 23 A. Yes.  
 24 Q. Otherwise, he said he would just  
 25 say it very -- he would say something 13:27:12

40 (Pages 154 to 157)

Page 158

1 anonymously, correct?  
 2 A. Yes.  
 3 Q. Now, the second page -- or the page  
 4 that's numbered 56, is that -- 46, excuse me,  
 5 is that an e-mail from you? 13:27:34  
 6 A. We don't have a 46.  
 7 MR. CORCORAN: You just handed us  
 8 one page.  
 9 Q. Do you recall asking Mr. Funk  
 10 whether he could provide you with any 13:28:16  
 11 additional publicity in The Plain Dealer, plus  
 12 any contact information or other suggestions  
 13 regarding radio or TV stations or other media?  
 14 A. Most likely, yes.  
 15 Q. Okay. And did he provide that 13:28:33  
 16 information to you?  
 17 A. I don't believe he did.  
 18 Q. Okay. Did you eventually come in  
 19 contact with individuals from various  
 20 television stations in Cleveland? 13:28:45  
 21 A. Yes.  
 22 Q. And did that include Mr. Pagonakis,  
 23 who we referred to earlier --  
 24 A. Yes.  
 25 Q. -- from channel 5 here in 13:28:55

Page 159

1 Cleveland?  
 2 A. Yes.  
 3 Q. And did that also include  
 4 individuals from -- or reporters from channel  
 5 3, NBC outlet here in Cleveland? 13:29:03  
 6 A. I don't remember.  
 7 Q. Do you remember having  
 8 communications with Mr. --  
 9 A. Oh, yes.  
 10 Q. -- Mr. Russ? 13:29:14  
 11 A. Yes, I did.  
 12 Q. Okay. Do you recall having  
 13 communications with any other TV people other  
 14 than those two; those two being Pagonakis and  
 15 Russ? 13:29:29  
 16 A. There were other people -- yes,  
 17 there are others in my e-mail blast list so --  
 18 that are TV-related people.  
 19 Q. Apart from the e-mail blasts, do  
 20 you recall having any contact with other folks 13:29:41  
 21 other than Mr. Pagonakis and Mr. Russ?  
 22 A. Yes, Dick Feagler.  
 23 Q. Did you have a conversation with  
 24 Mr. Feagler or an e-mail --  
 25 A. I was on his TV show. 13:29:52

Page 160

1 Q. Okay. Were there others -- when  
 2 was that TV show broadcast?  
 3 A. I think it was in March.  
 4 Q. And was this on the PBS station  
 5 here in Cleveland? 13:30:06  
 6 A. Yes.  
 7 Q. Was that on his Feagler & Friends  
 8 show?  
 9 A. It was.  
 10 Q. Did you also appear on other TV or 13:30:19  
 11 radio programs?  
 12 A. Other than being interviewed, there  
 13 were quite a few reporters that followed the  
 14 Columbus rally, and several people came up and  
 15 -- I don't know who they were from; some were 13:30:38  
 16 local people. But other than that, no, I don't  
 17 recall being interviewed by other people.  
 18 Q. Do you recall being on the radio  
 19 for the NPR station in Cleveland?  
 20 A. Yes. 13:30:50  
 21 Q. Was there a show on the  
 22 all-electric issue that you appeared on?  
 23 A. Not on the radio. It was  
 24 cancelled.  
 25 Q. Okay. You had discussions with Mr. 13:30:59

Page 161

1 Cox at the local NPR -- or local public  
 2 television station here in town?  
 3 A. Yes.  
 4 Q. And that was going to be for a  
 5 program and that was cancelled? 13:31:12  
 6 A. Yes, that was cancelled.  
 7 Q. Do you know why it was cancelled?  
 8 A. Because they -- no, I don't really  
 9 know. I believe he said it was interest --  
 10 they didn't want to do it because the temporary 13:31:23  
 11 solution had come into place, and so they  
 12 wanted to wait before they did a follow up on  
 13 it.  
 14 Q. Okay. Was this before or after  
 15 your appearance on Dick Feagler's program? 13:31:35  
 16 A. Before.  
 17 MR. KUTIK: Let's go off the  
 18 record.  
 19 (Discussion had off the record.)  
 20 (Luncheon recess taken.)  
 21 -----  
 22  
 23  
 24  
 25

41 (Pages 158 to 161)

| Page 162                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 164                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <p>1 AFTERNOON SESSION</p> <p>2 CONTINUED EXAMINATION OF SUSAN STEIGERWALD</p> <p>3 BY MR. KUTIK:</p> <p>4 -----</p> <p>5 (Thereupon, Deposition Exhibit</p> <p>6 Steigerwald 22, Complaint Form to</p> <p>7 the Ohio Inspector's Office, was</p> <p>8 marked for purposes of</p> <p>9 identification.)</p> <p>10 ----- 14:58:08</p> <p>11 Q. Ms. Steigerwald, the court reporter</p> <p>12 has handed you what's been marked as Exhibit</p> <p>13 22. Take a moment and look at that.</p> <p>14 Do you recognize it?</p> <p>15 A. Give me a moment to look through. 14:58:22</p> <p>16 Yes.</p> <p>17 Q. What is it?</p> <p>18 A. It's a complaint form to the Ohio</p> <p>19 inspector's office.</p> <p>20 Q. Was the complaint form ever filed? 14:58:56</p> <p>21 A. Yes.</p> <p>22 Q. Did you investigate the authority</p> <p>23 and jurisdiction of the Ohio Inspector General</p> <p>24 before you filed this?</p> <p>25 A. On the internet, yes. 14:59:07</p>                                             | <p>1 A. I don't remember.</p> <p>2 Q. Can you tell me one person that you</p> <p>3 spoke with?</p> <p>4 A. It was a suggested idea from one</p> <p>5 person, and I can't remember her name. 15:00:09</p> <p>6 Q. So if someone suggested it to you,</p> <p>7 then you looked into the authority of the</p> <p>8 inspector general; is that basically what</p> <p>9 happened?</p> <p>10 A. Yes. 15:00:21</p> <p>11 Q. And you concluded that the</p> <p>12 inspector general -- since the inspector</p> <p>13 general had authority to investigate wrongdoing</p> <p>14 by state officials and the PUCO commissioners</p> <p>15 and their staff had engaged in wrongdoing, that 15:00:34</p> <p>16 it was appropriate to file this, correct?</p> <p>17 A. Yes.</p> <p>18 Q. And the specific wrongdoing that</p> <p>19 you allege appears on the inspector general</p> <p>20 complaint form under number 3, correct? 15:00:53</p> <p>21 A. Yes.</p> <p>22 Q. Did you speak with Mr. Grendell</p> <p>23 before you filed this about potentially filing</p> <p>24 this?</p> <p>25 A. I don't recall if I did. 15:01:09</p>     |
| Page 163                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 165                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>1 Q. Okay. And was it your</p> <p>2 understanding that the -- well, what was your</p> <p>3 understanding of the powers of the inspector</p> <p>4 general of the state of Ohio?</p> <p>5 A. Powers over state organizations. 14:59:19</p> <p>6 Q. Anything else?</p> <p>7 A. Not that I'm aware of.</p> <p>8 Q. Okay. Did he have the authority to</p> <p>9 investigate wrongdoing by state officials?</p> <p>10 A. Yes. 14:59:31</p> <p>11 Q. And did you believe that the</p> <p>12 commissioners of the PUCO or the PUCO staff had</p> <p>13 engaged in wrongdoing?</p> <p>14 A. Yes.</p> <p>15 Q. It was your idea to file this? 14:59:43</p> <p>16 A. Yes.</p> <p>17 Q. Did you speak with anyone before</p> <p>18 you filed it?</p> <p>19 A. Yes.</p> <p>20 Q. Who did you speak to? 14:59:51</p> <p>21 A. I spoke with other CKAP members.</p> <p>22 Q. Did you speak with them</p> <p>23 specifically about the idea of filing this?</p> <p>24 A. Yes.</p> <p>25 Q. Who did you speak with? 15:00:00</p> | <p>1 Q. Did you speak with Senator Patton?</p> <p>2 A. With who?</p> <p>3 Q. Senator Patton?</p> <p>4 A. I don't recall speaking to him, no.</p> <p>5 Q. Did you tell Senator Patton or 15:01:18</p> <p>6 Senator Grendell that you were going to list</p> <p>7 them on a complaint form to the inspector</p> <p>8 general?</p> <p>9 A. I may have.</p> <p>10 Q. Do you believe you did or you 15:01:27</p> <p>11 didn't?</p> <p>12 A. I don't remember telling them, but</p> <p>13 their names are there, so I probably did.</p> <p>14 Q. Okay. Would it be fair to assume</p> <p>15 that since you can't really recall much of 15:01:38</p> <p>16 having a conversation with Mr. Grendell or Mr.</p> <p>17 Patton about filing this, that you don't recall</p> <p>18 what reaction they may have had to this?</p> <p>19 A. Correct.</p> <p>20 Q. Did you tell John Funk that you 15:01:49</p> <p>21 were going to do this?</p> <p>22 A. I don't remember if I did.</p> <p>23 Q. Did you receive any response from</p> <p>24 the inspector general's office?</p> <p>25 A. I received no written response, no. 15:02:02</p> |

| Page 166                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Page 168                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <p>1 Q. Okay. My answer wasn't with<br/>2 respect to whether you received a written<br/>3 response. I asked you if you received a<br/>4 response.<br/>5 Did you understand my question to 15:02:18<br/>6 include a response?<br/>7 A. Yes, I did.<br/>8 Q. Okay. So now answer the question.<br/>9 A. I received no response.<br/>10 Q. Okay. You received no response at 15:02:23<br/>11 all?<br/>12 A. Correct.<br/>13 Q. Not in writing, not by e-mail, not<br/>14 by telephone?<br/>15 A. Not until I called them. 15:02:30<br/>16 Q. Okay.<br/>17 A. They did not respond back to me. I<br/>18 initiated a call to them.<br/>19 Q. All right. And so when you<br/>20 called -- when did you call them? 15:02:36<br/>21 A. I don't know. Sometime after -- a<br/>22 few weeks afterwards.<br/>23 Q. Okay. You filed this in June --<br/>24 excuse me, in January of 2011, or is that just<br/>25 when you printed this out? 15:02:48</p>                                                                         | <p>1 all-electric case was -- was decided, but that<br/>2 the case would remain open.<br/>3 Q. Okay.<br/>4 A. But they would not pursue or<br/>5 investigate. 15:04:24<br/>6 Q. Is that the last you heard or had<br/>7 any contact with the inspector general's<br/>8 office?<br/>9 A. Yes.<br/>10 Q. Now, would it be fair to say that 15:04:30<br/>11 you believe that specifically there were two<br/>12 individuals who committed wrongdoing, correct?<br/>13 A. Two individuals?<br/>14 Q. Yes.<br/>15 A. I believe my complaint was speaking 15:04:44<br/>16 of the PUCO itself.<br/>17 Q. Well, you say name of --<br/>18 A. Yes, Alan Schriber and Steve<br/>19 Lesser.<br/>20 Q. So you specifically believe that 15:04:58<br/>21 Mr. Schriber and Mr. Lesser committed<br/>22 wrongdoing, correct?<br/>23 A. Yes.<br/>24 Q. You didn't name any other PUCO<br/>25 commissioners, correct? 15:05:05</p> |
| Page 167                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Page 169                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p>1 A. January of 2011 is now. So, no,<br/>2 this was filed earlier.<br/>3 Q. Can you give me an approximate date<br/>4 as to when you filed this?<br/>5 A. It should be on here. 15:03:03<br/>6 Q. The only date I see, all due<br/>7 respect, ma'am, is January 14th, 2011.<br/>8 A. I would estimate March, but I don't<br/>9 know for certain.<br/>10 Q. So you filed this and a few weeks 15:03:38<br/>11 later you called the inspector general's<br/>12 office, correct?<br/>13 A. Yes.<br/>14 Q. Did you speak with the inspector<br/>15 general himself, Mr. Charles? 15:03:49<br/>16 A. No.<br/>17 Q. Who did you speak with?<br/>18 A. A person who answered the phone. A<br/>19 secretary, I assume.<br/>20 Q. Okay. And tell me the 15:03:58<br/>21 conversation; what you can recall.<br/>22 A. I asked if there had been any<br/>23 progress on the case, and she said the decision<br/>24 was that they would hold the case open until a<br/>25 final decision on the -- from the PUCO 15:04:12</p> | <p>1 A. Correct.<br/>2 Q. You didn't -- you also named no<br/>3 other PUCO staff members?<br/>4 A. Correct.<br/>5 Q. Was it your intention to include in 15:05:16<br/>6 your complaint all of the then PUCO<br/>7 commissioners?<br/>8 A. No.<br/>9 Q. Was it your intent only to accuse<br/>10 Mr. Schriber and Mr. Lesser of wrongdoing? 15:05:29<br/>11 A. And the PUCO organization as a<br/>12 whole.<br/>13 Q. So that would include all the<br/>14 commissioners and all the staff?<br/>15 A. Yes. 15:05:40<br/>16 Q. Do you still believe that to be<br/>17 true?<br/>18 A. Pending a decision, yes.<br/>19 Q. Okay. So if they don't agree with<br/>20 you, they've committed wrongdoing? 15:05:55<br/>21 A. I believe they have, yes.<br/>22 - - - - -<br/>23 (Thereupon, Deposition Exhibit<br/>24 Steigerwald 23, Press Release, was<br/>25 marked for purposes of</p>                                |

Page 170

1 identification.)  
 2 - - - - -  
 3 Q. The court reporter has handed you a  
 4 document which is marked Exhibit 23.  
 5 Do you recognize this? 15:06:45  
 6 A. Yes.  
 7 Q. Did you write it?  
 8 A. Kevin and I wrote it.  
 9 Q. So this is a press release; is it  
 10 not? 15:06:53  
 11 A. Yes.  
 12 Q. So would it be fair to say you  
 13 wrote it in part and you approved it before it  
 14 went out?  
 15 A. Yes. 15:07:00  
 16 Q. And at one point in this statement  
 17 you say, and I'm now directing you to the  
 18 second paragraph, a little more than halfway  
 19 down, there's a sentence that says -- well,  
 20 I'll back up. 15:07:15  
 21 This is a press release which is  
 22 talking about the filing of an interlocutory  
 23 appeal by CKAP -- the CKAP parties and the OCC,  
 24 correct?  
 25 A. Yes. 15:07:29

Page 171

1 Q. And you're appealing a decision by  
 2 the attorney examiner to require you, among  
 3 others, to file testimony before the hearing,  
 4 correct?  
 5 A. Yes. 15:07:43  
 6 Q. And in commenting on that decision,  
 7 now directing you to the second paragraph of  
 8 this press release, you say, "This decision is  
 9 overly burdensome and creates demands upon a  
 10 non-expert's time that discourages non-expert 15:07:57  
 11 testimony."  
 12 Do you see that?  
 13 A. Yes.  
 14 Q. Was this decision overly burdensome  
 15 to you? 15:08:05  
 16 A. Yes, it would have been.  
 17 Q. Okay. You feel that it would be  
 18 burdensome to have written down what your  
 19 testimony would have been?  
 20 A. Yes. 15:08:18  
 21 Q. Isn't it true, ma'am, you have told  
 22 others to write their testimony down?  
 23 A. Yes.  
 24 Q. You told others to write their  
 25 testimony down for purposes of the public 15:08:33

Page 172

1 hearings, correct?  
 2 A. Yes.  
 3 Q. And so you didn't believe that --  
 4 well, I'll ask you: Was it burdensome for  
 5 these other people to write testimony down? 15:08:42  
 6 A. No.  
 7 Q. But it would have been burdensome  
 8 for you to do it?  
 9 A. By a certain date it would have  
 10 been. 15:08:49  
 11 Q. Okay.  
 12 A. That is the burdensome part. Not  
 13 writing it down.  
 14 Q. What do you mean by a certain date?  
 15 A. To have it turned in by the date 15:08:55  
 16 that was for the expert testimony.  
 17 Q. Okay. So what you're saying is, by  
 18 the time you learned of it, it would have been  
 19 burdensome for you to have prepared it before,  
 20 I think the date was January 7th? 15:09:08  
 21 A. Correct.  
 22 Q. But you believe it is appropriate  
 23 for witnesses to file or provide written  
 24 testimony, correct?  
 25 A. It depends on what kind of witness 15:09:19

Page 173

1 they are.  
 2 Q. Well, witnesses like you.  
 3 A. No. You don't -- I don't have to  
 4 pre-file testimony.  
 5 Q. That's not my question. 15:09:27  
 6 My question is: You felt for other  
 7 CKAP members that it would be appropriate that  
 8 they write their testimony down, correct?  
 9 A. At a public hearing, yes.  
 10 Q. And so the difference for you is 15:09:38  
 11 that you would have had to file testimony at a  
 12 certain time, and that was inconvenient to you,  
 13 right?  
 14 A. No.  
 15 Q. Okay. So you could have filed it 15:09:45  
 16 by then?  
 17 A. No.  
 18 Q. All right. So it was inconvenient  
 19 for you to have done that, right?  
 20 A. No. 15:09:54  
 21 Q. Why are you saying no?  
 22 A. Ask a question.  
 23 Q. I did.  
 24 A. Okay. Well, then ask it again.  
 25 Q. It was inconvenient for you to file 15:09:59

44 (Pages 170 to 173)



| Page 174                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Page 176                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <p>1 testimony by that time, correct?</p> <p>2 A. It would have been overly</p> <p>3 burdensome, as the request asked.</p> <p>4 Q. Would it have been inconvenient for</p> <p>5 you to have done that? 15:10:09</p> <p>6 MR. CORCORAN: Objection.</p> <p>7 A. I believe that's what overly</p> <p>8 burdensome means, yes.</p> <p>9 Q. Okay. So it would have been</p> <p>10 inconvenient to you, yes? 15:10:15</p> <p>11 MR. CORCORAN: Objection.</p> <p>12 A. Yes.</p> <p>13 Q. Why would it have been overly</p> <p>14 burdensome for you to do that?</p> <p>15 A. It would have been overly 15:10:24</p> <p>16 burdensome for myself and for my counsel.</p> <p>17 Q. Okay. Why would it have been</p> <p>18 overly burdensome for yourself and your</p> <p>19 counsel?</p> <p>20 A. Because there were too many people 15:10:33</p> <p>21 who had -- who were on the non-expert witness</p> <p>22 list, to get all that accomplished before --</p> <p>23 Q. Could you have filed your testimony</p> <p>24 by then?</p> <p>25 A. No. 15:10:42</p> | <p>1 things. I've asked you what -- now, tell me</p> <p>2 what you were doing that you could not file</p> <p>3 testimony for this case. It's a very important</p> <p>4 thing about filing testimony. We want to know</p> <p>5 why you can't. And generalities aren't going 15:11:32</p> <p>6 to cut it.</p> <p>7 A. That's my answer.</p> <p>8 Q. No, it isn't your answer.</p> <p>9 Can you tell me what you were doing</p> <p>10 that made it burdensome, or in your words, 15:11:39</p> <p>11 overly burdensome, for you to be able to file</p> <p>12 testimony?</p> <p>13 MR. CORCORAN: Objection.</p> <p>14 A. I was working on other aspects of</p> <p>15 the case. 15:11:49</p> <p>16 Q. Like what?</p> <p>17 A. Everything.</p> <p>18 Q. Like what?</p> <p>19 MR. CORCORAN: Objection.</p> <p>20 A. I've answered the question. 15:11:56</p> <p>21 Q. All right. Let's get the attorney</p> <p>22 examiner on the phone.</p> <p>23 A. Do that.</p> <p>24 (Discussion had off the record.)</p> <p>25 Q. So at this point in time you're 15:14:04</p>                                                                                                                                                               |
| Page 175                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Page 177                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>1 Q. Why not?</p> <p>2 A. Because I was doing other things.</p> <p>3 Q. Like what?</p> <p>4 A. I don't need to tell you everything</p> <p>5 I was doing. 15:10:48</p> <p>6 Q. Well, tell me why it would be</p> <p>7 burdensome, ma'am. I asked you a question --</p> <p>8 MR. CORCORAN: Objection. She</p> <p>9 answered the question.</p> <p>10 MR. KUTIK: With all due respect, 15:10:57</p> <p>11 she did not.</p> <p>12 Q. You said you were doing other</p> <p>13 things.</p> <p>14 A. Right. I was working on other</p> <p>15 aspects of the case. 15:11:02</p> <p>16 Q. What aspects of the case were you</p> <p>17 working on?</p> <p>18 A. Everything that I do.</p> <p>19 Q. Which is what?</p> <p>20 A. I'm not going to sit here and keep 15:11:10</p> <p>21 rambling on. I've answered the question.</p> <p>22 Q. No, you haven't.</p> <p>23 A. Okay. Well, then ask it in a</p> <p>24 different way.</p> <p>25 Q. No. You said you were doing other 15:11:20</p>                                                                    | <p>1 refusing to tell me what you did or what you</p> <p>2 were doing that was so -- that made filing</p> <p>3 testimony overly burdensome; is that correct?</p> <p>4 A. No. My answer is that I was</p> <p>5 working on other aspects of the case with 15:14:16</p> <p>6 Kevin.</p> <p>7 Q. And you're refusing to tell me</p> <p>8 specifically what other aspects you were</p> <p>9 working on and the specific work that you were</p> <p>10 doing, correct? 15:14:24</p> <p>11 A. I don't remember the specific work</p> <p>12 I was doing.</p> <p>13 Q. So you can't remember what you were</p> <p>14 doing; is that what you're saying?</p> <p>15 A. I was working on the case. 15:14:30</p> <p>16 Q. Okay. Can you tell me anything</p> <p>17 about what you were doing?</p> <p>18 A. Specific-wise -- this would have</p> <p>19 been in December. I probably was going through</p> <p>20 transcripts. I probably was taking a look at 15:14:50</p> <p>21 all the exhibits and deciding -- helping Kevin</p> <p>22 decide what we may want to do as far as</p> <p>23 witnesses were concerned.</p> <p>24 Q. When you say you were looking at</p> <p>25 transcripts, what transcripts were you looking 15:15:32</p> |

45 (Pages 174 to 177)

| Page 178                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 180                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <p>1 at?</p> <p>2 A. All of the transcripts filed in the</p> <p>3 docket.</p> <p>4 Q. Are these the transcripts from the</p> <p>5 public hearing; is that what you're talking 15:15:39</p> <p>6 about?</p> <p>7 A. Yes.</p> <p>8 Q. Were you looking at any other</p> <p>9 transcripts other than from the public hearings</p> <p>10 in this case? 15:15:46</p> <p>11 A. No, just the public hearing</p> <p>12 transcripts.</p> <p>13 Q. And the exhibits were the exhibits</p> <p>14 that folks brought to the public hearing?</p> <p>15 A. Yes. 15:15:54</p> <p>16 Q. And other documents that were filed</p> <p>17 in this docket?</p> <p>18 A. Yes.</p> <p>19 Q. Was there anything else that you</p> <p>20 were doing at this time on this case? 15:16:04</p> <p>21 A. Not that I recall.</p> <p>22 - - - - -</p> <p>23 (Thereupon, Deposition Exhibit</p> <p>24 Steigerwald 24, E-mail Sent from</p> <p>25 Susan Steigerwald to CKAP Members,</p> | <p>1 Q. And this has what might be termed</p> <p>2 talking points listed on it, correct?</p> <p>3 A. Yes.</p> <p>4 Q. Did you receive these talking</p> <p>5 points from OCC or were these all your idea? 15:18:08</p> <p>6 A. They were my idea.</p> <p>7 Q. Did you send out a separate letter</p> <p>8 or e-mail to CKAP members that provided</p> <p>9 information on talking points that came from</p> <p>10 OCC? 15:18:29</p> <p>11 A. Yes.</p> <p>12 Q. And would it be correct to say that</p> <p>13 you have not shared with us or produced to us</p> <p>14 that e-mail?</p> <p>15 A. If it was before June 1st, which it 15:18:37</p> <p>16 wasn't, but if it was after June 1st, I have</p> <p>17 not.</p> <p>18 Q. Well --</p> <p>19 A. Well, actually, that one was a CKAP</p> <p>20 e-mail, so, no, it hasn't been produced. 15:18:51</p> <p>21 Q. And it wasn't produced because of</p> <p>22 your view that you're not required to produce</p> <p>23 communications among the members of CKAP,</p> <p>24 correct?</p> <p>25 A. Correct. 15:19:02</p> |
| Page 179                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 181                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>1 was marked for purposes of</p> <p>2 identification.)</p> <p>3 - - - - -</p> <p>4 Q. Ms. Steigerwald, the court reporter</p> <p>5 has handed you what's been marked as Exhibit 15:17:14</p> <p>6 24.</p> <p>7 Do you recognize this?</p> <p>8 A. Yes.</p> <p>9 Q. This is a letter you sent out to --</p> <p>10 or e-mail you sent out to the members of CKAP? 15:17:23</p> <p>11 A. Yes.</p> <p>12 Q. Okay. And did you write this</p> <p>13 e-mail?</p> <p>14 A. Yes, I did.</p> <p>15 Q. Okay. Did you have any assistance 15:17:32</p> <p>16 in writing the e-mail?</p> <p>17 A. No.</p> <p>18 Q. So when we talked -- well, I'll</p> <p>19 back up.</p> <p>20 This is an e-mail that, among other 15:17:42</p> <p>21 things, tells people about what they might want</p> <p>22 to think about in getting or preparing for</p> <p>23 providing testimony at the public hearings,</p> <p>24 correct?</p> <p>25 A. Yes. 15:17:57</p>              | <p>1 Q. In the third paragraph, it's</p> <p>2 correct to say that -- about halfway down you</p> <p>3 encourage individuals to write out testimony</p> <p>4 and read directly from your statement, correct?</p> <p>5 A. Yes. 15:19:15</p> <p>6 Q. You encourage people -- by the way,</p> <p>7 are you writing on that?</p> <p>8 A. No.</p> <p>9 Q. Okay. Because you shouldn't.</p> <p>10 A. I'm not. 15:19:33</p> <p>11 Q. Okay. I just heard a pen move</p> <p>12 across a piece of paper, so I just wanted to</p> <p>13 make sure you weren't writing on it.</p> <p>14 MR. CORCORAN: She hasn't.</p> <p>15 MR. KUTIK: Fine. I take her at 15:19:43</p> <p>16 her word. I just want to make sure that --</p> <p>17 MR. CORCORAN: Because these are</p> <p>18 exhibits at a deposition, you can't --</p> <p>19 THE WITNESS: I'm not writing on</p> <p>20 them. 15:19:52</p> <p>21 MR. CORCORAN: I know. We're just</p> <p>22 trying to make sure it doesn't happen. That's</p> <p>23 all.</p> <p>24 MR. KUTIK: Let's go off the</p> <p>25 record. 15:19:58</p>      |

| Page 182                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Page 184                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| <p>1 (Discussion had off the record.)</p> <p>2 Q. In this -- at the bottom of the</p> <p>3 first page you say that -- in your testimony,</p> <p>4 tell whatever you were told or led to believe,</p> <p>5 even if you don't have it in writing. In place 15:20:23</p> <p>6 of the phrase contract, you can simply use the</p> <p>7 term contract, correct?</p> <p>8 A. No, that's not what it says.</p> <p>9 Q. Okay. What's it say?</p> <p>10 A. It says, In place of the word 15:20:34</p> <p>11 written contract, you can simply use the term</p> <p>12 contract.</p> <p>13 Q. Right.</p> <p>14 You say, We either built our homes</p> <p>15 to a specific set of requirements and/or later 15:20:44</p> <p>16 installed all-electric equipment in our homes</p> <p>17 in exchange for a discounted electric rate; is</p> <p>18 that what it says?</p> <p>19 A. Yes.</p> <p>20 Q. Okay. And did you do that? 15:20:55</p> <p>21 A. Or acquired the home, yes.</p> <p>22 Q. Okay. Well, I asked you the</p> <p>23 question: Did you either build your home to a</p> <p>24 specific set of requirements or -- and/or later</p> <p>25 installed specific all-electric equipment in 15:21:20</p>            | <p>1 Q. Do you believe that the failure in</p> <p>2 FirstEnergy's marketing materials to indicate</p> <p>3 that there was an expiration date was a</p> <p>4 misrepresentation by FirstEnergy?</p> <p>5 A. Do I believe that? 15:22:49</p> <p>6 Q. Yes.</p> <p>7 A. Yes.</p> <p>8 Q. Okay. You believe that all of the</p> <p>9 marketing materials relating to a discount</p> <p>10 should have indicated when the discount was no 15:22:57</p> <p>11 longer going to be in effect?</p> <p>12 A. Or that it had the potential to be</p> <p>13 taken away.</p> <p>14 Q. Okay.</p> <p>15 A. Would be a better way to say it. 15:23:06</p> <p>16 Q. That the -- that the discount was</p> <p>17 subject to change; they should have said that?</p> <p>18 A. Yes.</p> <p>19 Q. Okay. Are you aware of whether any</p> <p>20 utility markets rates in that way? 15:23:18</p> <p>21 A. I do not have that knowledge.</p> <p>22 Q. So you don't know?</p> <p>23 A. Correct.</p> <p>24 Q. Further down the page, again,</p> <p>25 slightly above halfway down you have 15:24:05</p>                                                                                                   |
| Page 183                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Page 185                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p>1 your home in exchange for a discounted rate?</p> <p>2 Did you do that?</p> <p>3 A. I did not install the equipment,</p> <p>4 no.</p> <p>5 Q. Nor did you build your house to a 15:21:30</p> <p>6 specific set of specifications, correct?</p> <p>7 A. I did not build the house, correct.</p> <p>8 Q. Now, in the next paragraph you say</p> <p>9 -- about halfway down the paragraph -- and now</p> <p>10 we're on the second page of the document, In 15:21:54</p> <p>11 order to support the idea of contract mentioned</p> <p>12 above, also bring three copies of any documents</p> <p>13 that you have that mention anything about</p> <p>14 installing specific equipment, building to</p> <p>15 specific requirements, et cetera. Remember, 15:22:09</p> <p>16 these documents do not need to mention a</p> <p>17 discount was permanent.</p> <p>18 The documents may not say a</p> <p>19 discount was permanent, but they also do not</p> <p>20 say there was an expiration date. 15:22:23</p> <p>21 Do you see that?</p> <p>22 A. I'm actually looking for it --</p> <p>23 Q. It's in the first full paragraph on</p> <p>24 the second page.</p> <p>25 A. Okay. Yes, I see it. 15:22:37</p> | <p>1 suggestions for what else to include in your</p> <p>2 testimony, and these were your ideas, correct?</p> <p>3 A. Correct.</p> <p>4 Q. About six bullet points or</p> <p>5 asterisks down you say, Mention how the loss of 15:24:25</p> <p>6 the AE discount will decimate your property</p> <p>7 value by at least 30 percent, thus ruining the</p> <p>8 value of most individuals' nest egg investment</p> <p>9 -- the value of most individuals' nest egg</p> <p>10 investment, dash, your home, correct? 15:24:48</p> <p>11 A. Correct.</p> <p>12 Q. Where did the 30 percent figure</p> <p>13 come from?</p> <p>14 A. The 30 percent figure is an</p> <p>15 estimate of many different opinions I had 15:24:59</p> <p>16 received via realtors, people who had already</p> <p>17 talked to the auditor's office, different CKAP</p> <p>18 members.</p> <p>19 Q. Can you give me the name of any</p> <p>20 realtor other than Mr. Frawley that you spoke 15:25:15</p> <p>21 with?</p> <p>22 A. We had a realtor testify on Senate</p> <p>23 Bill 236, Barb Mullet of Re/Max.</p> <p>24 Q. Did she say that values had gone</p> <p>25 down by 30 percent? 15:25:29</p> |

Page 186

1 A. I don't remember her exact  
2 testimony.  
3 Q. So you don't know whether she  
4 testified about that?  
5 A. I read her letter, but I don't 15:25:35  
6 remember what all it said.  
7 Q. So you don't know whether she said  
8 that values had decreased 30 percent?  
9 A. I do not recall.  
10 Q. Do you remember talking to any 15:25:45  
11 other realtor other than Mr. Frawley and  
12 Ms. Mullet?  
13 A. There were various realtors that I  
14 spoke with via e-mail.  
15 Q. I asked can you tell me -- can you 15:25:55  
16 tell me any names?  
17 A. Not at this time, no.  
18 Q. And did you provide me or  
19 FirstEnergy with those e-mails?  
20 A. No, because they were CKAP e-mails. 15:26:08  
21 Q. So you haven't provided me with the  
22 information I need to understand the realtors  
23 who told you that values were down as much as  
24 30 percent; is that fair to say?  
25 A. Well, there were also -- 15:26:21

Page 187

1 Q. Let's stop there first.  
2 I asked you a question: Did you  
3 not provide me with the information, and can  
4 you not provide me with the information I need  
5 to understand the realtors that you talked to 15:26:30  
6 or you communicated with that formed the basis  
7 of your view that the property values have been  
8 down 30 percent?  
9 A. Yes.  
10 MR. CORCORAN: Objection. 15:26:43  
11 A. There are documents in the docket.  
12 Q. Okay. But you have not provided me  
13 with the e-mail communications you've had,  
14 correct?  
15 A. The e-mails, no, but any 15:26:52  
16 information that they gave that was given in  
17 testimony is in the docket now.  
18 Q. Okay. Do you recall any witness  
19 testifying that -- any realtor testifying that  
20 the value of their house went down 30 percent? 15:27:05  
21 A. I would have to look through the  
22 docket.  
23 Q. So you can't do that today,  
24 correct?  
25 A. Not with what I have here, no. 15:27:11

Page 188

1 Q. And certainly -- to the extent that  
2 people in the docket testified about a 30  
3 percent number, that may have been a suggestion  
4 you gave them, correct?  
5 A. No, I disagree with that. 15:27:24  
6 Q. Okay. Well, certainly before they  
7 testified you gave them a number, 30 percent,  
8 correct?  
9 A. It's in this e-mail, yes.  
10 Q. All right. But you don't know if 15:27:32  
11 they just copied what you said, right?  
12 A. Correct.  
13 Q. All right. And they very well  
14 could have, correct?  
15 A. They could have, sure. 15:27:43  
16 Q. Can you tell me any other person  
17 specifically that gave you any information that  
18 showed that the value of property went down by  
19 30 percent other than the realtors?  
20 A. I can't recall at this time, but -- 15:28:00  
21 Q. Okay.  
22 A. -- there may be others.  
23 Q. So you can't give me the  
24 information of the names of realtors or the  
25 names of anyone else who helped you form the 15:28:09

Page 189

1 basis that the property values went down 30  
2 percent; is that correct?  
3 A. Not right now, correct.  
4 Q. Okay. And with respect to any  
5 information about -- why the values went down 15:28:27  
6 30 percent, you would just direct me generally  
7 to the docket, right?  
8 MR. CORCORAN: Objection. David,  
9 we supplied the information from the docket  
10 that we were going to rely on, so -- 15:28:43  
11 Q. So I should look at what you  
12 produced that was in the docket, right?  
13 A. At this point, yes.  
14 Q. Okay. And that would tell me --  
15 that would direct me to the 30 percent number? 15:28:54  
16 A. Yes.  
17 Q. That 30 percent number appears in  
18 one of the documents or some of the documents  
19 that you produced to us?  
20 A. Yes. 15:29:05  
21 Q. So this 30 percent number is a  
22 number you're reporting from others as opposed  
23 to your distillation of what others told you?  
24 A. It's a combination of both.  
25 Q. Okay. So there were a number of 15:29:17

48 (Pages 186 to 189)

Page 190

1 pieces of information that said that property  
2 values went down 30 percent?  
3 A. Yes.  
4 Q. Now, you also have a bullet point  
5 that says, Mention how if the all-electric 15:29:45  
6 discount is not reinstated permanently it will  
7 make it impossible to sell your home.  
8 Can you give me the name of any  
9 individual who said to you that it was  
10 impossible to sell their home? 15:29:58  
11 A. Again, CKAP members who had had  
12 their homes for sale had mentioned the  
13 difficulty, and different realtors had also  
14 mentioned the difficulty.  
15 Q. That's not my question. 15:30:12  
16 Can you give me the name of any  
17 individual who told you that it was  
18 "impossible" to sell their home?  
19 A. I don't remember anybody using  
20 those exact words. 15:30:21  
21 Q. So you can't give me the name of  
22 one person who said that?  
23 A. As I said, I don't recall the name  
24 of any one person who used those exact words.  
25 Q. Okay. So you can't tell me anyone 15:30:35

Page 191

1 who said that it was impossible to sell their  
2 home, correct?  
3 A. Specific words, no.  
4 Q. Well, you used the phrase, ma'am.  
5 You said, Tell them it would be impossible to 15:30:45  
6 sell your home. And I'm saying, tell me who  
7 told you that it was impossible to sell their  
8 home. Can you give me the name of a single  
9 individual?  
10 A. Who told me it was impossible? I 15:30:56  
11 probably could if I went through my CKAP  
12 e-mails, yes.  
13 Q. But you can't right now?  
14 A. Right.  
15 Q. Let me refer you to the last 15:31:23  
16 paragraph.  
17 You say --  
18 MR. CORCORAN: David, which page  
19 are you on?  
20 MR. KUTIK: Third page. 15:31:45  
21 Q. CKAP's motion to intervene in  
22 this -- in the all-electric rates was  
23 officially approved by the PUCO this week.  
24 This means CKAP represented by our attorney,  
25 Kevin Corcoran, are official parties to the 15:31:55

Page 192

1 case.  
2 Since my name is specified in the  
3 motion to intervene and Kevin is the attorney,  
4 neither one of us is permitted to testify at  
5 the local public hearings. 15:32:05  
6 So that's something you knew by the  
7 time of this letter, correct?  
8 A. Correct.  
9 Q. But you were encouraging other  
10 members of CKAP to testify, correct? 15:32:14  
11 A. Absolutely.  
12 Q. It was your view that even though  
13 CKAP was a party, CKAP members could go ahead  
14 and testify at the public hearing, correct?  
15 A. Yes. 15:32:27  
16 Q. Now, while individuals were  
17 preparing their testimony, did they contact you  
18 before they testified?  
19 A. Some did.  
20 Q. Okay. Did you help any individual 15:32:47  
21 write their testimony?  
22 A. Some people had shown me their  
23 testimony and asked for my opinion on it, yes.  
24 Q. Okay. Do you remember who they  
25 were? 15:33:04

Page 193

1 A. Some I do, some I don't.  
2 Q. Tell me who you helped with their  
3 testimony.  
4 A. Testimony that I had seen ahead of  
5 time was -- well, I saw Teryl Bishop's ahead of 15:33:13  
6 time and I saw Brian Kurz' ahead of time;  
7 Chester Karchefsky's ahead of time; Bill Sass'  
8 ahead of time.  
9 You know, as I said, I know I saw  
10 many that they sent them to me, and those are 15:34:10  
11 the only ones I recall at this time.  
12 Q. Okay. I want to go through a list  
13 of names with you, and I'd like you to tell me  
14 two things about each of the names. First, I  
15 want you to tell me whether you believe that 15:34:24  
16 they are a member of CKAP. And second, I'd  
17 like you to tell me whether you saw their  
18 testimony ahead of time.  
19 Do you understand what I'm asking  
20 you? 15:34:36  
21 A. Yes.  
22 Q. Betty Virginia Groover?  
23 A. CKAP member, no, I didn't see her  
24 testimony.  
25 Q. Roger Kinney, K I N N E Y? 15:34:45

1 A. I recognize the name. I don't  
2 remember if I saw any testimony.  
3 Q. John Kempton, K E M P T O N?  
4 A. I don't recognize the name.  
5 Q. Sue McCartney? 15:35:01  
6 A. I don't recognize the name.  
7 Q. Jude Theibert?  
8 A. I recognize the name, and I  
9 probably did see his testimony ahead of time.  
10 Q. Raymond Kasicki? 15:35:12  
11 A. I don't recognize the name.  
12 Q. Ruth Lawrey?  
13 A. I recognize the name, but I don't  
14 remember seeing her testimony.  
15 Q. Cora Neill, N E I L L? 15:35:26  
16 A. I -- that one, I don't believe  
17 they're a member of CKAP, and I did not see  
18 their testimony ahead of time.  
19 Q. Eugene Koch?  
20 A. Member of CKAP; I don't remember 15:35:46  
21 seeing the testimony.  
22 Q. Bruce Martin?  
23 A. Member of CKAP, but I don't  
24 remember seeing the testimony.  
25 Q. Richard Pitsinger, P I T S I N G E 15:35:57

1 R.  
2 A. I believe he's a member of CKAP,  
3 but I don't remember -- I did not see his  
4 testimony.  
5 Q. Okay. Andrew Kocis, K O C I S? 15:36:11  
6 A. I recognize him as a member of  
7 CKAP, but I don't remember seeing his  
8 testimony.  
9 Q. When you say you don't remember  
10 seeing his testimony, are you saying in these 15:36:22  
11 instances where you've said that, that you  
12 might have, but you just don't recall?  
13 A. I don't remember seeing it. I  
14 don't recall seeing it, yes.  
15 Q. All right. So to the best of your 15:36:32  
16 recollection you did not see it?  
17 A. Correct.  
18 Q. I don't know if we had mentioned  
19 this name or not, Louise Lange?  
20 A. The name sounds familiar, so I know 15:36:45  
21 it's a CKAP member, but I don't recall seeing  
22 her testimony.  
23 Q. Rosemary Reidy, R E I D Y?  
24 A. CKAP member; I don't recall seeing  
25 testimony. 15:37:00

1 Q. Robert K. Brown?  
2 A. I don't recognize the name.  
3 Q. Dick Barnes?  
4 A. I recognize the name as a CKAP  
5 member, but I don't remember seeing testimony. 15:37:10  
6 Q. Edward Cullen?  
7 A. I don't recall.  
8 Q. Robert L. Smith?  
9 A. I don't recognize the name.  
10 Q. Sue Clause? 15:37:26  
11 A. I recognize the name, so she must  
12 be a CKAP member, but I don't remember seeing  
13 testimony.  
14 Q. Steve Raspison?  
15 A. I don't recognize the name. 15:37:36  
16 Q. Tim Randall, R A N D A L L?  
17 A. I recognize the name, and there's a  
18 good chance he probably sent me his testimony.  
19 Q. Jim Jankura?  
20 A. I do recognize the name, and -- did 15:37:50  
21 I see his ahead of time? It's likely he had  
22 sent me his ahead of time.  
23 Q. Okay. Now, is this individual --  
24 one of the individuals you indicated earlier  
25 was at one time a leader of CKAP? 15:38:06

1 A. Yes.  
2 Q. Mayor Robert Stefanik?  
3 A. Not a member of CKAP, and I didn't  
4 see any testimony.  
5 Q. Brock Landers? 15:38:19  
6 A. CKAP member; no testimony.  
7 Q. William Bruton?  
8 A. CKAP member and probably did see  
9 his testimony.  
10 Q. Was he one of the leaders of CKAP 15:38:30  
11 at one point in time?  
12 A. Not really, no. I wouldn't say he  
13 was a leader.  
14 Q. Bill Vassel, V A S S E L?  
15 A. CKAP member; I don't remember 15:38:43  
16 seeing his testimony.  
17 Q. Carol Nussle, N U S S L E?  
18 A. CKAP member; no testimony.  
19 Q. Riaz, R I A Z, Ansari, A N S A R I?  
20 A. Not a CKAP; don't recognize. 15:38:58  
21 Q. Louis Vasconi?  
22 A. I recognize the name, but I don't  
23 remember seeing testimony.  
24 Q. Gerald Grissom?  
25 A. I don't recognize the name. 15:39:10

Page 198

1 Q. Tim LaSalvia, L A, capital S A L V  
2 I A?  
3 A. He is a CKAP member, but I do not  
4 remember seeing his testimony.  
5 Q. John Carney? 15:39:22  
6 A. CKAP member, and, yes, I saw his  
7 testimony.  
8 Q. Was he at any time a leader of  
9 CKAP?  
10 A. Yes. 15:39:31  
11 Q. Michael Carney?  
12 A. Yes, he's a member of CKAP. I did  
13 not see any testimony of his.  
14 Q. Was he at one point a leader of  
15 CKAP? 15:39:42  
16 A. Yes.  
17 Q. Michael Mann, M A N N?  
18 A. CKAP member, but I did not see  
19 testimony.  
20 Q. Gary Damert? 15:39:49  
21 A. CKAP member, but I did not see  
22 testimony.  
23 Q. Matt Patton?  
24 A. Not a CKAP member. He was a  
25 legislator, and I did not see testimony. 15:40:03

Page 199

1 Q. Thomas Patton?  
2 A. Again, he's a legislator, not a  
3 CKAP member. So I did not see testimony.  
4 Q. Diana Sull, S U L L?  
5 A. She's a CKAP member. I did not see 15:40:16  
6 testimony.  
7 Q. Donald Blankenship?  
8 A. He is a CKAP member, but I did not  
9 see his testimony.  
10 Q. Were either Ms. Sull or Mr. 15:40:25  
11 Blankenship leaders at any point in time?  
12 A. No.  
13 Q. Thomas Logan?  
14 A. Yes, CKAP member, and I probably  
15 did because it was a version of what he had 15:40:43  
16 testified in the Senate Bill 236.  
17 Q. Was Mr. Logan at any point a leader  
18 of CKAP?  
19 A. No.  
20 Q. Sherry Grivna, G R I V N A? 15:40:57  
21 A. I don't recognize the name.  
22 Q. Douglas Turnbull?  
23 A. I don't recognize the name.  
24 Q. Eugene Moore?  
25 A. I don't recognize the name. 15:41:07

Page 200

1 Q. Dale Finley?  
2 A. I know who he is, but he was not a  
3 CKAP member.  
4 Q. Dennis Kolar, K O L A R?  
5 A. CKAP member, but I don't recall 15:41:17  
6 seeing his testimony.  
7 Q. Was he ever a leader of CKAP?  
8 A. No.  
9 Q. Roseanne Cyngier, C Y N G I E R?  
10 A. She was -- is a CKAP member, but I 15:41:30  
11 did not see her testimony.  
12 Q. Was she ever a leader of CKAP?  
13 A. No.  
14 Q. Paul Marnecheck, M A R N E C H E C  
15 K? 15:41:44  
16 A. I don't recognize the name.  
17 Q. Linda Kranak, K R A N A K?  
18 A. I recognize the name, but I didn't  
19 see testimony.  
20 Q. Recognize the name meaning that you 15:41:55  
21 believe she was a CKAP member?  
22 A. Yes.  
23 Q. Was she ever a leader of CKAP?  
24 A. No.  
25 Q. Joe Hayes, Jr.? 15:42:01

Page 201

1 A. CKAP member, and I did not see  
2 testimony.  
3 Q. Was he ever a leader of CKAP?  
4 A. No.  
5 Q. Caroline -- or Caroline Dragics, D 15:42:11  
6 R A G I C S?  
7 A. CKAP member, not a leader, did not  
8 see testimony.  
9 Q. Ed Alavaros?  
10 A. CKAP member, had some leadership 15:42:31  
11 roles, and I did not see his testimony.  
12 Q. Wendy Bower?  
13 A. I don't recognize the name.  
14 Q. William Imblum?  
15 A. Yeah, CKAP member, had a little bit 15:42:50  
16 of leadership responsibility and I did not see  
17 his testimony.  
18 Q. Kathleen Lane?  
19 A. I don't recognize the name.  
20 Q. Don Keen, K E E N? 15:43:00  
21 A. I don't recognize the name.  
22 Q. Paul Ruic, R U I C?  
23 A. I recognize him as a CKAP member,  
24 but I didn't see testimony.  
25 Q. Was he in a leadership role at any 15:43:14

| Page 202                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 204                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 time?</p> <p>2 A. No.</p> <p>3 Q. Michael P. Roetter, R O E T T E R?</p> <p>4 A. CKAP member, little leadership</p> <p>5 responsibility and -- did I see his testimony? 15:43:26</p> <p>6 I believe he did send me his testimony.</p> <p>7 Q. James Ehlinger, E H L I N G E R?</p> <p>8 A. CKAP member, no leadership, no</p> <p>9 testimony.</p> <p>10 Q. When you say no testimony, you 15:43:51</p> <p>11 didn't see testimony ahead of time?</p> <p>12 A. I did not see it ahead of time,</p> <p>13 yes.</p> <p>14 Q. Charles Neshkof, N E S H K O F?</p> <p>15 A. Not a CKAP member. 15:44:00</p> <p>16 Q. John D. Hawley, H A W L E Y?</p> <p>17 A. I don't recognize the name.</p> <p>18 Q. Lance Whitaker?</p> <p>19 A. I don't recognize the name.</p> <p>20 Q. Emmett Beavers, B E A V E R S? 15:44:13</p> <p>21 A. I don't recognize the name.</p> <p>22 Q. Joe Morgan?</p> <p>23 A. I don't recognize the name.</p> <p>24 Q. Brian Walters?</p> <p>25 A. I don't recognize the name. 15:44:22</p> | <p>1 don't believe he sent me his testimony ahead of</p> <p>2 time.</p> <p>3 Q. Is he a leader?</p> <p>4 A. No.</p> <p>5 Q. Edward Bueche, B U E C H E? 15:45:46</p> <p>6 A. Yes. CKAP member, leadership and</p> <p>7 -- I'm trying to think. It was -- it's likely</p> <p>8 that he probably sent me his e-mail ahead of</p> <p>9 time or his testimony.</p> <p>10 Q. Mark Lemon? 15:46:09</p> <p>11 A. I don't recognize the name.</p> <p>12 Q. Leonard Skuline, S K U L I N E?</p> <p>13 A. CKAP member, but I did not see</p> <p>14 testimony.</p> <p>15 Q. And a leader? 15:46:23</p> <p>16 A. No.</p> <p>17 Q. Eileen Campo?</p> <p>18 A. CKAP member, not a leader, but --</p> <p>19 and I didn't see her testimony, no.</p> <p>20 Q. Norbert Fox? 15:46:33</p> <p>21 A. I don't recognize the name.</p> <p>22 Q. Fred Hickok, H I C K O K?</p> <p>23 A. I recognize the name as a CKAP</p> <p>24 member, but I didn't see testimony and was not</p> <p>25 a leader. 15:46:52</p>       |
| Page 203                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 205                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>1 Q. Rita Lockhart?</p> <p>2 A. I recognize the name. She was a</p> <p>3 CKAP member, a leader and I probably saw her</p> <p>4 testimony ahead of time.</p> <p>5 Q. Linda Jankura? 15:44:37</p> <p>6 A. Yes, she is CKAP member, leadership</p> <p>7 role and I did see her testimony ahead of time.</p> <p>8 Q. Jane Pfaff, P F A F F?</p> <p>9 A. I don't recognize the name.</p> <p>10 Q. Thomas Sweeney? 15:44:53</p> <p>11 A. Yes. He is a CKAP member, a</p> <p>12 leadership role. I did not see his testimony</p> <p>13 ahead of time.</p> <p>14 Q. Hazel Sferry?</p> <p>15 THE NOTARY: What is it?</p> <p>16 MR. KUTIK: Ferry, F E R R Y {sic}.</p> <p>17 THE NOTARY: I missed the first</p> <p>18 name.</p> <p>19 MR. CORCORAN: It's actually S F E</p> <p>20 R R Y.</p> <p>21 MR. KUTIK: I'm going from the</p> <p>22 transcript.</p> <p>23 A. I don't recognize the name.</p> <p>24 Q. Franz Jager, J A G E R?</p> <p>25 A. Yes. He's a CKAP member, and I 15:45:37</p>                             | <p>1 Q. Mark Griffiths?</p> <p>2 A. I don't recognize the name.</p> <p>3 Q. Shirley Yunkers, Y U N K E R S?</p> <p>4 A. CKAP member, no leadership.</p> <p>5 Q. Brenda -- did you see her testimony 15:47:02</p> <p>6 ahead of time?</p> <p>7 A. No.</p> <p>8 Q. Brenda Kocovar, K O C E V A R?</p> <p>9 A. CKAP member, but no leadership. I</p> <p>10 did not see the testimony. 15:47:12</p> <p>11 Q. Charles Nagy?</p> <p>12 A. CKAP member, had some leadership</p> <p>13 responsibilities and I don't recall seeing his</p> <p>14 testimony ahead of time.</p> <p>15 Q. Carl Silzi? 15:47:23</p> <p>16 A. I don't recognize the name.</p> <p>17 Q. David Kennett, K E N N E T T?</p> <p>18 A. I don't recognize the name.</p> <p>19 Q. John Plausczek, P L A U C -- U S C</p> <p>20 Z C K? 15:47:41</p> <p>21 A. I don't recognize it.</p> <p>22 Q. Dennis Boose, B O O S E?</p> <p>23 A. He's a state rep, so he's not a</p> <p>24 CKAP member.</p> <p>25 Q. David Eurig -- 15:47:52</p> |



| Page 206                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Page 208                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 A. I don't recognize the name.</p> <p>2 Q. -- EURIG?</p> <p>3 A. I don't recognize the name.</p> <p>4 Q. Thomas Garvey?</p> <p>5 A. Yes, he's a CKAP member, not a 15:48:04</p> <p>6 leadership. I did not see his testimony.</p> <p>7 Q. Anthony Klosinski, K L O S I N S K</p> <p>8 I?</p> <p>9 A. I don't recognize it.</p> <p>10 Q. Kim Kossick, K O S S I C K? 15:48:17</p> <p>11 A. Yes. She's a CKAP member,</p> <p>12 non-leadership and I did not see her testimony.</p> <p>13 Q. Was Michael Payne a CPAP member?</p> <p>14 A. Yes.</p> <p>15 Q. Was he a leader? 15:48:38</p> <p>16 A. No.</p> <p>17 Q. Did you see his testimony ahead of</p> <p>18 time?</p> <p>19 A. No.</p> <p>20 Q. Richard Jordan? 15:48:45</p> <p>21 A. He is CKAP member, leadership and I</p> <p>22 did see his testimony ahead of time.</p> <p>23 Q. Clifford Shandle, S H A N D L E?</p> <p>24 A. I don't know if he's a CKAP member.</p> <p>25 I know who he is, and I did not see his 15:49:03</p> | <p>1 not see the testimony.</p> <p>2 Q. Dee Riley?</p> <p>3 A. CKAP member, non-leadership, did</p> <p>4 not see the testimony.</p> <p>5 Q. Was Brian Kurz a leader at any 15:50:06</p> <p>6 time?</p> <p>7 A. No.</p> <p>8 Q. J.D. Wardlaw?</p> <p>9 A. CKAP member, leadership</p> <p>10 responsibilities and did not see his testimony. 15:50:18</p> <p>11 Q. John Trisca?</p> <p>12 A. I don't recognize the name.</p> <p>13 Q. Sue Hurd, H U R D?</p> <p>14 A. I don't recognize the name.</p> <p>15 Q. Barbara Snow? 15:50:30</p> <p>16 A. I don't recognize the name.</p> <p>17 Q. Steve Martony, M A R T O N Y?</p> <p>18 A. I recognize the name as a CKAP</p> <p>19 member, non-leadership, did not see testimony.</p> <p>20 Q. Patricia Rickettson, R I C K E T T 15:50:44</p> <p>21 S O N?</p> <p>22 A. I recognize the name as CKAP,</p> <p>23 non-leadership, did not see testimony.</p> <p>24 Q. Derrick Loy, L O Y?</p> <p>25 A. I don't recognize the name. 15:50:55</p>                                                      |
| Page 207                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Page 209                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p>1 testimony ahead of time.</p> <p>2 Q. James McMeechan?</p> <p>3 A. He is a CKAP member, but I did not</p> <p>4 see his testimony ahead of time.</p> <p>5 Q. Is he a leader? 15:49:15</p> <p>6 A. No.</p> <p>7 Q. Candace Arcaro?</p> <p>8 A. CKAP member, non-leadership, did</p> <p>9 not see testimony.</p> <p>10 Q. Eileen Fisco, F I S C O? 15:49:23</p> <p>11 A. CKAP member, non-leadership, did</p> <p>12 not see her testimony.</p> <p>13 Q. Jerry DeCicca, D E, capital C I C C</p> <p>14 A?</p> <p>15 A. I don't believe he's a CKAP member. 15:49:35</p> <p>16 Q. Did you see his testimony ahead of</p> <p>17 time?</p> <p>18 A. No.</p> <p>19 Q. Dale Hayes?</p> <p>20 A. I don't recognize the name. 15:49:44</p> <p>21 Q. Thomas Waltermeyer?</p> <p>22 A. He's a CKAP member, non-leadership,</p> <p>23 did not see the testimony.</p> <p>24 Q. Richard Gift?</p> <p>25 A. CKAP member, non-leadership, did 15:49:55</p>                                                    | <p>1 Q. Ruth Amsterdam?</p> <p>2 A. I don't recognize the name.</p> <p>3 Q. Felicia Mattress?</p> <p>4 A. I don't recognize the name.</p> <p>5 Q. Kathleen Abraham? 15:51:07</p> <p>6 A. I don't recognize the name.</p> <p>7 Q. William McLaughlin?</p> <p>8 A. I don't recognize the name.</p> <p>9 Q. Michael Bertovich, B E R T O V I C</p> <p>10 H? 15:51:20</p> <p>11 A. I don't recognize the name.</p> <p>12 Q. John Manter, M A N T E R?</p> <p>13 A. I don't recognize the name.</p> <p>14 Q. Glenn Stoltz, S T O L T Z?</p> <p>15 A. Is it Glenn or Len? 15:51:34</p> <p>16 Q. Well, I have Glenn. It might be --</p> <p>17 A. I think it's --</p> <p>18 Q. He lived at 7493 Middle Ridge Road?</p> <p>19 A. Is that in Madison? There's a</p> <p>20 Stoltz I know in Madison. 15:51:47</p> <p>21 Q. This is a gentleman who testified</p> <p>22 at the Kirtland hearing.</p> <p>23 A. Yes, I know him; CKAP member,</p> <p>24 non-leadership, did not see testimony.</p> <p>25 Q. You've identified certain people as 15:52:28</p> |

Page 210

1 leaders. Let me ask you a little bit about  
2 them.  
3 Mr. Jankura, what did he do as a  
4 leader?  
5 A. Publicity. 15:52:40  
6 Q. What do you mean by that?  
7 A. He helped promote the CKAP group.  
8 Q. Can you be any more specific?  
9 A. He helped encourage other  
10 all-electric homeowners to join CKAP. 15:52:51  
11 Q. How did he do that?  
12 A. By e-mail, by word of mouth, by  
13 flyers.  
14 Q. So he was one of the more active  
15 people in publicizing hearings and significant 15:53:00  
16 events for CKAP?  
17 A. Yes.  
18 Q. John Carney, what did he do as a  
19 leader?  
20 A. John Carney was more of a sounding 15:53:12  
21 board for myself, and he met once and we just  
22 discussed strategy ideas.  
23 Q. So he was someone who participated  
24 in helping you formulate strategy?  
25 A. Yes. 15:53:28

Page 211

1 Q. Michael Carney, what did he do as a  
2 leader?  
3 A. Same thing, formulate strategy.  
4 Q. I don't have the first names, but  
5 Oliveros -- 15:53:40  
6 A. Okay.  
7 Q. -- what did that person -- I'm  
8 sorry; I don't know if it's a he or she.  
9 A. It's a he.  
10 Q. -- do as a leader? 15:53:48  
11 A. Formulate strategy on that one,  
12 too.  
13 Q. Mr. -- well, can you tell me --  
14 what can you tell me about Mr. -- is it Mr.  
15 Oliveros? 15:53:57  
16 A. Um-hum.  
17 Q. What does he do?  
18 A. He's a political -- he's a person  
19 who helps run political campaigns, like Larry  
20 Frawley's. 15:54:13  
21 Q. Pardon?  
22 A. Like Larry Frawley's.  
23 Q. So he's helping to run Larry  
24 Frawley's political campaign?  
25 A. He was at the time, yes. I don't 15:54:19

Page 212

1 know what he's doing now.  
2 Q. Do you know whether Larry Frawley's  
3 political campaign is still active?  
4 A. Yes, it is.  
5 Q. Do you know whether Mr. Frawley's 15:54:28  
6 political campaign has ended in an election?  
7 A. He's not been -- the election  
8 doesn't happen until this coming year.  
9 Q. Okay. So as an occupation, Mr.  
10 Oliveros is someone who is involved in 15:54:43  
11 political campaigns?  
12 A. Yes.  
13 Q. Do you know if he works for a  
14 particular firm?  
15 A. I believe he's self-employed. 15:54:51  
16 Q. Mr. or Ms. Imblum, what did they do  
17 as a leader?  
18 A. He basically was just more active  
19 in getting other people to join via word of  
20 mouth and e-mail. 15:55:07  
21 Q. Mr. or Ms. Rotter, what did that  
22 person do as a leader?  
23 A. Rotter?  
24 Q. Yeah, R O T T E R.  
25 A. Okay. He -- he was pretty much our 15:55:19

Page 213

1 only Toledo member. So he helped spread the  
2 word in Toledo.  
3 Q. Mr. or Ms. Lockhart, what did they  
4 do as a leader?  
5 A. She helped promote -- she helped 15:55:32  
6 with the bus trip and promoting the CKAP in  
7 North Ridgeville.  
8 Q. Mr. or Ms. Sweeney, what did that  
9 person do as a leader?  
10 A. Tom Sweeney helped with strategy. 15:55:47  
11 Q. And when you say helped with  
12 strategy, same type of thing, met with you, you  
13 bounced ideas off of him, that type of thing?  
14 A. Yes.  
15 Q. What does Mr. Sweeney do for a 15:55:58  
16 living?  
17 A. I believe he is self-employed, too,  
18 as a documentary filmmaker.  
19 Q. What type of strategic advice did  
20 you ask Mr. Sweeney about? 15:56:11  
21 A. We just discussed general ideas of  
22 where CKAP should head regarding the overall  
23 issue.  
24 Q. Can you be any more specific than  
25 that? 15:56:25

54 (Pages 210 to 213)

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <p style="text-align: right;">Page 214</p> <p>1 A. I don't recall.</p> <p>2 Q. Mr. or Ms. Bueche, BUECHE,</p> <p>3 what did that person do as a leader?</p> <p>4 A. He provided statistical analysis</p> <p>5 help. 15:56:39</p> <p>6 Q. He was the -- was he the individual</p> <p>7 -- he wasn't the individual you referred to</p> <p>8 earlier as the brains of the outfit?</p> <p>9 A. No. We have more than one brain.</p> <p>10 Q. So Mr. Bueche was one of the brains 15:56:48</p> <p>11 of the outfit, too?</p> <p>12 A. Yes.</p> <p>13 MR. CORCORAN: We share one brain.</p> <p>14 A. We pass it around.</p> <p>15 Q. Since we're on the record, I'll 15:57:01</p> <p>16 refrain.</p> <p>17 Mr. Nagy, what did he do as a</p> <p>18 leader?</p> <p>19 A. He also -- he was a -- he was very</p> <p>20 active in getting people to join from the North 15:57:15</p> <p>21 Ridgeville area.</p> <p>22 Q. Mr. Jordan, what did he do as a</p> <p>23 leader?</p> <p>24 A. He was the original person who --</p> <p>25 who I contacted. So he was instrumental in 15:57:31</p> | <p style="text-align: right;">Page 216</p> <p>1 Q. Now, you mentioned that -- one of</p> <p>2 your first topics -- and by the way, if I</p> <p>3 mischaracterized this topic, please let me</p> <p>4 know.</p> <p>5 A. Okay. 15:58:48</p> <p>6 Q. I have a feeling you will let me</p> <p>7 know.</p> <p>8 One of the topics you were going to</p> <p>9 testify is your experience as an all-electric</p> <p>10 homeowner, correct? 15:58:58</p> <p>11 A. Correct.</p> <p>12 Q. And with respect to your experience</p> <p>13 as an all-electric homeowner, does that include</p> <p>14 what happened to your bills?</p> <p>15 A. Yes. 15:59:07</p> <p>16 Q. Does it include anything else?</p> <p>17 A. It would include how my house is</p> <p>18 currently heated, what it would potentially</p> <p>19 take to convert my home to a gas setup and my</p> <p>20 opinion on what would happen to my house if -- 15:59:31</p> <p>21 if I were not able to convert to gas and the</p> <p>22 electric rate -- I was paying the standard</p> <p>23 rate.</p> <p>24 Q. Have you discussed with anyone what</p> <p>25 it would take to convert to gas? 15:59:55</p> |
| <p style="text-align: right;">Page 215</p> <p>1 getting Senator Grendell involved and in</p> <p>2 formulating the beginnings of CKAP.</p> <p>3 Q. He was one of the founders of the</p> <p>4 CKAP?</p> <p>5 A. Yes. 15:57:47</p> <p>6 Q. You were one of the founders of</p> <p>7 CKAP?</p> <p>8 A. Yes.</p> <p>9 Q. Who else was one of the founders of</p> <p>10 CKAP? 15:57:52</p> <p>11 A. Connie Kline and Kevin.</p> <p>12 Q. Mr. Wardlaw, what did he do as a</p> <p>13 leader?</p> <p>14 A. He was helpful in just spreading --</p> <p>15 spreading the word in his area, and also -- and 15:58:06</p> <p>16 just bouncing ideas. He would bounce ideas off</p> <p>17 of me and I to him.</p> <p>18 Q. When I mentioned Mr. Wardlaw's name</p> <p>19 you kind of smiled. Can you tell me why you</p> <p>20 smiled when I mentioned his name? 15:58:21</p> <p>21 A. He's a very interesting man. He's</p> <p>22 a retired pastor.</p> <p>23 Q. I want to talk to you now about the</p> <p>24 topics that you say that you may testify on.</p> <p>25 A. Um-hum. 15:58:38</p>  | <p style="text-align: right;">Page 217</p> <p>1 A. My husband.</p> <p>2 Q. Okay. Anyone else?</p> <p>3 A. No.</p> <p>4 Q. Has he spoken with anyone as to</p> <p>5 what it would take to convert to gas? 16:00:05</p> <p>6 A. No.</p> <p>7 Q. Have you undertaken any estimate as</p> <p>8 to what it would cost you to convert to gas?</p> <p>9 A. No.</p> <p>10 Q. So I take it you've received no 16:00:14</p> <p>11 information from any of the gas companies about</p> <p>12 what it would take to convert to gas?</p> <p>13 A. Correct.</p> <p>14 Q. You said that you wanted to testify</p> <p>15 -- or you may testify about your opinion about 16:00:29</p> <p>16 what would happen if you were not able to</p> <p>17 convert to gas and had to pay the standard</p> <p>18 rate, correct?</p> <p>19 A. Correct.</p> <p>20 Q. What is your opinion? 16:00:39</p> <p>21 A. My opinion is that my home value</p> <p>22 would decrease significantly and it would be a</p> <p>23 very difficult property to sell and very</p> <p>24 expensive to live in.</p> <p>25 Q. Have you made any comparison of the 16:01:01</p>                                   |

55 (Pages 214 to 217)

Page 218

1 cost to heat your house with gas?  
 2 A. Yes.  
 3 Q. Okay. Is that looking at your  
 4 neighbor's bill?  
 5 A. Yes. 16:01:15  
 6 Q. Anything else beyond that?  
 7 A. Not specific to my home, no.  
 8 Q. So with respect to what it would  
 9 cost you, the best information you have is what  
 10 your neighbor pays? 16:01:30  
 11 A. With what it would cost me to heat  
 12 my house with gas?  
 13 Q. Yes.  
 14 A. My particular home, yes.  
 15 Q. Is your house comparable to your 16:01:38  
 16 neighbor's house?  
 17 A. Yes.  
 18 Q. What's the name of your neighbor?  
 19 A. Martz, M A R T Z.  
 20 Q. What's the first name? 16:01:52  
 21 A. Sandy.  
 22 Q. Does Sandy have a husband who lives  
 23 in the house?  
 24 A. Yes.  
 25 Q. What's Sandy's husband's name? 16:02:01

Page 219

1 A. Duane.  
 2 Q. So Duane and Sandy Martz live next  
 3 to you?  
 4 A. Yes.  
 5 Q. Do you know their address? 16:02:09  
 6 A. Not off the top of my head.  
 7 Q. Can you describe where Duane and  
 8 Sandy Martz live in comparison to you?  
 9 A. Directly on the left-hand side  
 10 facing my house. 16:02:23  
 11 Q. So I'm looking at your house, they  
 12 would be the house immediately to the left?  
 13 A. Correct.  
 14 Q. Any other of your other neighbors  
 15 have gas heat? 16:02:41  
 16 A. Yes.  
 17 Q. Have you talked with any of them  
 18 about what their -- what it costs them to heat  
 19 their house?  
 20 A. I don't recall speaking to any of 16:02:55  
 21 them.  
 22 Q. Have we covered all of the -- what  
 23 we'll call sub topics under the general topic  
 24 of your experience as an all-electric  
 25 homeowner? 16:03:09

Page 220

1 A. Yes.  
 2 Q. The next topic is your experience  
 3 within CKAP.  
 4 Can you tell me what that entails?  
 5 A. It could entail discussing how CKAP 16:03:19  
 6 was formed, the purpose of CKAP, different  
 7 things that CKAP has done to work on this issue  
 8 and the general -- the general solution that  
 9 CKAP would like to see in an all-electric --  
 10 the general resolution CKAP would like to see 16:03:54  
 11 in a solution.  
 12 Q. What is the purpose of CKAP?  
 13 A. It is a group of commonly-minded  
 14 all-electric homeowners who banded together to  
 15 fight a common cause of reinstating the 16:04:13  
 16 all-electric discount rate.  
 17 Q. So the purpose of CKAP is to fight  
 18 the change to the all-electric discount rate,  
 19 correct?  
 20 A. Yes. 16:04:24  
 21 Q. When you say another thing you  
 22 might testify about is the different things  
 23 that CKAP has done, what is that?  
 24 A. The bus rally, contact -- contact  
 25 with different legislators. Those are the 16:04:48

Page 221

1 things I can think of right now.  
 2 Q. You also mentioned that you may  
 3 testify about the general solution CKAP would  
 4 like to see, correct?  
 5 A. Right. 16:05:02  
 6 Q. What is the general solution that  
 7 CKAP would like to see?  
 8 A. It's the one that's published on  
 9 our website. It is asking for the rate  
 10 differential to be maintained attached to the 16:05:12  
 11 home, that overcharges are refunded, that all  
 12 homes are included and that the rate payers do  
 13 not pay for this cost.  
 14 Q. When you say all homes are  
 15 included, what do you mean by that? 16:05:38  
 16 A. Any existing all-electric home.  
 17 Q. Should water heating customers get  
 18 a discount?  
 19 A. They currently do.  
 20 Q. Okay. Should they get any 16:05:55  
 21 additional discount other than what they were  
 22 enjoying before this case began?  
 23 A. Yes.  
 24 Q. Okay. So they should get -- they  
 25 should have whatever discounts they're having 16:06:05

56 (Pages 218 to 221)

Page 222

1 today; is that your view?  
 2 A. Whatever discounts they're having  
 3 today?  
 4 Q. Yes. Whatever discounts they have  
 5 today, that should continue? 16:06:14  
 6 A. Yes.  
 7 Q. But they shouldn't just have what  
 8 they had before this case was started, correct?  
 9 A. The discounts that they have now  
 10 were put in place in 2009. 16:06:31  
 11 Q. Okay.  
 12 A. So that was before this case.  
 13 Q. Let me back up.  
 14 Before we talked about how electric  
 15 heating customers had three discounts, right? 16:06:42  
 16 A. Yes.  
 17 Q. Two discounts were in existence  
 18 before this case began, correct?  
 19 A. Yes.  
 20 Q. One for generation, one for 16:06:54  
 21 distribution, correct?  
 22 A. Yes.  
 23 Q. Is it your understanding that water  
 24 heating customers could receive those  
 25 discounts? 16:07:02

Page 223

1 A. They only received one of them.  
 2 Q. Okay. Which one did they receive?  
 3 A. Residential distribution credit.  
 4 Q. Okay. Should -- and now do they  
 5 receive the discount that was instituted in 16:07:18  
 6 this case?  
 7 A. They do not receive the additional  
 8 credit, no.  
 9 Q. Okay. So as -- on a going forward  
 10 basis, it would be CKAP's recommendation that 16:07:31  
 11 the water heating customers only maintain the  
 12 one discount that they currently enjoy?  
 13 A. No. I would like them to be made  
 14 whole with the discount that they enjoyed prior  
 15 to this case. 16:07:46  
 16 Q. Okay.  
 17 A. So receiving additional credits  
 18 that they're not currently receiving.  
 19 Q. So what you would like to see is  
 20 the discounts that they had prior to 2009? 16:07:57  
 21 A. The same level of a discount, yes.  
 22 Q. When you say the same level of a  
 23 discount, what does that mean?  
 24 A. Whatever -- I don't know what their  
 25 discount was, but they're not getting the same 16:08:09

Page 224

1 discount that they were -- the same level of  
 2 discount -- the same differential that they  
 3 were before, so, yes.  
 4 Q. When you're saying differential,  
 5 are we talking about the same amount in terms 16:08:18  
 6 of cents per kilowatt hour?  
 7 A. No.  
 8 Q. What are you talking about?  
 9 A. I'm talking about the differential,  
 10 the rate they pay in relation to the standard 16:08:27  
 11 rate.  
 12 Q. All right. And is that  
 13 differential measured in cents per kilowatt  
 14 hour or something else?  
 15 A. That's the big secret, because -- 16:08:36  
 16 Q. Well, can you tell me what you  
 17 would recommend? Should the differential be  
 18 the same in terms of cents per kilowatt hour,  
 19 or should it be calculated some other way?  
 20 A. It would be calculated -- well, we 16:08:48  
 21 haven't talked about the hot water tank, but it  
 22 would be a recommended cents per kilowatt with  
 23 a relationship set to a percentage.  
 24 Q. So what you'd like to see is the  
 25 percentage relationship established and the 16:09:07

Page 225

1 credit in cents per kilowatt hours established  
 2 that way?  
 3 A. And maintained going forward, yes.  
 4 Q. And would your answers be the same  
 5 for load management customers? 16:09:23  
 6 A. I -- I don't know on load  
 7 management customers. They're currently  
 8 included in what is happening now.  
 9 Q. No. But I guess my question to you  
 10 is -- and perhaps it wasn't artfully put was -- 16:09:33  
 11 is it your view that load management customers  
 12 like water heating customers, like electric  
 13 heating customers, should have the -- or enjoy  
 14 what I'll call the differential, to use your  
 15 term, that they enjoyed prior to 2009? 16:09:50  
 16 A. Yes.  
 17 Q. And that should be calculated in  
 18 the same way that you talked about with respect  
 19 to water heating customers; figure out what the  
 20 percentage is -- percentage differential is and 16:10:04  
 21 establish a cents per kilowatt hour difference?  
 22 A. Yes.  
 23 Q. Is that one of the five points --  
 24 does that establish one of the five points that  
 25 you mentioned in terms of the general solution 16:10:28

| Page 226                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Page 228                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 you'd like to see?</p> <p>2 A. It's mentioned in general terms in</p> <p>3 the rate differential.</p> <p>4 Q. Have we covered everything</p> <p>5 regarding your experience within CKAP? 16:10:41</p> <p>6 A. I believe so, yes.</p> <p>7 Q. I think you also said that you were</p> <p>8 going to comment on the hardship; did I</p> <p>9 understand that correctly?</p> <p>10 A. Yes. 16:10:53</p> <p>11 Q. And what's -- what do you</p> <p>12 anticipate your testimony might be with respect</p> <p>13 to the hardship?</p> <p>14 A. Commenting on hardship testimony</p> <p>15 that's been submitted into the docket from CKAP 16:11:03</p> <p>16 members.</p> <p>17 Q. So you will be commenting on what</p> <p>18 other people have already said?</p> <p>19 A. I may be, yes.</p> <p>20 Q. Is that what you mean by commenting 16:11:18</p> <p>21 on hardship?</p> <p>22 A. Yes.</p> <p>23 Q. Will you be commenting on your own</p> <p>24 hardship?</p> <p>25 A. No. 16:11:24</p> | <p>1 in the requirements of Ohio law in any way?</p> <p>2 A. No.</p> <p>3 Q. Do you feel that you are an expert</p> <p>4 in -- in any area of economics? 16:12:38</p> <p>5 A. No.</p> <p>6 Q. Do you feel that you are an expert</p> <p>7 or do you believe you are an expert in real</p> <p>8 estate values?</p> <p>9 A. No.</p> <p>10 Q. Can you describe to me, when you 16:12:45</p> <p>11 say that you're an expert or you have some type</p> <p>12 of expertise as a result of the work you've</p> <p>13 done on this case, what area you would describe</p> <p>14 yourself as having expertise in?</p> <p>15 A. An overall understanding of case 16:13:00</p> <p>16 10-176.</p> <p>17 Q. Okay. So you're an expert in case</p> <p>18 10-176?</p> <p>19 A. Am I an expert in it?</p> <p>20 Q. Yes. 16:13:10</p> <p>21 A. I feel that I have above average</p> <p>22 knowledge, yes.</p> <p>23 Q. Okay. So, again, you feel that</p> <p>24 you're an expert in case 10-176?</p> <p>25 A. I feel I have above average 16:13:17</p>                                                                                                                                                          |
| Page 227                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Page 229                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>1 Q. Have we covered everything that you</p> <p>2 might testify about with respect to commenting</p> <p>3 on hardship?</p> <p>4 A. Yes.</p> <p>5 Q. You also say that you are going to 16:11:37</p> <p>6 provide opinions on expert testimony; is that</p> <p>7 correct?</p> <p>8 A. My opinions, yes.</p> <p>9 Q. Okay. Do you hold yourself out as</p> <p>10 an expert? 16:11:48</p> <p>11 A. No.</p> <p>12 Q. Do you have -- do you believe you</p> <p>13 have any expertise in any area that's relevant</p> <p>14 to this case?</p> <p>15 A. Yes. 16:11:55</p> <p>16 Q. What is that?</p> <p>17 A. My own garnered knowledge from</p> <p>18 working on this.</p> <p>19 Q. Okay. So, basically, do you feel</p> <p>20 that you are an expert in rates? 16:12:07</p> <p>21 A. No.</p> <p>22 Q. Do you feel you are an expert in</p> <p>23 public utility policy?</p> <p>24 A. No.</p> <p>25 Q. Do you feel that you are an expert 16:12:20</p>                                             | <p>1 knowledge of the case, yes.</p> <p>2 Q. And so as an expert in case 10-176,</p> <p>3 you should be able to provide opinion testimony</p> <p>4 on what's happened in case 10-176; fair to say?</p> <p>5 A. Sure. Yes. 16:13:35</p> <p>6 Q. Now, can you tell me what opinions</p> <p>7 you have with respect to expert opinions in</p> <p>8 this case?</p> <p>9 A. I haven't read Ridmann's yet so I</p> <p>10 can't comment on that. 16:13:53</p> <p>11 Q. Anybody else?</p> <p>12 A. Frawley's I have read and I have no</p> <p>13 issues with his at this point. I agree with</p> <p>14 what he is saying.</p> <p>15 Q. Okay. 16:14:03</p> <p>16 A. And, again, I haven't seen the</p> <p>17 final, final version of Mr. Yankel. I only saw</p> <p>18 -- so I have to read his final, final copy.</p> <p>19 Q. So other than -- other than saying</p> <p>20 that you believe that Mr. Frawley's testimony 16:14:23</p> <p>21 is correct, you can't provide me now any</p> <p>22 opinions on the other expert testimony that's</p> <p>23 been filed in this case, correct?</p> <p>24 A. I can -- okay. Can I give you any</p> <p>25 other opinions on it? No. For Ridmann, I 16:14:41</p> |

58 (Pages 226 to 229)

Page 230

1 haven't seen it.

2 For Yankel's testimony, my opinion  
3 is generally favorable with a few issues that  
4 I'm concerned about, yes.

5 Q. Okay. Well, can you tell me what 16:14:54  
6 those few issues are?

7 A. The issues would be whether or not  
8 the amount of the credits are enough, whether  
9 or not the minimum kilowatt hours usage  
10 starting at 1,000 for every company is enough, 16:15:09  
11 whether or not the PUCO standard rates that he  
12 is basing his whole analysis off of are going  
13 to be correct and accurate.

14 Q. Anything else?

15 A. Also, whether or not he 16:15:41  
16 specifically includes that the EDR and the RDC  
17 should continue.

18 Q. Do you believe that he says that  
19 they should not?

20 A. I don't -- that's something that's 16:15:58  
21 mentally on my list that I need to go and  
22 check.

23 Q. Okay. Anything else?

24 A. No, I think that about covers it.

25 Q. Okay. Have you, for purposes of 16:16:18

Page 231

1 your testimony for this case at all, made any  
2 calculations of what the historical difference  
3 or discount has been that electric heating  
4 customers have enjoyed over standard  
5 residential customers? 16:16:42

6 A. No.

7 Q. Have you made any -- have you  
8 conducted any review of any cost of service  
9 study that has been prepared with respect to  
10 the companies and how they set their rates? 16:16:57

11 A. Have I conducted a cost of service?  
12 No, I haven't --

13 Q. Have you reviewed any cost of  
14 service study?

15 A. No. 16:17:07

16 Q. Have you reviewed any data as to  
17 what the average winter month usage is for  
18 electric heating customers?

19 A. Yes.

20 Q. Okay. What data have you reviewed? 16:17:24

21 A. The data I've accumulated --

22 Q. Okay.

23 A. -- from CKAP members.

24 Q. Okay. This is the data that  
25 appears on the spreadsheet you're going to 16:17:35

Page 232

1 provide to us?

2 A. If I'm told to provide it, yes.

3 Q. Well, you were told to provide it,  
4 weren't you?

5 MR. CORCORAN: We talked about that 16:17:43  
6 earlier, that you're going to provide that  
7 spreadsheet from the accumulation of the bills.

8 THE WITNESS: Okay.

9 A. I actually think you already have  
10 it, but if not, I'll give you another copy. 16:17:51

11 Q. And from your compilation, what is  
12 your understanding of what the average monthly  
13 usage is for electric heating customers?

14 A. It's between 3,500 and 4,000 on  
15 average. 16:18:06

16 Q. And that's based upon how many  
17 bills that you reviewed?

18 A. Between 2 and 300.

19 Q. Do you know how many all-electric  
20 or electric heating customers there are? 16:18:28

21 A. Electric heating customers?  
22 There's 317,000.

23 Q. So based upon the 317,000, is it  
24 fair to say that you don't know what the  
25 average of those customers -- what their 16:18:44

Page 233

1 monthly heating is?

2 A. Of all 317,000, no, I do not.

3 Q. Do you know how much of an average  
4 electric heating customer's winter bill  
5 represents heating? 16:19:07

6 A. Well, the only -- I don't know -- I  
7 don't know other than I know the average usage  
8 is 500 to 750 for a non-electric heating  
9 customer --

10 THE NOTARY: Is how much?

11 THE WITNESS: 500 to 750.

12 A. Is the publicized average usage by  
13 FirstEnergy. So I would assume we'd subtract  
14 that number from the winter heating bill.

15 Q. And where did you get this number 16:19:46  
16 of 500 to 750 for the average monthly customer  
17 usage?

18 A. I believe it's on the PUCO staff  
19 report.

20 Q. Do you believe that the suggested 16:19:54  
21 starting point for the discount that Mr. Yankel  
22 has recommended of 1,000 kilowatt hours should  
23 be changed?

24 A. I believe it may be too high.

25 Q. Okay. So you'd want to start the 16:20:23

59 (Pages 230 to 233)

Page 234

1 discount at some lower number?  
 2 A. I'm sorry; I didn't --  
 3 Q. You'd want to start the discount at  
 4 some lower number of kilowatt hours?  
 5 A. I haven't decided officially if I 16:20:42  
 6 was going to testify to that, but I have  
 7 concerns about it, yes.  
 8 Q. Okay. Have you done any  
 9 calculations to determine what would be the  
 10 appropriate starting point for a discount? 16:20:51  
 11 A. Yes, some cursory calculations.  
 12 Q. Okay. Can you tell me what those  
 13 calculations are?  
 14 A. What number I came up with?  
 15 Q. Well, first, tell me what 16:21:02  
 16 calculations you made.  
 17 A. The calculations would be simply  
 18 comparing the amount of the bill that Mr.  
 19 Yankel's credits came up with for 3,500  
 20 kilowatts compared to what customers were 16:21:18  
 21 paying in January, February, March of 09.  
 22 Q. And what did your calculations tell  
 23 you?  
 24 A. My calculations told me that Mr.  
 25 Yankel's calculations come up with bills that 16:21:38

Page 235

1 are generally higher than what customers were  
 2 paying at that time.  
 3 Q. Do you believe that customers now  
 4 -- electric heating customers now should pay  
 5 the same level of bills for the same usage that 16:21:59  
 6 they were paying in 2008?  
 7 A. No.  
 8 Q. Do you have -- is it the case that  
 9 you do not currently have a specific usage  
 10 level at which you would start the discount 16:22:32  
 11 other than the general idea that it should be  
 12 lower than 1,000 kilowatt hours?  
 13 A. That's correct.  
 14 Q. Do you have a view as to what the  
 15 amount of the credit should be? 16:22:45  
 16 A. I'm sorry; could you repeat that?  
 17 Q. Sure.  
 18 Do you have a view as to what --  
 19 well, I'll back up.  
 20 You said that one of the things you 16:22:54  
 21 were concerned about with respect to Mr.  
 22 Yankel, I believe, was whether the amount of  
 23 the credit was enough?  
 24 A. Correct.  
 25 Q. And, I guess, my question to you 16:23:03

Page 236

1 now is: What do you believe the amount of the  
 2 credit should be?  
 3 A. I don't have a specific amount. I  
 4 just have a concern that with that credit, the  
 5 bills are still higher than what customers were 16:23:13  
 6 paying in January of 09.  
 7 Q. So do you believe that customers --  
 8 electric heating customers should pay the same  
 9 amount for the same usage that they were paying  
 10 in January of 09? 16:23:33  
 11 A. Same amount for the same usage as  
 12 they were in January of 09? No.  
 13 Q. So what about the fact that Mr.  
 14 Yankel's calculations result in higher bills  
 15 than electric heating customers had in January 16:23:49  
 16 of 09 troubles you, if you're not recommending  
 17 that bills be basically rolled back to that  
 18 level?  
 19 A. It's amount of how much higher they  
 20 are. 16:24:00  
 21 Q. Okay. So you would just like to  
 22 see them closer to that amount?  
 23 A. Closer, yes.  
 24 Q. Closer to the January 2009 amount?  
 25 A. Right. 16:24:09

Page 237

1 Q. Do you believe that it's  
 2 appropriate that, on a going-forward basis,  
 3 bills of electric heating customers be higher  
 4 than they were in January of 09?  
 5 A. Absolutely. 16:24:30  
 6 Q. So you don't have a problem with  
 7 the increase; what you have a problem is the  
 8 amount of the potential increase?  
 9 A. Yes.  
 10 Q. And you haven't come to a 16:24:41  
 11 conclusion as to specifically what the amount  
 12 of that increase would be?  
 13 A. No.  
 14 Q. What I said was correct?  
 15 A. I'm sorry? 16:24:49  
 16 Q. What I said was correct?  
 17 A. Correct.  
 18 Q. Have you provided me all the  
 19 information you can think of with respect to  
 20 your potential comments on Mr. Yankel? 16:25:03  
 21 A. Yes.  
 22 Q. And you said that you couldn't  
 23 provide me with any comments today on Mr.  
 24 Ridmann?  
 25 A. Correct; I have not read it. 16:25:11

60 (Pages 234 to 237)



Page 238

1 Q. Are you aware of whether there are  
2 any -- there are any other witnesses that have  
3 submitted expert testimony in this case?  
4 A. I know I saw in the docket somebody  
5 -- a Stacy {sic} something submitted something. 16:25:26  
6 but I don't even know who she's with.  
7 Q. Okay. Stacia Harper --  
8 A. Yes.  
9 Q. -- is that who you're talking  
10 about? 16:25:35  
11 A. Um-hum.  
12 Q. On behalf of Ohio Partners For  
13 Affordable Energy?  
14 A. Yes, that sounds familiar, but I  
15 have not read hers either. 16:25:42  
16 Q. So you cannot give me any opinions  
17 on her testimony?  
18 A. Correct.  
19 Q. This is where my handwriting sort  
20 of breaks down. You said - at least going to 16:26:10  
21 my notes - that you may also testify about the  
22 rate structure going forward and the effects of  
23 putting that in place.  
24 A. Right. And I think that's -- kind  
25 of ties in with -- a catch-all with Tony 16:26:22

Page 239

1 Yankel's; just making sure if we end up not  
2 necessarily agreeing with his complete  
3 approach, that we may recommend something of  
4 our own.  
5 Q. Okay. So what you've told me about 16:26:37  
6 Mr. Yankel, that would be covered in this part?  
7 A. Yes.  
8 Q. Is there anything else that might  
9 be covered in this part?  
10 A. I don't believe so, no. 16:26:54  
11 Q. You also said that you would -- or  
12 potentially would provide testimony on the  
13 history of the discounts; is that correct?  
14 A. Yes.  
15 Q. Can you tell me what you're going 16:27:21  
16 to say with respect to that?  
17 A. My comments would probably be  
18 geared towards my opinion that the all-electric  
19 customer was never subsidized.  
20 Q. Can you tell me anything else 16:27:36  
21 you're going to say about the history of  
22 discounts?  
23 A. And my opinion of why the discount  
24 was removed -- the full discount was removed.  
25 Q. Okay. Well, as you know, customers 16:27:48

Page 240

1 always received a discount, correct?  
2 A. Yes, that's why I corrected myself.  
3 Q. All right. Would it be more  
4 accurate to say that the discount was reduced?  
5 A. Yes, it would be. 16:28:02  
6 Q. Why do you believe that -- well,  
7 let me back up.  
8 You mentioned that you wanted to  
9 testify about why customers -- electric heating  
10 customers were not subsidized by other 16:28:16  
11 customers; is that correct?  
12 A. Yes.  
13 Q. Do you believe today that electric  
14 heating customers are being subsidized by other  
15 customers? 16:28:26  
16 A. Under today's rate structure?  
17 Q. Yes.  
18 A. It's being deferred.  
19 Q. Okay.  
20 A. So, no, nobody's paying for it at 16:28:32  
21 the moment.  
22 Q. So that if that deferral gets  
23 picked up by other customers, is there a  
24 subsidy at that point?  
25 A. Yes. 16:28:44

Page 241

1 (Discussion had off the record.)  
2 Q. Before we took a break, Ms.  
3 Steigerwald, you talked about the fact that  
4 there were deferrals, correct?  
5 A. Yes. 16:39:41  
6 Q. And those deferrals relate to the  
7 discount rising from the rider credit that was  
8 established in this case, correct?  
9 A. Yes.  
10 Q. Prior to this case, there were 16:39:56  
11 other credits that electric heating customers  
12 enjoyed, correct?  
13 A. Correct.  
14 Q. Who was paying for those credits?  
15 A. I honestly don't know. 16:40:14  
16 Q. Okay. Is someone paying for those  
17 credits?  
18 A. I don't know.  
19 Q. If someone is paying for those  
20 credits, would that be a subsidy of electric 16:40:21  
21 heating customers?  
22 A. If another rate payer is paying,  
23 yes.  
24 Q. So in talking about the general  
25 issue of the history of the discount, one of 16:40:46

61 (Pages 238 to 241)

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p style="text-align: right;">Page 242</p> <p>1 the things you said was the idea of a subsidy<br/>2 would be part of that, correct?<br/>3 A. Yes.<br/>4 Q. Is there anything else that you<br/>5 would be talking about under the general topic 16:40:58<br/>6 of the history of discounts?<br/>7 A. I believe -- didn't we already<br/>8 discuss subsidy and -- oh, the subsidy and<br/>9 opinion on why the -- the full discount was<br/>10 removed. 16:41:26<br/>11 Q. And what would -- what information<br/>12 would you be basing your opinion as to why the<br/>13 full discount, in your words, were removed?<br/>14 A. Basing it on my opinion.<br/>15 Q. All right. Do you have any 16:41:47<br/>16 documents, any other things that you're looking<br/>17 at to form your opinion as to why that was<br/>18 removed?<br/>19 A. I don't recall any documents at<br/>20 this point. 16:42:00<br/>21 Q. Okay. So what is your opinion as<br/>22 to why the discount was, in your words,<br/>23 removed?<br/>24 A. The discount was removed as part of<br/>25 -- after deregulation, when FirstEnergy was 16:42:13</p> | <p style="text-align: right;">Page 244</p> <p>1 Illuminating Company.<br/>2 Q. So it's your testimony that Ohio<br/>3 Edison is selling electricity on "the regional<br/>4 grid"?<br/>5 A. Yes. 16:43:14<br/>6 Q. Is CEI selling electricity on the<br/>7 regional grid?<br/>8 A. They are distributing the<br/>9 electricity.<br/>10 Q. No, that's not my -- 16:43:29<br/>11 A. I understand what you're saying.<br/>12 Q. That's not my question.<br/>13 My question is: You said that Ohio<br/>14 Edison was selling electricity on the regional<br/>15 grid; is CEI selling electricity on the 16:43:37<br/>16 regional grid?<br/>17 A. I don't know.<br/>18 Q. Is Toledo Edison selling --<br/>19 A. I don't know.<br/>20 Q. Let me finish my question.<br/>21 Is Toledo Edison selling<br/>22 electricity on the regional grid?<br/>23 A. I don't know.<br/>24 Q. What is your basis for saying that<br/>25 Ohio Edison is selling electricity on the 16:43:53</p>                                                                                                                                                                                                                                     |
| <p style="text-align: right;">Page 243</p> <p>1 able to sell the electricity at a higher profit<br/>2 price on the regional grid --<br/>3 Q. What is that --<br/>4 A. -- for a higher price than they<br/>5 were able to sell it to their all-electric 16:42:33<br/>6 customers.<br/>7 Q. And what is that basis?<br/>8 A. The fact that they're doing this.<br/>9 Q. How do you know it?<br/>10 A. Because they're doing this. 16:42:41<br/>11 Q. How do you know that?<br/>12 A. Because they're doing it.<br/>13 Q. Well, that doesn't --<br/>14 A. They're selling --<br/>15 Q. What have you seen that makes you 16:42:48<br/>16 so sure "they are doing this"?<br/>17 A. Because we know what they're<br/>18 selling their electricity for in the regional<br/>19 grid.<br/>20 Q. When you say they, can you be more 16:42:59<br/>21 specific?<br/>22 A. FirstEnergy.<br/>23 Q. Okay. Can you be more specific<br/>24 than that?<br/>25 A. Ohio Edison, Toledo Edison, 16:43:04</p>                                                                                                                                     | <p style="text-align: right;">Page 245</p> <p>1 regional grid?<br/>2 A. That is -- my understanding is all<br/>3 of the companies -- and I would have to -- you<br/>4 know, as I said, I have not formulated my<br/>5 testimony yet. Whether or not it's the 16:44:04<br/>6 technicality -- is it FirstEnergy Solutions?<br/>7 Is it one of the distributing companies?<br/>8 I don't have that information in<br/>9 front of me to say which one is actually<br/>10 selling -- 16:44:18<br/>11 Q. Okay. I asked --<br/>12 A. -- on the electrical grid.<br/>13 Q. I asked you the question: Can you<br/>14 tell me what your basis is for the statement<br/>15 you just made under oath, that Ohio Edison is 16:44:27<br/>16 selling electricity on the regional grid?<br/>17 A. I don't know that Ohio Edison is<br/>18 selling it. As I said, I'm retracting that and<br/>19 saying, I don't know if it's FirstEnergy<br/>20 Solutions, Ohio Edison, Toledo Edison or 16:44:41<br/>21 Illuminating Company.<br/>22 Q. As far as you're concerned, is it<br/>23 just a technicality that FirstEnergy Solutions<br/>24 is selling electricity as opposed to one of the<br/>25 other companies? 16:44:54</p> |

| Page 246                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Page 248                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <p>1 A. A technicality, yes.</p> <p>2 Q. Do you have any other opinions with</p> <p>3 respect to why the "discount was removed"?</p> <p>4 A. About why it was removed?</p> <p>5 Q. Yes. 16:45:26</p> <p>6 A. I have no other opinions, no.</p> <p>7 As far as other information as to</p> <p>8 -- besides my own opinion as to why I believe</p> <p>9 it was removed that way, I may have other media</p> <p>10 people's opinions, too, on why it was removed 16:45:43</p> <p>11 that way or why it was removed.</p> <p>12 Q. So your opinions as to why it was</p> <p>13 removed would -- would be based, in part, on</p> <p>14 what you've been told by media people?</p> <p>15 A. No, I didn't say that. I said I 16:46:00</p> <p>16 may have other documents --</p> <p>17 Q. All right. Well, you just said to</p> <p>18 me that -- you referred to media people; did</p> <p>19 you not?</p> <p>20 A. I said I may have -- 16:46:07</p> <p>21 Q. Did you not refer to media people?</p> <p>22 A. Ask me the question.</p> <p>23 Q. Did you refer to media people?</p> <p>24 A. I referred to media people, yes.</p> <p>25 Q. And did you not refer to 16:46:14</p>              | <p>1 based upon information that you have garnered</p> <p>2 yourself, correct?</p> <p>3 A. Yes.</p> <p>4 Q. And only by you?</p> <p>5 A. No. I said there may be other 16:47:35</p> <p>6 material, too, but I don't know what it is at</p> <p>7 this point in time.</p> <p>8 Q. Okay. So the only material that</p> <p>9 you can think of right now is information that</p> <p>10 has only been obtained by you? 16:47:45</p> <p>11 A. Correct.</p> <p>12 Q. Have we covered everything that you</p> <p>13 can think about that you may testify about with</p> <p>14 respect to the history of discounts?</p> <p>15 A. Yes. 16:48:10</p> <p>16 Q. Another topic that you mentioned</p> <p>17 earlier was the idea of subsidies.</p> <p>18 Have we covered that topic as well?</p> <p>19 A. Yes.</p> <p>20 Q. Is there anything else you can tell 16:48:20</p> <p>21 me that may be part of your testimony?</p> <p>22 A. No.</p> <p>23 Q. Another topic that you mentioned, I</p> <p>24 believe, was information in the docket.</p> <p>25 A. Yes. 16:48:34</p>                                                                       |
| Page 247                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Page 249                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>1 information that you received from media</p> <p>2 people?</p> <p>3 A. I said I referred -- I may have</p> <p>4 other information from media people that also</p> <p>5 discuss their beliefs that the all-electric 16:46:24</p> <p>6 discount was removed due to deregulation.</p> <p>7 Q. So is it your testimony that your</p> <p>8 opinion as to why the discount would be removed</p> <p>9 would be, in part, either based on or</p> <p>10 corroborated by the opinions of media people? 16:46:40</p> <p>11 A. Corroborated, yes.</p> <p>12 Q. And based upon, in part, some of</p> <p>13 the information you got from these other media</p> <p>14 people?</p> <p>15 A. Corroborated from. 16:46:53</p> <p>16 Q. But also based on, correct?</p> <p>17 A. No, I'm not going to say based on.</p> <p>18 Q. Okay. Why not?</p> <p>19 A. Because it's not true.</p> <p>20 Q. Okay. And so would it be the case 16:47:01</p> <p>21 that you are not basing any opinions you have</p> <p>22 as to why the discount was removed on what you</p> <p>23 received from media people?</p> <p>24 A. I would say that is true.</p> <p>25 Q. Okay. So your opinion would be 16:47:15</p> | <p>1 Q. Is that information that you</p> <p>2 provided to me or your counsel provided to me</p> <p>3 recently?</p> <p>4 A. Yes. It's in the evidence list we</p> <p>5 provided. 16:48:42</p> <p>6 Q. With respect to FirstEnergy</p> <p>7 marketing practices, what will your testimony</p> <p>8 be with respect to that?</p> <p>9 A. I don't know what my exact</p> <p>10 testimony will be, but it will fall under the 16:49:02</p> <p>11 realm of I believe their marketing practices</p> <p>12 were inducive --</p> <p>13 Q. Pardon?</p> <p>14 A. I believe that they were -- they</p> <p>15 induced all-electric customers to build 16:49:15</p> <p>16 all-electric homes and also builders to build</p> <p>17 developments, and that their advertising was</p> <p>18 deceptive.</p> <p>19 Q. How was the advertising deceptive?</p> <p>20 A. Because it never included any 16:49:31</p> <p>21 disclosure as to limiting the amount of time</p> <p>22 the discount would be in place.</p> <p>23 Q. Is there any other basis to say</p> <p>24 that the advertising was deceptive?</p> <p>25 A. Besides my opinion? 16:49:47</p> |

Page 250

1 Q. No. You say that you believe that  
2 the advertising was deceptive because the  
3 advertising didn't include anything about how  
4 long the discount would be in effect, correct?

5 A. Yes. 16:50:00

6 Q. All right. Is there any other  
7 basis to believe or to tell me that you believe  
8 the advertising was deceptive?

9 A. I don't know at this point in time.

10 Q. Okay. That's the only basis you 16:50:10  
11 can provide me today?

12 A. Today, yes.

13 Q. Do you have any expertise in  
14 marketing?

15 A. No. 16:50:40

16 Q. And I think as you said earlier,  
17 you had not compared how other utilities  
18 marketed their rates or services, correct?

19 A. Correct.

20 Q. Have you reviewed any studies or 16:50:55  
21 analysis of consumer attitudes about  
22 FirstEnergy's advertising?

23 A. No.

24 Q. What inducements did FirstEnergy  
25 provide -- or the FirstEnergy utilities, even 16:51:48

Page 251

1 before they were FirstEnergy utilities, provide  
2 to builders to build all-electric homes?

3 A. What did they provide to the  
4 residential customer or to builders?

5 Q. No, I think my question was to 16:52:08  
6 builders.

7 A. To builders? My understanding is  
8 they provided inducements of money to offset  
9 building costs and also offset advertising  
10 costs. 16:52:21

11 Q. Anything else?

12 A. That's all I'm recalling right now.

13 Q. Okay. And, of course, you've  
14 studied this for quite a while; have you not?

15 A. Yes. 16:52:32

16 Q. You've collected this information,  
17 correct?

18 A. Yes.

19 Q. And you understand that I'm trying  
20 to understand the basis of your testimony at 16:52:37  
21 trial -- or hearing, correct?

22 A. Yes.

23 Q. And so all you can tell me right  
24 now with respect to inducements that were  
25 provided to builders was that they were given 16:52:49

Page 252

1 some monies to offset building and advertising  
2 costs, correct?

3 A. Right.

4 Q. What inducements were given to  
5 residential customers? 16:52:58

6 A. Residential customers were offered  
7 the promise of a lower electric rate if they  
8 installed specific equipment and built their  
9 homes to specific standards.

10 Q. Anything else? 16:53:13

11 A. They were also offered free  
12 equipment and monetary rebates.

13 Q. Anything else?

14 A. Not that I can recall.

15 Q. Okay. Was there any inducement 16:53:25  
16 that related to providing a specific discount?

17 A. I don't understand the question.

18 Q. Okay. You said that they were  
19 induced that they would be getting a discount,  
20 correct? 16:53:47

21 A. Yes.

22 Q. And my question to you is: Were  
23 they induced that they would be getting a  
24 specific discount?

25 A. Yes, and many times they were. 16:53:54

Page 253

1 Q. And so you have advertising that  
2 you'll be able to present at the hearing where  
3 FirstEnergy said that there would be a specific  
4 discount?

5 A. It's in the docket, yes. 16:54:05

6 Q. Can you describe it in any other  
7 way, other than being in the docket?

8 A. There are rate agreements in the  
9 docket, optional rate agreements.

10 Q. Those rate agreements, they refer 16:54:20  
11 to rate schedules?

12 A. They do refer to a rate schedule,  
13 but, yes, they refer to a particular rate that  
14 somebody is on, a rate schedule, yes.

15 Q. That refers to rate schedule. 16:54:32

16 And have you reviewed those rate  
17 schedules?

18 A. Not recently, no.

19 Q. Okay. And do you know whether the  
20 rate schedules indicate how long they will be? 16:54:40

21 A. I do not know that.

22 Q. Do you know whether the rate  
23 schedules indicate that rate schedules were  
24 subject to change by the Public Utilities  
25 Commission? 16:54:51

64 (Pages 250 to 253)

| Page 254                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 256                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 A. I do not know if they do.</p> <p>2 Q. Are there any other documents that</p> <p>3 you can refer me to, where a -- where customers</p> <p>4 were induced that they would get a specific</p> <p>5 discount other than those rate agreements that 16:55:07</p> <p>6 you mentioned?</p> <p>7 A. I would have to look at the docket.</p> <p>8 Q. Can you give me any other document</p> <p>9 sitting here today? Can you describe any other</p> <p>10 document? 16:55:20</p> <p>11 A. If we have -- we gave you the</p> <p>12 evidence list. I would have to take a look at</p> <p>13 that.</p> <p>14 Q. And I don't have the evidence list</p> <p>15 here, so can you give me the name or describe 16:55:26</p> <p>16 in any other way any other docket -- document</p> <p>17 that contains an advertisement or any other</p> <p>18 document at all that guarantees a specific</p> <p>19 discount?</p> <p>20 A. Tom Logan's does. 16:55:42</p> <p>21 Q. Anything else?</p> <p>22 A. I can't think off the top of my</p> <p>23 head, no. But I definitely know there are</p> <p>24 more.</p> <p>25 Q. Okay. So Tom Logan's document and 16:55:52</p> | <p>1 A. Yes.</p> <p>2 Q. Have we covered all your -- the</p> <p>3 testimony that you can recall at this time</p> <p>4 about what you may say about FirstEnergy's</p> <p>5 marketing practices? 16:57:13</p> <p>6 A. Yes.</p> <p>7 Q. You also indicated to me earlier</p> <p>8 that one of the topics would be who should be</p> <p>9 included in the permanent solution, correct?</p> <p>10 A. Correct. 16:57:41</p> <p>11 Q. Have we already talked about that?</p> <p>12 A. I don't believe we have.</p> <p>13 Q. Did you not tell me that basically</p> <p>14 all-electrical heated homes should be included?</p> <p>15 A. Yes. 16:57:53</p> <p>16 Q. And did you also tell me that you</p> <p>17 believed that water heating homes should</p> <p>18 receive the same discounts in terms of</p> <p>19 percentage basis that they enjoyed in January</p> <p>20 09? 16:58:05</p> <p>21 A. Yes.</p> <p>22 Q. I think you said that you couldn't</p> <p>23 venture an opinion at this time as to what</p> <p>24 should happen to load management customers,</p> <p>25 correct? 16:58:17</p> |
| Page 255                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 257                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>1 the rate agreements are the only two documents</p> <p>2 that you can point to today that offer specific</p> <p>3 discount?</p> <p>4 A. Right.</p> <p>5 Q. Is it your view that Mr. Logan's 16:56:02</p> <p>6 document guarantees a specific discount?</p> <p>7 A. It guarantees -- it depends on what</p> <p>8 you mean by discount.</p> <p>9 Q. Well, I'm talking about a specific</p> <p>10 dollar number, specific cents per kilowatt 16:56:19</p> <p>11 hour.</p> <p>12 A. No.</p> <p>13 Q. Does it guarantee a specific</p> <p>14 differential in terms of a percentage off of</p> <p>15 the standard rates? 16:56:28</p> <p>16 A. Not a specific one. It guarantees</p> <p>17 the same rate differential that he is on now,</p> <p>18 but it doesn't define what it is.</p> <p>19 Q. So that letter refers to a rate</p> <p>20 differential? 16:56:41</p> <p>21 A. As far as I recall, yes.</p> <p>22 Q. Okay. So because it refers to a</p> <p>23 rate differential, that's the basis for you</p> <p>24 believing that it refers to a specific</p> <p>25 discount, correct? 16:56:51</p>                                                    | <p>1 A. Load management customers are</p> <p>2 currently included in the new credit.</p> <p>3 Q. So they should be included as well?</p> <p>4 A. Yes.</p> <p>5 Q. Does that cover your testimony as 16:58:23</p> <p>6 to who should be included?</p> <p>7 A. Yes.</p> <p>8 Q. Are there any other topics that you</p> <p>9 believe that you will testify today -- or that</p> <p>10 you will testify about on Thursday or Friday? 16:58:44</p> <p>11 A. Not that I can think of at this</p> <p>12 time.</p> <p>13 Q. Okay. And you have taken some time</p> <p>14 to think about it at the direction of the</p> <p>15 attorney examiner, correct? 16:58:55</p> <p>16 A. For the 15 minutes I was given,</p> <p>17 yes.</p> <p>18 Q. Okay. Well, you were given</p> <p>19 actually more than 15 minutes because after</p> <p>20 that we broke for over an hour, correct? 16:59:02</p> <p>21 Correct?</p> <p>22 A. Yes.</p> <p>23 Q. And I'm sitting here looking at</p> <p>24 almost a full page of notes that you've taken,</p> <p>25 correct? 16:59:14</p>                                 |

Page 258

1 A. Correct.  
 2 Q. All right. Does that include your  
 3 thoughts as to what your testimony might  
 4 include?  
 5 A. Yes, at this point in time it does. 16:59:21  
 6 Q. And certainly you have been  
 7 thinking about this case for over a year; have  
 8 you not?  
 9 A. Yes.  
 10 Q. And you probably believe -- or you 16:59:27  
 11 believe that you are probably one of the most  
 12 well-informed people about the issues in this  
 13 case, correct?  
 14 A. I suppose.  
 15 Q. Okay. And you understood that 16:59:40  
 16 you'd testify, correct?  
 17 A. I'm sorry?  
 18 Q. You understood you were going to  
 19 testify later?  
 20 A. Actually, I understand now I am, 16:59:49  
 21 yes.  
 22 Q. Okay. Did you understand that you  
 23 were going to be asked today about what you  
 24 might testify about?  
 25 A. No, I did not. 16:59:56

Page 259

1 Q. So that was a total surprise to  
 2 you?  
 3 A. Yes.  
 4 Q. What did you do to prepare for your  
 5 testimony today? 17:00:03  
 6 A. I didn't know I was testifying  
 7 today. I believe I was being deposed.  
 8 Q. What did you do to prepare for your  
 9 deposition today?  
 10 A. What did I do to prepare? 17:00:13  
 11 Q. Yes.  
 12 A. Not a whole lot.  
 13 Q. Well, what did you do?  
 14 A. What did I do?  
 15 Q. Yes, that's the third time I asked 17:00:19  
 16 the question.  
 17 What did you do?  
 18 A. What did I do? I had a brief  
 19 conversation with my attorney. I looked over  
 20 some old notes and e-mails and that's about it. 17:00:29  
 21 Q. When did you have the conversation  
 22 with your attorney?  
 23 A. Last night.  
 24 Q. How long did the conversation last?  
 25 A. Half an hour. 17:00:42

Page 260

1 Q. And what notes did you look at?  
 2 A. I looked at old e-mails and notes  
 3 that I have on my -- just in a general note  
 4 log.  
 5 Q. Those notes were notes that you 17:00:59  
 6 needed to refresh your recollection about  
 7 events and issues?  
 8 A. That I chose to look at to refresh  
 9 my recollection, yes.  
 10 Q. So you needed those notes to 17:01:06  
 11 refresh your recollection?  
 12 A. Yes.  
 13 Q. And you're going to use those notes  
 14 to refresh your recollection with respect to  
 15 your testimony at the hearing? 17:01:16  
 16 A. I may.  
 17 Q. And would it be the same thing for  
 18 the e-mails, that you needed to look at the  
 19 e-mails to refresh your recollection about your  
 20 testimony? 17:01:29  
 21 A. I may, yes -- I did for this, yes.  
 22 MR. KUTIK: Kevin, I'm going to ask  
 23 that those notes and those e-mails be produced.  
 24 MR. CORCORAN: Okay.  
 25 MR. KUTIK: So let me know one way 17:01:50

Page 261

1 or another by sometime Monday whether that's  
 2 going to happen. You need to answer orally.  
 3 MR. CORCORAN: I'm sorry; I didn't  
 4 know I was nodding. Yeah, sure. I'll let you  
 5 know Monday. 17:02:03  
 6 MR. KUTIK: Thank you.  
 7 A. The e-mails are the same ones you  
 8 already have.  
 9 Q. Well, it would be helpful for me to  
 10 know the specific e-mails you reviewed. 17:02:15  
 11 MR. KUTIK: Let's mark this as a  
 12 the next document.  
 13 - - - - -  
 14 (Thereupon, Deposition Exhibit  
 15 Steigerwald 25, Urgent Message From 17:02:55  
 16 Sue Steigerwald, was marked for  
 17 purposes of identification.)  
 18 - - - - -  
 19 Q. Ms. Steigerwald, the court reporter  
 20 has handed you what's been marked Exhibit 25. 17:02:49  
 21 Do you recognize that?  
 22 A. Yes.  
 23 Q. This is titled, Urgent message from  
 24 Sue Steigerwald, correct?  
 25 A. Yes. 17:03:00

66 (Pages 258 to 261)

Page 262

1 Q. It bears a date of September 18th  
2 of 2010, correct?  
3 A. Yes.  
4 Q. And it's a message that you're  
5 sending to your CKAP friends, a term you're 17:03:10  
6 using, correct?  
7 A. Yes.  
8 Q. And were there other urgent  
9 messages that you sent to CKAP friends?  
10 A. I don't recall. 17:03:23  
11 Q. Now, in this document, in the  
12 second paragraph, at the end you say, Start  
13 thinking about what you want to include in your  
14 testimony and more pointers will be given  
15 later. 17:03:48  
16 Do you see that?  
17 A. No, I don't see that. I'm sorry;  
18 where were you?  
19 Q. The second paragraph, the paragraph  
20 begins, More importantly. 17:03:54  
21 A. Yes.  
22 Q. The last sentence says, Start  
23 thinking about what you may want to include in  
24 your testimony and more pointers will be given  
25 later, correct? 17:04:02

Page 263

1 A. Yes, I do see that.  
2 Q. And were the pointers that came  
3 later, pointers that we looked at in your  
4 e-mail in November?  
5 A. Yes. 17:04:18  
6 Q. Skipping three paragraphs to the  
7 paragraph that begins, Now, since.  
8 Do you see that?  
9 A. Yes.  
10 Q. It says - I believe in the second 17:04:34  
11 sentence - I am compiling everything that you  
12 have sent -- you all have sent to me -- sent  
13 me, along with info we've gotten from builders  
14 who were paid incentives, combined with  
15 testimony and documents from two former 17:04:55  
16 FirstEnergy employees into what will be a  
17 powerful display of FE's bait and switch  
18 marketing practices.  
19 Do you see that?  
20 A. Yes, I do. 17:05:07  
21 Q. Are the two former employees Mr.  
22 Bishop and Mr. Karchefsky?  
23 A. Yes.  
24 Q. Going to the next paragraph, after  
25 the material that is in bold, it says, This is 17:05:39

Page 264

1 because there is such a shortage of printed  
2 documents saying the discount was promised  
3 permanently (we do have two). We need to get  
4 your stories of the verbal promises you were  
5 given documented. 17:06:09  
6 Did I read that correctly?  
7 A. Yes.  
8 Q. Are the two documents that you're  
9 referring to there the letter produced by Mr.  
10 Willetts and the letter produced by Mr. Logan? 17:06:27  
11 A. Yes.  
12 Q. And are those the only two  
13 documents that you're aware of today that  
14 provide a promise of a discount?  
15 A. Yes. 17:06:44  
16 Q. At the bottom of the page, this is  
17 now the first page, in the paragraph that  
18 begins, Regarding Kasich's position -- the  
19 second to last line, there's a sentence that  
20 starts there that says, I will likely call for 17:07:10  
21 a flood of calls to Strickland's office in the  
22 near future, too.  
23 Did you do that?  
24 A. I have to look at the timing here.  
25 No, we did not do that. 17:07:32

Page 265

1 Q. Did you ever call for -- either  
2 before or after this --  
3 A. To Strickland's office?  
4 Q. Yes.  
5 A. Yes. 17:07:44  
6 Q. When did you call for a flood of  
7 calls?  
8 A. When the issue first came about in  
9 the February time frame.  
10 Q. Did you -- did you call for a flood 17:07:50  
11 of calls to anybody else?  
12 A. PUCO probably.  
13 Q. For example, having people send  
14 communications to the PUCO?  
15 A. Yes, the PUCO and the OCC, and also 17:08:13  
16 everybody's individual state and local --  
17 state, senator and local rep.  
18 Q. How many times did you write to the  
19 PUCO?  
20 A. I can't even tell you. 17:08:26  
21 Q. Okay. More than once?  
22 A. More than once.  
23 Q. Half a dozen times?  
24 A. Less than 20.  
25 Q. Are you aware of other people who 17:08:33

67 (Pages 262 to 265)

| Page 266                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Page 268                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 wrote in a similar number to the PUCO as you?</p> <p>2 A. Yes.</p> <p>3 Q. Can you tell me who those people</p> <p>4 are?</p> <p>5 A. No. But I know going through the 17:08:48</p> <p>6 docket that I saw numerous names multiple</p> <p>7 times.</p> <p>8 Q. Do you know an individual by the</p> <p>9 name Lloyd Amster?</p> <p>10 A. No, I do not. 17:08:59</p> <p>11 Q. Going to the paragraph third from</p> <p>12 the bottom that includes the lengthy bold</p> <p>13 enlarged and sometimes capitalized text --</p> <p>14 A. Um-hum.</p> <p>15 Q. -- do you see that? 17:09:46</p> <p>16 You say at the end, I am asking all</p> <p>17 of you who plan to write such documents to</p> <p>18 e-mail me a copy, too, so that I can add it to</p> <p>19 my complete evidence file of FE's bait and</p> <p>20 switch marketing practices. 17:10:02</p> <p>21 Do you see that?</p> <p>22 A. No, I don't. Is it after the bold?</p> <p>23 Q. Yes, it's the last sentence. To be</p> <p>24 completely accurate, it's part of the last</p> <p>25 sentence. 17:10:17</p> | <p>1 record whether you wish to read the transcript</p> <p>2 or waive. You can consult with your attorney.</p> <p>3 THE WITNESS: How do I get a copy</p> <p>4 of the transcript?</p> <p>5 MR. KUTIK: That's between the 17:16:29</p> <p>6 court reporter, you and Mr. Corcoran.</p> <p>7 MR. CORCORAN: Do you want to take</p> <p>8 a look at it? Do you want to read this?</p> <p>9 THE WITNESS: Now?</p> <p>10 MR. CORCORAN: No. Kelly's got to 17:16:40</p> <p>11 type it first.</p> <p>12 MR. KUTIK: When it gets typed up,</p> <p>13 which will be the next couple of days.</p> <p>14 THE WITNESS: Didn't you say</p> <p>15 there's some exorbitant cost to purchase the 17:16:45</p> <p>16 transcript?</p> <p>17 MR. CORCORAN: That's different</p> <p>18 from reading it. Reading it and looking at it</p> <p>19 is different --</p> <p>20 THE WITNESS: Sure, I'll read it. 17:16:52</p> <p>21 (The deposition was concluded.)</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> |
| Page 267                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Page 269                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p>1 A. Yes, I see it.</p> <p>2 Q. Have you provided us your complete</p> <p>3 file -- evidence file?</p> <p>4 A. No, because I never put it</p> <p>5 together. 17:10:25</p> <p>6 Q. So you don't have any such evidence</p> <p>7 file?</p> <p>8 A. No.</p> <p>9 Q. So everything you have that you</p> <p>10 believe constitutes evidence of FE's bait and 17:10:31</p> <p>11 switch marketing practices you have provided to</p> <p>12 us?</p> <p>13 A. Yes.</p> <p>14 MR. KUTIK: Let's go off the</p> <p>15 record. 17:10:44</p> <p>16 (Discussion had off the record.)</p> <p>17 MR. KUTIK: Subject to receiving</p> <p>18 further documents in this case, I have no</p> <p>19 further questions at this time.</p> <p>20 Ms. Steigerwald, as part of the 17:16:08</p> <p>21 deposition process, you have the right to</p> <p>22 review the transcript to correct any</p> <p>23 transcription errors, or you can waive that</p> <p>24 right.</p> <p>25 And you need to indicate on the 17:16:18</p>                                                                       | <p>1 Whereupon, counsel was requested to give</p> <p>2 instruction regarding the witness's review of</p> <p>3 the transcript pursuant to the Civil Rules.</p> <p>4</p> <p>5 SIGNATURE:</p> <p>6 It was agreed by and between counsel and the</p> <p>7 parties that the Deponent will read and sign</p> <p>8 the transcript of said deposition.</p> <p>9</p> <p>10 TRANSCRIPT DELIVERY:</p> <p>11 Counsel was requested to give instruction</p> <p>12 regarding delivery date of transcript.</p> <p>13</p> <p>14 Original: Mr. Kutik</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>                                                                                                                                                                                                                                                                                                                             |

68 (Pages 266 to 269)



Page 270

## REPORTER'S CERTIFICATE

The State of Ohio, )  
 SS:  
 County of Cuyahoga. )

I, Kelly A. Hill, a Notary Public  
 within and for the State of Ohio, duly  
 commissioned and qualified, do hereby certify  
 that the within named witness, SUSAN  
 STEIGERWALD, was by me first duly sworn to  
 testify the truth, the whole truth and nothing  
 but the truth in the cause aforesaid; that the  
 testimony then given by the above-referenced  
 witness was by me reduced to stenotypy in the  
 presence of said witness; afterwards  
 transcribed, and that the foregoing is a true  
 and correct transcription of the testimony so  
 given by the above-referenced witness.

I do further certify that this  
 deposition was taken at the time and place in  
 the foregoing caption specified and was  
 completed without adjournment.

DEPOSITION REVIEW  
CERTIFICATION OF WITNESS

RE: In the Matter of the Application of Ohio  
 Edison Company, The Cleveland Electric  
 Illuminating Company, and the Toledo  
 Edison Company for Approval of a New  
 Rider and Revision of an Existing Rider  
 DEPONENT: SUSAN STEIGERWALD  
 COURT REPORTER: KELLY A. HILL, Rennillo  
 Deposition & Discovery

In accordance with the Rules of Civil  
 Procedure, I have read the entire transcript of  
 my testimony or it has been read to me.

I have made no changes to the testimony  
 as transcribed by the court reporter.

Date Witness

Sworn to and subscribed before me, a  
 Notary Public in and for said State and County,  
 the referenced witness did personally appear  
 acknowledge that:

1. They have read the transcript;
2. They signed the foregoing sworn  
statement; and
3. Their execution of this Statement is  
of their free act and deed.

I have affixed my name and official seal  
 this day of , 20 .

Notary Public

My Commission Expires:

Page 271

I do further certify that I am not  
 a relative, counsel or attorney for either  
 party, or otherwise interested in the event of  
 this action.

IN WITNESS WHEREOF, I have hereunto  
 set my hand and affixed my seal of office at  
 Cleveland, Ohio, on this \_\_\_\_\_ day of  
 \_\_\_\_\_, 2011.

Kelly A. Hill, Notary Public  
 within and for the State of Ohio

My commission expires January 26th, 2011.

DEPOSITION REVIEW  
 ERRATA & CERTIFICATION OF WITNESS  
 RE: In the Matter of the Application of Ohio  
 Edison Company, The Cleveland Electric  
 Illuminating Company, and the Toledo  
 Edison Company for Approval of a New  
 Rider and Revision of an Existing Rider  
 DEPONENT: SUSAN STEIGERWALD  
 COURT REPORTER: KELLY A. HILL, Rennillo  
 Deposition & Discovery

In accordance with the Rules of Civil  
 Procedure, I have read the entire transcript of  
 my testimony or it has been read to me.

I have listed my changes on the attached  
 Errata Sheet, listing page and line numbers as  
 well as the reason(s) for the change(s).

I request that these changes be entered  
 as part of the record of my testimony.

I have executed the Errata Sheet, as well  
 as this Certificate, and request and authorize  
 that both be appended to the transcript of my  
 testimony and be incorporated therein.

Date Witness

Sworn to and subscribed before me, a  
 Notary Public in and for said State and County,  
 the referenced witness did personally appear  
 and acknowledge that:

1. They have read the transcript;
2. They have listed all of their  
corrections in the appended Errata Sheet;
3. They signed the foregoing sworn  
statement; and
4. Their Errata and execution of this  
Statement is of their free act and deed.

I have affixed my name and official seal  
 this day of , 20 .

Notary Public

My Commission Expires:

69 (Pages 270 to 273)