

FILE

**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

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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 Stacia Harper (deposition taken on January 25, 2011) and Susan Steigerwald, Volume II (deposition taken on February 3, 2011).

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
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Dated: February 4, 2011

Respectfully submitted,



James W. Burk (0043808)
Counsel of Record
FIRSTENERGY SERVICE COMPANY
76 South Main Street
Akron, OH 44308
Phone: (330) 384-5861
Facsimile: (330) 384-3875
E-mail: burkj@firstenergycorp.com

David A. Kutik (0006418)
Jeffrey Saks (0071571)
JONES DAY
North Point, 901 Lakeside Avenue
Cleveland, Ohio 44114-1190
Telephone: (216) 586-3939
Facsimile: (216) 579-0212
E-mail: dakutik@jonesday.com

Grant W. Garber (0079541)
JONES DAY
Mailing Address:
P.O. Box 165017
Columbus, Ohio 43216-5017
Street Address:
325 John H. McConnell Blvd., Suite 600
Columbus, Ohio 43215
Telephone: (614) 469-3939
Facsimile: (614) 461-4198
E-mail: gwgarber@jonesday.com

ATTORNEYS FOR APPLICANTS OHIO
EDISON COMPANY, THE CLEVELAND
ELECTRIC ILLUMINATING COMPANY,
AND THE TOLEDO EDISON COMPANY

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 4th day of February, 2011:

Jeffrey L. Small
Maureen Grady
Christopher Allwein
Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215
small@occ.state.oh.us
grady@occ.state.oh.us
allwein@occ.state.oh.us

William L. Wright
John Jones
Public Utilities Section
Office of the Attorney General
180 E. Broad St., 6th Floor
Columbus, Ohio 43215
william.wright@puc.state.oh.us
john.jones@puc.state.oh.us

Thomas J. O'Brien
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215
tobrien@bricker.com

M. Howard Petricoff
Stephen M. Howard
Vorys, Sater, Seymour and Pease LLP
52 E. Gay Street
P.O. Box 1008
Columbus, Ohio 43216-1008
mhpetricoff@vorys.com
smhoward@vorys.com

Samuel C. Randazzo
Joseph E. Olikier
Scott E. Elisar
McNees Wallace & Nurick LLC
21 East State Street, 17th Floor
Columbus, Ohio 43215
sam@mwncmh.com
joliker@mwncmh.com
selisar@mwncmh.com

Richard L. Sites
General Counsel & Senior Director of Health
Policy
Ohio Hospital Association
155 East Broad Street, 15th Floor
Columbus, Ohio 43215
ricks@ohanet.org

Kevin Corcoran
Corcoran & Associates, Co., LPA
8501 Woodbridge Court
North Ridgeville, Ohio 44039
kevinocorcoran@yahoo.com

Cynthia Fonner Brady
Senior Counsel
Constellation Energy Resources, LLC
550 West Washington Blvd, Suite 300
Chicago, Illinois 60661
cynthia.brady@constellation.com

David C. Rinebolt
Colleen L. Mooney
Ohio Partners for Affordable Energy
231 West Lima Street
Findlay, Ohio 45839-1793
cmooney2@columbus.rr.com
drinebolt@ohiopartners.org



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 )Case No.  
Cleveland Electric Illuminating )10-176-EL-ATA  
Company and The Toledo Edison )  
Company for Approval of a New )  
Rider and Revision of an Existing)  
Rider )

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Deposition of

STACIA HARPER

January 25, 2011
1:39 p.m.

Taken at:

Jones Day

325 John H. McConnell Boulevard, Suite 600

Columbus, Ohio

Buster Beck, RPR

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19 COLLEEN L. MOONEY, ESQ.	19
20 231 West Lima Street	20
21 Findlay, OH 45839	21
22 (419) 425-8860	22
23 cmooney2@columbus.rr.com	23
24	24
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2	2 NUMBER DESCRIPTION MARKED
3 On behalf of Ohio Partners for Affordable	3 Exhibit A A 13-page packet comprised ... 12
4 Energy:	4 of ten pages of direct
5 (via telephone)	5 testimony of Stacia Harper
6 Ohio Partners for Affordable	6 on behalf of Ohio Partners
7 Energy, by	7 for Affordable Energy on
8 DAVID C. RINEBOLT, ESQ.	8 January 7th, 2011, and three
9 231 West Lima Street	9 pages of Stacia Harper's
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14	14 header "Project Concept" at
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18	18 e-mail from Stacia Harper to
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<p>1 STACIA HARPER, 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, deposed 5 and said as follows: 6 EXAMINATION OF STACIA HARPER 7 BY MR. GARBER: 8 Q. Good afternoon, Ms. Harper. For 9 the record, my name is Grant Garber, I 10 represent the FirstEnergy Ohio operating 13:39:39 11 companies in this action. 12 Have you ever had your deposition 13 taken before? 14 A. Yes. 15 Q. I think, then, you've probably 13:39:47 16 heard most of the pre-deposition-type rules, 17 but I'll just run through two real quick ones. 18 First of all, I'd ask that you 19 listen to my question; and then, if you don't 20 understand some part of my question that you'll 13:40:01 21 tell me. Will you do that for me? 22 A. Yes. 23 Q. And then, will it be fair for me to 24 assume that -- if you don't ask me to clarify, 25 is it fair for me to assume that you did 13:40:11</p>	<p>1 \$425 for year one. It spanned over -- I'm not 2 sure how many years. We'd have to pull the 3 document. 4 And we thought that combining a 5 typical PPA, a power purchase agreement, with a 13:41:35 6 solar REC, actually what it does is, it reduces 7 the overall cost of the generated power by 8 taking the value of the solar RECs to offset 9 the actual generation cost of the project. And 10 what our project is, that what we were saying 13:41:52 11 -- and this is simply an example, that's all. 12 It's not that we're saying that we're going to 13 do this. All we've been trying to do is talk 14 to FirstEnergy. And we were recommended by the 15 PUCO to submit some testimony to get it entered 13:42:04 16 into the record. 17 So, with that being said, what the 18 whole -- what the idea here is, is that we're 19 bringing in renewable power, solar wind. We're 20 taking value streams that are available from 13:42:20 21 solar REC. The model has it that the 22 utility -- in this case it would be FirstEnergy 23 -- would buy the actual power that's generated 24 because with the solar REC contract, you're not 25 actually buying any power, you're simply buying 13:42:34</p>
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<p>1 understand the question? 2 A. Yes. 3 Q. Also, I'd just ask -- and since 4 you've had your deposition taken before, you 5 know this drill -- I'd ask that your answers be 13:40:18 6 in the form of words and not gestures so that 7 the court reporter can take it down. Will you 8 do that as well? 9 A. Yes. 10 Q. Ms. Harper, what are you proposing 13:40:27 11 in this case? 12 A. What myself and OPAE have worked on 13 putting together is, trying to address the 14 Commission's order that said the staff needs to 15 come up with some alternative recommendations 13:40:43 16 to figure out how to solve the FirstEnergy 17 all-electric situation in terms of continued 18 reliance on rate payer subsidization of, I call 19 it "cross-subsidization rate classes." 20 And what we were looking at is, 13:41:03 21 recently FirstEnergy has been working on their 22 RFP design for the solar REC option. Solar 23 RECs have -- have an inherent -- it's actually 24 an intrinsic value of up to -- we call it the 25 ACAP, the alternative compliance payment, up to 13:41:20</p>	<p>1 the right of the solar REC to meet the state 2 mandates. 3 And then, revenue streams we had 4 mentioned. Then any revenue streams would then 5 be turned around to come in and do energy 13:42:44 6 efficiency and home weatherization. So, at the 7 end of the day what you achieve is an absolute 8 reduction in the price of power that is being 9 needed. So, you create a long-term 10 subsidization without rate payer subsidies. 13:42:58 11 Because there's already a recovery mechanism in 12 existence right now to recover solar REC 13 obligations -- or meeting in-state solar 14 obligations. So, that can already be 15 recovered. 13:43:11 16 And then, the -- when we looked at 17 the actual cost of the power coming out, it 18 came in to be about 50 cents for generation. 19 That's not delivered power, that's the 20 generation component to do an apples-to-apples 13:43:26 21 look with the current rate that we have of 22 .615. So, that's really what we were looking 23 at. 24 And when you add in the benefits of 25 energy efficiency, we estimated that brings 13:43:43</p>

3 (Pages 6 to 9)

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<p>1 someone's power reduction down 20 percent. And 2 if we were to assume 20 percent reduction in 3 use, 20 percent reduction in bill, and with 4 that 50 cent cleared power generation price, 5 then you have a total bill savings of 35 13:43:57 6 percent, which is lower than what the current 7 rate payer subsidy discounts are for the 8 all-electrics. 9 Q. All right. Let me try it again. 10 What specifically are you asking 13:44:11 11 the Commission to do or to order the 12 FirstEnergy companies to do? 13 And I guess, before you answer 14 that, if I say "the FirstEnergy companies," 15 will you understand that I'm referring to the 13:44:20 16 three FirstEnergy Ohio operating utilities? 17 A. Yes. 18 Q. So, what are you asking the 19 Commission to order or to -- what are you 20 asking the Commission to do, or the FirstEnergy 13:44:30 21 companies to do? 22 A. We're asking the Commission to 23 order the FirstEnergy companies to take a look 24 at alternative ways of bringing in a rate 25 discount that does not require rate 13:44:43</p>	<p>1 Q. One acronym that I think you've 2 used a couple times is REC. Could you just 3 tell me what that stands for? 4 A. Renewable energy credit. And SREC, 5 solar renewable energy credit. 13:46:29 6 Q. So, what is the -- you just 7 mentioned the generation project that you're 8 proposing. What is that project? 9 A. The generation project is a 10 combined solar and wind project. If possible, 13:46:40 11 you'd bring in storage as well to increase the 12 capacity factors. And again, this is simply an 13 example of what we've looked at. 14 Q. And when you say "solar and wind 15 project" -- and this gets to part of your 13:47:08 16 testimony -- and actually, let's go ahead and 17 mark that as an exhibit. 18 ----- 19 (Thereupon, Deposition Exhibit A, a 20 13-page packet comprised of ten 21 pages of direct testimony of Stacia 22 Harper on behalf of Ohio Partners 23 for Affordable Energy on January 24 7th, 2011, and three pages of Stacia 25 Harper's resume, was marked for</p>
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<p>1 subsidization through leveraging solar energy 2 projects, renewable energy projects and energy 3 efficiency. 4 Q. Are there any particular 5 alternatives that you're asking the Commission 13:45:03 6 to order the companies to consider? 7 A. The only alternatives that have 8 been investigated by the Commission -- and I'm 9 doing the best I can to answer your question 10 because it's not -- I understand your question, 13:45:18 11 but it's not straight forward because the 12 Commission has ordered the staff to put forth 13 new alternatives. All those alternatives are 14 based on rate payer subsidization. 15 The alternative we're asking for is 13:45:29 16 an end to the rate payer subsidization of a 17 continued discount for all-electric generation. 18 And the alternative that we are proposing that 19 gets additional looking into is a generation 20 project that leverages the recovery mechanism 13:45:44 21 established through our meeting in-state solar 22 requirements. 23 MR. GARBEN: Could you read the 24 last part of that answer back, please? 25 (Record read.) 13:46:19</p>	<p>1 purposes of identification.) 2 ----- 3 Q. Do you have a copy of Exhibit A? 4 A. Yes. 5 Q. If you could turn to page -- 13:47:58 6 actually, I won't direct you to a particular 7 page yet. 8 Are you asking -- are you proposing 9 that the companies build a facility, or just 10 purchase the SRECs or the RECs and the "brown 13:48:22 11 power," as you call it? 12 A. We're suggesting that the company 13 look into purchasing the brown power and the 14 SRECs as a combined project. I shouldn't say 15 "combined project," but combining our recovery 13:48:41 16 mechanisms. 17 Q. Are you proposing that the 18 companies be ordered or -- be ordered to look 19 into building anything, any physical structures 20 at all? 13:48:55 21 A. We're proposing that the Commission 22 require FirstEnergy companies to look into a 23 feasibility study of combining the power. I 24 mean -- I'm having a hard time answering 25 because, again, all we're trying to get at is 13:49:14</p>

4 (Pages 10 to 13)

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<p>1 saying: Look at some different type of method 2 in terms of are they all -- of subsidizing our 3 all-electric customers without rate payer 4 subsidization. 5 Q. If you could turn to page 6 of 13:49:31 6 Exhibit A. Can you look at lines 3 to 4, 7 starting -- the sentence starting with: "The 8 alternative I am proposing is to build a new 9 power plant"? Can you read that sentence? 10 A. "The alternative I" -- 13:49:57 11 Q. I'm sorry. Just to yourself. And 12 let me know when you've read it. 13 A. I've read it. 14 Q. Okay. What do you mean by that 15 sentence? And particularly "I am proposing" -- 13:50:09 16 what I am proposing is to build a new power 17 plant. 18 A. In our example that we've come up 19 with as another alternative to what's currently 20 being discussed and what's on the table and has 13:50:22 21 been filed, we're saying: I would -- here's my 22 example: Build a new power plant that is a 23 combination of solar and wind, and that 24 generates power at a lower market rate than 25 what we're currently seeing, whereas the lower 13:50:41</p>	<p>1 Q. Any other type of entity you can 2 think of? 3 A. It could be the utility. Anyone 4 that has -- that builds power plants. I 5 wouldn't want a cold power plant builder. I'd 13:52:12 6 want someone that builds and has experience 7 working on industrial sites. And I'm saying 8 industrial because of the siting process. It 9 might be easier. Brown field development is 10 another reason why I'd say industrial. And the 13:52:27 11 project we had looked at actually was taking 12 advantage of some brown field areas. 13 Q. What do you mean by the brown field 14 areas that you were looking at? Was it a 15 particular site that you had in mind when you 13:52:48 16 made this proposal? 17 A. There's a quarry someplace, and I 18 just know that it's an abandoned quarry. I 19 don't have the location. And it classifies -- 20 we think it classifies as a mining reclamation 13:53:05 21 area. And then, the -- there was an additional 22 site that was being looked at in Cleveland, and 23 it was an industrial property that is a 24 classified brown field. 25 Q. Do you mention either of those two 13:53:22</p>
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<p>1 market rate comes in from the consideration of 2 the SREC value. 3 Q. Are there any other -- I don't mean 4 to belabor this point -- but are there any 5 other specific alternatives that you're 13:50:58 6 proposing in your pre-filed testimony? 7 A. No. There are an infinite 8 combination of alternatives to propose, this is 9 simply the one that we've put out there for 10 people to think about. 13:51:10 11 Q. And who do you propose should build 12 the power plant that you reference on line 4 of 13 page 6? 14 A. I'm really not proposing anyone 15 specific to build it. We have -- we haven't 13:51:27 16 even had discussions with FirstEnergy, so 17 there's no way that we can even put forth who 18 we are saying is going to build this or not 19 build this. A vital player in this role is 20 FirstEnergy. 13:51:45 21 Q. What sorts of entities would you 22 reasonably expect would be the ones to build, 23 or be the one to build the power plant that 24 you're proposing? 25 A. Renewable energy developers. 13:51:58</p>	<p>1 specific sites in your pre-filed testimony? 2 A. No. 3 Q. Is the abandoned quarry in Ohio? 4 A. Yes. 5 Q. Do you know what county it's in? 13:53:38 6 A. No. 7 Q. Do you know if it's in the 8 FirstEnergy company service territories? 9 A. Yes. 10 Q. Do you know which company's service 13:53:45 11 territory it's in? 12 A. No. 13 Q. How did you hear about it? 14 A. Obviously to get to the numbers, 15 we've had to talk to developers. And the 13:53:55 16 developer that we were -- one of the developers 17 we were speaking with, they are an industrial 18 renewable energy developer. And this is one of 19 -- this is a site that that company identified. 20 Q. What was the name of that company? 13:54:11 21 A. Renewable Energy Services. 22 Q. And just to close the loop, you 23 mentioned an industrial property in Cleveland. 24 Do you know any more specifics about where in 25 Cleveland that is? 13:54:32</p>

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<p>1 A. No.</p> <p>2 Q. Have you ever been to that site?</p> <p>3 A. No.</p> <p>4 Q. Now, you mentioned you had just</p> <p>5 talked to -- what was the name of the entity 13:54:45</p> <p>6 you talked to about the abandoned quarry?</p> <p>7 A. Renewable Energy Services.</p> <p>8 Q. Were you having communications with</p> <p>9 representatives of Renewable Energy Services?</p> <p>10 A. Yes. 13:55:01</p> <p>11 Q. Was anybody else at OPAE having</p> <p>12 communications with anyone from that company?</p> <p>13 A. There was one phone call where Dave</p> <p>14 was on.</p> <p>15 Q. When did you start communicating 13:55:11</p> <p>16 with them about this project that you're</p> <p>17 proposing in your testimony?</p> <p>18 A. October.</p> <p>19 Q. Of 2010?</p> <p>20 A. Um-hmm. 13:55:24</p> <p>21 Q. And why did you initiate that</p> <p>22 process?</p> <p>23 A. Well, we were looking at the</p> <p>24 docketing site and seeing all of the problems,</p> <p>25 the filed letters from customers, stating, 13:55:37</p>	<p>1 Q. I'm not sure I understand.</p> <p>2 A. Renewable Energy Services has a</p> <p>3 couple of different names, and I don't know</p> <p>4 what those other names are.</p> <p>5 Q. Do you know where Renewable Energy 13:57:04</p> <p>6 Services is physically based?</p> <p>7 A. I think it's in Pennsylvania. They</p> <p>8 have a satellite office in California. They</p> <p>9 have been in touch with FirstEnergy not on this</p> <p>10 project, on other projects they've been working 13:57:22</p> <p>11 on.</p> <p>12 Q. So, do -- you think it's possible</p> <p>13 that they're the same company, but you're not</p> <p>14 sure, is that fair?</p> <p>15 A. That's possible. I'd be happy to 13:57:38</p> <p>16 check up and verify that.</p> <p>17 Q. Were you communicating with any</p> <p>18 other third-party company about your proposal</p> <p>19 in this case?</p> <p>20 A. In this case, no. 13:57:48</p> <p>21 Q. So, you're not proposing that</p> <p>22 anyone in particular build the power plant that</p> <p>23 you're proposing in your testimony, right?</p> <p>24 A. Correct.</p> <p>25 Q. Are you proposing that anyone in 13:58:08</p>
Page 19	Page 21
<p>1 pretty much, outrage over their increases in</p> <p>2 bills; went back through the Commission orders,</p> <p>3 saw that alternative -- that alternative</p> <p>4 solutions were being mandated by the Commission</p> <p>5 for the staff to propose. And we also thought 13:55:56</p> <p>6 that: Hey. A long-term solution to increasing</p> <p>7 cost of energy prices is energy efficiency.</p> <p>8 What can we come up with where we can go in and</p> <p>9 we can do energy efficiency and get energy</p> <p>10 efficiency funded where it's not subsidized? 13:56:17</p> <p>11 And so, we started seeing what we</p> <p>12 could do in terms of if there was any possible</p> <p>13 way that the purchase price of power generation</p> <p>14 could be lower than the actual market clearing</p> <p>15 price, and if we were able to take advantage of 13:56:35</p> <p>16 existing mechanisms in the state and combine</p> <p>17 them.</p> <p>18 Q. Was the name of that entity</p> <p>19 Renewable Energy Services or Renewable Energy</p> <p>20 Partners? 13:56:46</p> <p>21 A. RES.</p> <p>22 Q. Have you ever heard of the entity</p> <p>23 Renewable Energy Partners?</p> <p>24 A. It's possible they're the same</p> <p>25 name. 13:56:57</p>	<p>1 particular pay for the building with that power</p> <p>2 plant?</p> <p>3 A. No.</p> <p>4 Q. Are you proposing that anyone in</p> <p>5 particular own that power plant after it's 13:58:17</p> <p>6 built?</p> <p>7 A. No.</p> <p>8 Q. Are you proposing that any entity</p> <p>9 operate that power plant after it's built?</p> <p>10 A. No. 13:58:28</p> <p>11 Q. Are you proposing -- are you making</p> <p>12 any proposals regarding how the cost of</p> <p>13 construction of that plant be recovered, if at</p> <p>14 all?</p> <p>15 A. Yes. 13:58:37</p> <p>16 Q. What's your proposal in that</p> <p>17 respect?</p> <p>18 A. Our proposal is leveraging solar</p> <p>19 REC and the recovery mechanisms associated with</p> <p>20 in-state solar along with power purchase 13:58:47</p> <p>21 agreement for brown power.</p> <p>22 Q. And are you proposing any</p> <p>23 particular sites for that power plant to be</p> <p>24 built?</p> <p>25 A. No. 13:59:01</p>

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<p>1 Q. Are you proposing the size of the 2 plant in terms of the megawatts? 3 A. No. 4 Q. Let's go back to Renewable Energy 5 Services. How did you learn of them before you 13:59:18 6 communicated with them? 7 A. They -- I work in PJM in the 8 stakeholder process in the meetings. Renewable 9 Energy Services is one of the members to PJM 10 that is typically an expert on many issues in 13:59:37 11 terms of being invited as a panelist of 12 capacity markets, demand response, and they 13 were one of the people that I already know and 14 thought I'd ask about the feasibility of trying 15 to come up with something like this. 13:59:50 16 Q. Can you give me the names of the 17 people that you talked with from Renewable 18 Energy Services? 19 A. Paul Williams. 20 Q. Anybody else? 14:00:04 21 A. No. 22 Q. Do you know what his title is? 23 A. Director. But I don't know of 24 what. And I can send you his contact 25 information if you need that. 14:00:25</p>	<p>1 similar to the one you're proposing here that 2 Renewable Energy Services has conducted or 3 managed before? 4 A. No. 5 Q. Do you know if they've ever 14:01:53 6 conducted or managed a project like this one 7 that you're proposing? 8 A. No. I'm not aware of anyone doing 9 this type of project and leveraging in-state 10 existing recovery mechanisms combined with the 14:02:07 11 brown power -- well, combined with the power. 12 Q. So, you're not -- so, with respect 13 to the proposals in your pre-filed testimony, 14 you're not aware of any other project manager, 15 utility, any other company doing anything like 14:02:20 16 that in the State of Ohio before? 17 A. No. Not in Ohio. Not in the 18 nation. 19 Q. Do you know how many -- do you know 20 if Renewable Energy Services has done anything 14:02:31 21 that you would broadly classify as a 22 solar-power-type project? 23 A. Yes. 24 Q. Can you tell me about that? 25 A. I just know they have. It's on 14:02:44</p>
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<p>1 Q. Have you ever worked with Renewable 2 Energy Services before October 2010 on 3 anything? 4 A. Only in the stakeholder process at 5 PJM. 14:00:34 6 Q. Do you know how many -- just talk a 7 little bit about what you discussed with Paul 8 with respect to the type of projects that you 9 would want to propose in this case. 10 A. I'm sorry. Can you rephrase your 14:00:50 11 question? 12 Q. Tell me about what you -- what were 13 the source of things that you talked about in 14 your initial conversations with Paul in terms 15 of discussing this case and maybe what your 14:01:02 16 objectives were with the relationship with 17 Renewable Energy Services? 18 A. We didn't talk anything about this 19 case. The conversation we had was simply 20 about: Hey. How much would it cost to -- 14:01:14 21 what's the amount -- what would be the purchase 22 price generation? And bringing in energy 23 efficiency. And what are the revenue streams? 24 That's what we talked about. That was it. 25 Q. Do you know how many projects 14:01:36</p>	<p>1 their website. 2 Q. Do you know how many such projects 3 they've done? 4 A. There's three listed on their 5 website. 14:02:53 6 Q. Do you know where those were? 7 A. No. 8 Q. What about wind projects. Are you 9 aware if Renewable Energy Services has ever 10 managed or conducted a wind-power-type project? 14:03:02 11 A. No. It's probably on their 12 website. And it's possible one of those three 13 might have been a wind or a wind/solar combo. 14 Q. Sitting here today at least, you 15 can't say for sure what the answer is to that? 14:03:21 16 A. No. 17 Q. Do you know if they've done any 18 projects in Ohio? 19 A. Yes. 20 Q. What do you know about that? 14:03:27 21 A. I know that Renewable Energy 22 Services represents industrial partners, and 23 then they have done some, I understand, 24 industrial brown field re-development projects 25 in northern Ohio. 14:03:46</p>

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1 Q. Do you know how many, ballpark?
 2 A. No.
 3 Q. More or less than ten, do you know?
 4 A. I don't know. I don't know if
 5 that's public information either, so I doubt 14:03:54
 6 those are large scale. I don't know.
 7 Q. Do you know if they've worked on a
 8 project like that in Ohio in the last year?
 9 A. No.
 10 Q. Not sure one way or the other? 14:04:04
 11 A. No. I don't know.
 12 Q. Do you know if Renewable Energy
 13 Services has worked on any projects regarding
 14 all-electric customers?
 15 A. No. 14:04:19
 16 Q. Has Renewable Energy Services
 17 worked on any projects regarding the purchase
 18 of brown power?
 19 A. I think so. I can't say for sure.
 20 Q. What makes you say you think so? 14:04:34
 21 A. Well, brown power is a power
 22 purchase agreement for the power generated out
 23 of that. So, in terms of an industrial plant
 24 that has combined heat and power, it's possible
 25 that there's a brown power stream coming out of 14:04:49

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1 there. That would have been part of their
 2 whole purpose of putting in an industrial CHP.
 3 Q. What's CHP?
 4 A. Combined heat and power.
 5 Q. So, are you saying that any -- 14:05:01
 6 A. Any time you strip out generation
 7 from renewable -- from a renewable credit is
 8 brown power. And if someone is purchasing that
 9 power, that is considered -- in my world, I'm
 10 considering that to be a power purchase 14:05:26
 11 agreement because the project was set up to buy
 12 power at an agreed-to price that is not defined
 13 by the market.
 14 Q. Do you know -- how many such
 15 projects regarding brown power has Renewable 14:05:41
 16 Energy Services worked on?
 17 A. No -- I do not know.
 18 Q. Are you proposing that Renewable
 19 Energy Services have any kind of role in the
 20 particular project that you're proposing in 14:05:58
 21 your pre-filed testimony?
 22 A. The ultimate choice of who
 23 participates in a project or not is
 24 FirstEnergy's and the -- FirstEnergy companies'
 25 choice. That's not our choice. This is an 14:06:14

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1 example information that we were able to come
 2 up with, and the example was worked on with
 3 Renewable Energy Services.
 4 Q. What did Renewable Energy Services
 5 do in connection with generating the proposal? 14:06:30
 6 A. They gave me an idea of what the
 7 price was. They came up with an estimate of 5
 8 cents delivered generation -- not generation,
 9 but 5 cents for the generation component.
 10 Q. What did they do to arrive at that 14:06:51
 11 figure?
 12 A. I don't know.
 13 Q. Was Paul Williams the one who did
 14 the analysis to arrive at that figure?
 15 A. Yes. 14:07:03
 16 Q. Did you provide any information to
 17 Mr. Williams or anyone else at Renewable Energy
 18 Services in connection with that analysis?
 19 A. Yes.
 20 Q. What did you provide? 14:07:20
 21 A. The estimated number of customers,
 22 market clearing price that cleared in the most
 23 recent auction process, the state website or
 24 the docketing site so they could go and look up
 25 what the value of solar RECs -- the ACAP 14:07:40

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1 payment stream was.
 2 Q. Anything else? Any other type of
 3 information that you provided to Renewable
 4 Energy Services?
 5 A. No. 14:07:55
 6 Q. What was the estimated number of
 7 customers that you provided?
 8 A. 16,000.
 9 Q. And that number is purporting to be
 10 the number of all-electric customers? 14:08:08
 11 A. That number is a carve-out of the
 12 low income -- actually, let me rephrase. That
 13 number is the low-income all-electric
 14 customers.
 15 Q. How did you derive that figure? 14:08:21
 16 A. That came from their -- in the
 17 staff's report that was completed per the
 18 Commission order, there's attachment one in
 19 their filing. And they had estimated -- they
 20 did a customer count. And I summed up all of 14:08:52
 21 those on water heating and space heating and
 22 optional electric heating, and added those up
 23 and came up with a number of roughly 160,000.
 24 And we assumed 10 percent is a fairly rational
 25 estimate for the low income make-up of the 14:09:14

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1 all-electric.

2 Q. In other words, 10 percent of the

3 total number of all-electric customers would be

4 the low income portion of that?

5 A. Correct. And the total number of 14:09:26

6 low-income customers -- not low-income. The

7 total number of all-electric customers is kind

8 of unknown. There is an additional 88,000

9 customers that were added, and that's

10 additional detail where we needed to talk with 14:09:43

11 FirstEnergy to see what the actual count was.

12 Q. Do you have a copy of the staff

13 report in front of you?

14 A. Not of the staff report, but the

15 attachment that was in the staff report that 14:09:56

16 you can have.

17 Q. Actually, can you just show me what

18 columns you were adding together on here?

19 A. So, for the CEI part, it would be

20 sheet number 12, sheet number 13. And this was 14:10:10

21 worked out in the Excel attachment that Dave

22 had sent.

23 Q. We'll mark these as exhibits just

24 to keep the record clear.

25 A. So, we might want to turn to -- I 14:10:30

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1 guess this would be the next exhibit. This was

2 the spreadsheet 2 on the Excel document.

3 Q. So, we'll mark, as Exhibit B, the

4 combined Excel spreadsheet document.

5 - - - - -

6 (Thereupon, Deposition Exhibit B, a

7 2-page Excel spreadsheet document,

8 was marked for purposes of

9 identification.)

10 - - - - -

11 Q. Okay.

12 A. Okay. On Exhibit B, you'll see CEI

13 has an asterisk. It says water and space

14 heating combined is 27,900. And that one is

15 combined because that is the way it was 14:11:27

16 reported on the staff report in attachment one.

17 OE has a column here for space heat of 73,700,

18 and another column for water heat of 1,000, and

19 then optional electric heating was 2,800.

20 Toledo Edison has a report of 14:11:46

21 32,000, and that 32,000 from Toledo Edison with

22 the space heat comes from -- you had to add the

23 30,300 and the 1,700 from attachment one of the

24 staff report. And that's sheet 17 and sheet

25 18. And then, the 19,400 water heat under 14:12:10

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1 Toledo Edison is sheets 15 and 16 on attachment

2 one of the staff report. And then, the 350 was

3 the sum of sheets number 13 and 14. And your

4 total comes out to 159,850.

5 Q. Why did you apply the 10 percent 14:12:41

6 figure to that number to arrive at the low

7 income carve-out?

8 A. That's the number that we use at

9 OPAE for the -- for trying to figure out what

10 the low-income portion is of the all-electric. 14:12:57

11 That number can change monthly because of who

12 is eligible and who loses eligibility, so

13 that's a number that we use as a ballpark. And

14 we can always go and verify that number.

15 Q. I guess I'll ask it again. How was 14:13:15

16 that 10 percent derived? Was there some

17 calculation that was done to initially arrive

18 at that figure at some point?

19 A. No. The 10 percent is what we use

20 at OPAE as an assumption of -- of an adequate 14:13:27

21 representation of what our projected low-income

22 residents are that are PIPP customers in the

23 all-electric.

24 Q. Has anyone at OPAE ever gone back

25 and examined any records or tried to determine 14:13:48

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1 the accuracy of that 10 percent figure?

2 A. I'm sure they have, but we don't

3 have an accurate count of what the all-electric

4 count is in FirstEnergy, so that's a little bit

5 difficult to do. But we do have an accurate 14:14:03

6 count of how many customers we have.

7 Q. Who's "we"?

8 A. OPAE.

9 Q. Do you know how many OPAE customers

10 are all-electric customers? 14:14:19

11 A. No. We can figure that out once we

12 get with FirstEnergy and try to take a look at

13 it.

14 Q. But there's no sort of -- there are

15 no customer records that you would have that 14:14:34

16 would reflect whether a particular customer is

17 on an all-electric discount or tariff?

18 A. No. That's FirstEnergy

19 information.

20 Q. You mentioned that you also 14:14:44

21 provided Renewable Energy Services with a

22 market clearing price from which auction?

23 A. The most recent auction, where it

24 came in at roughly .615. And I'm using that

25 number of .615 because that was filed in the 14:15:00

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<p>1 staff report.</p> <p>2 Q. Do you know what variables</p> <p>3 renewable -- strike that.</p> <p>4 What variables did Renewable Energy</p> <p>5 Services use to come up with the 5 cent 14:15:18</p> <p>6 kilowatt hour figure?</p> <p>7 A. The numbers that we had discussed</p> <p>8 were an estimated power production of 36</p> <p>9 megawatts, all in capacity factor of 25</p> <p>10 percent. 14:15:35</p> <p>11 Q. Anything else?</p> <p>12 A. I think the solar REC price that</p> <p>13 they used was \$125 per megawatt.</p> <p>14 Q. What's the basis of that figure?</p> <p>15 A. It has to do with what's been 14:15:49</p> <p>16 clearing in New Jersey, and what are -- the</p> <p>17 ACAP prices in Ohio are very high, and we don't</p> <p>18 really have good market history in Ohio to see</p> <p>19 what solar prices are coming in. So, that's</p> <p>20 below what the ACAP is; however, it's still -- 14:16:05</p> <p>21 they thought that was a rational number that</p> <p>22 they could achieve what they needed to do, and</p> <p>23 being below the actual ACAP we thought was</p> <p>24 really a good thing.</p> <p>25 Q. I'm sorry. Can you just explain to 14:16:18</p>	<p>1 reflect any data from Ohio?</p> <p>2 A. They used the Ohio ACAP schedule</p> <p>3 and said that the 125 is less than the Ohio</p> <p>4 schedule. So, they did use Ohio data in coming</p> <p>5 up with the 125, recognizing that the Ohio 14:17:57</p> <p>6 market is significantly less than the New</p> <p>7 Jersey market.</p> <p>8 Q. How did Renewable Energy Services</p> <p>9 -- taking the variables that we've discussed,</p> <p>10 how did Renewable Energy Services calculate the 14:18:21</p> <p>11 5 cents per kilowatt hour figure?</p> <p>12 A. I don't know. They put it through</p> <p>13 their budget and probably did a capitalization</p> <p>14 project, streamed it out over a number of</p> <p>15 years. And to come out -- to result in the 5 14:18:38</p> <p>16 cent price is taking into account offsetting</p> <p>17 the actual cost of the plant with the value</p> <p>18 from the solar RECs.</p> <p>19 Q. You didn't perform that calculation</p> <p>20 though, right? 14:19:00</p> <p>21 A. No.</p> <p>22 Q. Who performed that calculation?</p> <p>23 A. Renewable Energy Services.</p> <p>24 Q. Do you know what individual</p> <p>25 performed it, or individuals? 14:19:09</p>
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<p>1 me what "ACAP" is?</p> <p>2 A. The alternative compliance payment.</p> <p>3 So, any utility company in the State of Ohio</p> <p>4 has the choice to either put out an RFP, build</p> <p>5 a solar project themselves to meet the mandated 14:16:30</p> <p>6 in-state solar requirements. If they don't,</p> <p>7 then they are mandated to pay the solar ACAP,</p> <p>8 the alternative compliance payment for</p> <p>9 non-compliance.</p> <p>10 Q. So, when you say that the figure 14:16:45</p> <p>11 was below the ACAP, what do you mean?</p> <p>12 A. \$125 is less than \$425 that is one</p> <p>13 of the year's prices established in the ACAP.</p> <p>14 Q. And you said that the \$125 was</p> <p>15 derived from data from New Jersey? 14:17:02</p> <p>16 A. Yes. New Jersey has one of the</p> <p>17 most successful solar markets in the U.S. I</p> <p>18 think their -- they actually have prices</p> <p>19 clearing up in \$600 areas. But when you look</p> <p>20 at over a 15-year project -- and I didn't come 14:17:17</p> <p>21 up with \$125, that is the assumption that</p> <p>22 Renewable Energy Services did, but I did ask</p> <p>23 where the 125 came -- where they came up with</p> <p>24 it from, and that was what they said.</p> <p>25 Q. Did the \$125 figure include or 14:17:32</p>	<p>1 A. My only contact at Renewable Energy</p> <p>2 Services was Paul Williams.</p> <p>3 Q. Did Paul Williams do those</p> <p>4 calculations, or do that calculation?</p> <p>5 A. To the best of my knowledge, he 14:19:21</p> <p>6 did. That was my only contact there.</p> <p>7 Q. You have in front of you Exhibit B.</p> <p>8 A. Yes.</p> <p>9 Q. The two Excel spreadsheets.</p> <p>10 Looking on the cover page of that, where it 14:19:34</p> <p>11 says: "1st Phase Project Size," what does that</p> <p>12 mean? Do you see where I'm --</p> <p>13 A. Yes. 18 megawatts of wind with 20</p> <p>14 megawatts of solar.</p> <p>15 Q. And what does "1st Phase Project 14:19:49</p> <p>16 Size" mean? What is that referring to? I</p> <p>17 understand what the megawatt is, but what's the</p> <p>18 "1st Phase" part of that?</p> <p>19 A. The first phase is phase one.</p> <p>20 There could be multiple projects that spin off 14:20:02</p> <p>21 from this. And I did not put this sheet</p> <p>22 together. This was sent to me from Renewable</p> <p>23 Energy Services. So, phase one could be --</p> <p>24 "1st Phase" could be them talking. And again,</p> <p>25 with -- what we've put forth, as we have said: 14:20:24</p>

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<p>1 Here's an example. This is only enough to 2 cover the low income. So -- 3 Q. Okay. More generally, what is the 4 first page of Exhibit B? What is this 5 purporting to show? 14:20:38 6 A. This is a development budget for 7 how much it would cost to develop their 8 full-fledged project plan and budget. So, the 9 total amount of this budget here is \$2.6 10 million. It is not the project cost of the 14:20:52 11 estimated 130, \$140 million. 12 And the reason why I have this is, 13 I had asked Renewable Energy Services for some 14 type of a timeline so that they could -- that 15 we could have an idea of when we were able to 14:21:14 16 talk with FirstEnergy or the Commission to talk 17 about what type of project timeline we're 18 talking about. 19 Q. Who created the first page of 20 Exhibit B, this spreadsheet? 14:21:29 21 A. This came from Renewable Energy 22 Services. 23 Q. Did you have any input into the 24 content of this spreadsheet? 25 A. I requested it. I asked for a 14:21:40</p>	<p>1 Q. So, that's three months beyond 2 what's reflected in this timeline? 3 A. Yes. 4 Q. So, looking at the 1st Phase 5 Project Size, where did those -- where did 14:23:17 6 those figures come from? 7 A. I don't know. 8 Q. Did you request that the 1st Phase 9 Project Size reflect those megawatts? 10 A. The megawatts that we had talked 14:23:31 11 about initially were 36 megawatts, which is 12 referenced in the e-mail that was to Bob 13 Fortney. And that was what, at that point in 14 time, that Renewable Energy Services said that 15 they could guarantee they could generate. 14:23:50 16 Q. What amount was the amount they 17 could guarantee, the 36? 18 A. 36. And this is showing 38, so 19 they've been able to show an additional two 20 megawatts here. 14:24:07 21 Q. And on the estimated -- is that 22 "estimated maximum project size" two rows below 23 the 1st Phase Project Size? Is that what that 24 stands for? 25 A. I assume so. 14:24:22</p>
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<p>1 timeline, and this is what I got. 2 Q. A timeline for what? 3 A. I had asked for a project timeline, 4 but I got a development budget timeline. 5 Q. What's the difference? 14:21:57 6 A. Well, I thought one was going to be 7 \$140 million, but this one is 2.6 million. So, 8 this is the cost that I called to clarify what 9 this was, and I was told it was the 10 developmental budget of 2.6 million that they 14:22:09 11 could commit themselves to. Meaning that if 12 they were to do the project, the 2.6 is their 13 responsibility. 14 But, the reason why they gave this 15 to me in the format that it was given to me in 14:22:26 16 is, we had asked for the timeline of trying to 17 figure out how to -- how long it was going to 18 take to put up a project. And these things 19 have to be done before any construction can 20 occur. And from here forward, the estimate was 14:22:43 21 three months once all of this is done. 22 Q. Three months for what? What's -- 23 A. To put up a wind and solar install 24 of roughly 40 -- that's 38 megawatts. Three is 25 the minimum time estimate, three months. 14:23:05</p>	<p>1 Q. Where did the 50 megawatt maximum 2 figure come from? 3 A. If there's integration of energy 4 storage. Energy storage is not included in any 5 of our initial budget estimates of the 130, 14:24:34 6 \$140 million. Energy storage is based on 7 battery storage and technologies. There's a 8 wide range of technologies, and it's all about 9 what cost is feasible and what's not. The 10 beauty of energy storage, if you can get it 14:24:51 11 into the cost and it be cost effective, you 12 increase the capacity factor. 13 Q. Who decided that the estimated 14 maximum project size would be 50 megawatts? 15 A. Renewable Energy Services did, and 14:25:08 16 that's based on the incorporation of energy 17 storage. 18 Q. If you look down underneath, let's 19 just pick the first number underneath April 20 2011 for the feasibility studies. Do you see 14:25:26 21 the number 20 there? Do you see that? 22 A. Yes. 23 Q. What does that mean? 24 A. Means that it would cost \$20,000 to 25 do a feasibility study on the two properties. 14:25:37</p>

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<p>1 Q. Who determined that it would cost 2 \$20,000 to do that?</p> <p>3 A. Renewable Energy Services.</p> <p>4 Q. Do you know how that figure was 5 generated or derived? 14:25:49</p> <p>6 A. No.</p> <p>7 Q. Let's go to the figure under August 8 2011, the system impact studies. What does 9 that 25 mean?</p> <p>10 A. 25,000. 14:26:02</p> <p>11 Q. For what?</p> <p>12 A. For completion of a system impact 13 study. And I don't really know what an impact 14 study is, if that's an environmental study. 15 But environmental constraint study is under 14:26:17 16 "Permitting," so I'm not sure what a system 17 impact study is.</p> <p>18 Q. Who generated the \$25,000 figure 19 that appears there?</p> <p>20 A. Renewable Energy Services. And 14:26:27 21 again, they generated this sheet.</p> <p>22 Q. So, if I ask you who generated the 23 figures that are -- the cost figures that are 24 listed in any of those block of rows, the 25 answer would be Renewable Energy Services? 14:26:45</p>	<p>1 Q. What does -- who are all-electric 2 customers?</p> <p>3 A. I really don't know. There are 4 several rates that pertain to different 5 electric-use customers, such as all -- such as 14:28:08 6 space heating, water heating; those have the 7 largest numbers. I'm not sure exactly what 8 "all-electric" truly does mean in terms of the 9 total number of customers. And again, that's a 10 point where we really need to talk with 14:28:28 11 FirstEnergy to get that information.</p> <p>12 Q. What rates or tariff schedules 13 would you classify as being all-electric?</p> <p>14 A. The ones that I used in calculating 15 the first portion of Exhibit B, page 2, where 14:28:43 16 the CEI, Ohio Edison and Toledo Edison are 17 listed here with the space heat, the water heat 18 and optional electric heating. And those came 19 from -- for CEI, again, those were schedules 20 that came from -- it says sheet number 14, and 14:29:04 21 that sheet references FirstEnergy's tariff.</p> <p>22 OE, that would come from sheet -- 23 what was the -- that was sheet 11. And sheet 24 -- let's see what that is -- 18. And then, 25 from TE, those are sheets -- that was a sum, so 14:29:26</p>
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<p>1 A. That's correct.</p> <p>2 Q. Let's look to the second page of 3 Exhibit B. Who put these tables together?</p> <p>4 A. I did.</p> <p>5 Q. And where did you take these -- I 14:27:03 6 guess starting with the number of customers 7 that we've already walked through, where did 8 you get those numbers from?</p> <p>9 A. These came from the staff report.</p> <p>10 Q. In 10-176? 14:27:17</p> <p>11 A. Yes.</p> <p>12 And these were just simply copied 13 from the information that was filed in the 14 staff report for what the current discounts 15 are. And I might be mistaken, this might not 14:27:32 16 be the staff report; it could have been the 17 Commission's order. I'm not sure because I 18 didn't reference on here where I got it from. 19 But it came from one of those two documents, 20 and I will be happy to make sure that I get 14:27:45 21 those to you if you need them.</p> <p>22 Q. Who are -- you used the phrase or 23 the term "all-electric customers" several times 24 in your testimony. Do you recall doing that?</p> <p>25 A. Yes. 14:27:56</p>	<p>1 that was sheet 17 and 18. Also, sheet 15 and 2 16. And then, we have another one of sheet 11 3 and 13. So, those are all the different tariff 4 sheets I used to -- used my -- come up with the 5 all-electric assumption. 14:29:51</p> <p>6 MR. GARBER: And we should say that 7 the record should reflect that Colleen has left 8 the room to take a phone call.</p> <p>9 Dave, are you still on the call?</p> <p>10 MR. RINEBOLT: I am. Thank you. 14:30:05</p> <p>11 MR. GARBER: Is it okay if we 12 continue? I think she just stepped out for a 13 moment.</p> <p>14 MR. RINEBOLT: Oh, yeah. Go right 15 ahead. 14:30:14</p> <p>16 Q. Why are you including water heating 17 customers -- or are you including water heating 18 customers in what you term all-electric 19 customers?</p> <p>20 A. Yes. 14:30:22</p> <p>21 Q. And why are you doing that?</p> <p>22 A. I just -- I didn't assume there was 23 double counting, but I honestly don't know. 24 And when the staff report put out the number -- 25 their number of all-electric customers, they 14:30:38</p>

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1 had a very -- with the new 88,000, it looked
 2 like they had added together all of these. And
 3 I don't know if there's an opportunity for
 4 double counting or not, so that's why I just
 5 simply just used water and space. 14:30:52
 6 Q. If you could turn to page 5 of
 7 Exhibit A, your pre-filed testimony. And if
 8 you look at the sentence starting on line 22,
 9 and then it continues onto the next page, let
 10 me know when you've had a chance to review 14:31:36
 11 that.
 12 A. I've had a chance.
 13 Q. What do you mean when you say "the
 14 sale of renewable energy credits"? What are
 15 renewable energy credits? 14:31:56
 16 A. Those are RECs. We have two types
 17 in Ohio, we have renewable energy credits that
 18 are non-solar and we have solar renewable
 19 energy credits.
 20 Q. Have you determined whether -- have 14:32:09
 21 you calculated the amount of revenue that would
 22 be produced by the sale of renewable energy
 23 credits in connection with your proposal in
 24 this case?
 25 A. I have not. 14:32:20

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1 Q. Has anyone?
 2 A. That would have been done by
 3 Renewable Energy Services as part of their all
 4 cost -- their generated power price of 5 cents.
 5 Q. Do you know what revenue figure 14:32:33
 6 Renewable Energy Services derived from -- for
 7 analyzing this proposal and the sale of
 8 renewable energy credits?
 9 A. I'm sorry? When you say "derived,"
 10 do you mean the number that they came up with? 14:32:50
 11 Q. Yeah.
 12 Let me ask it this way: Do you
 13 know what number Renewable Energy Services used
 14 to represent the sale of renewable energy
 15 credits? 14:33:02
 16 A. I recall that they had used \$125
 17 per megawatt. I don't know if that's what was
 18 -- I've never seen their calculation for their
 19 all-in price of 5 cents for generation.
 20 Q. What do you mean you never saw 14:33:16
 21 their all-in calculation?
 22 A. I haven't seen any spreadsheets on
 23 how they calculated 5 cents for generation.
 24 The information that I've been given is an
 25 estimated project value of 130 million for the 14:33:32

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1 most part. Add in the solar credits and
 2 accelerated depreciation -- I'm sorry.
 3 Accelerated depreciation isn't there. It's
 4 just the solar and the cost of the generation
 5 comes out to 5 cents when we offset the actual 14:33:50
 6 price of what it is to generate with the value
 7 that's received from the sale of the solar
 8 RECs.
 9 Q. On page 6, line 1, you mentioned
 10 investment tax credits. Were investment tax 14:34:10
 11 credits included in the calculation that led to
 12 the 5 cents per kilowatt hour?
 13 A. I think the investment tax credits
 14 have been included in that total price,
 15 accelerated depreciation was not. 14:34:26
 16 Q. Do you know what figure was used by
 17 Renewable Energy Services for investment tax
 18 credits?
 19 A. I assume it's the 30 percent ITC.
 20 Q. And why do you assume that? 14:34:41
 21 A. That's federal renewable incentive
 22 that came about under -- I don't know if it
 23 came under the American Recovery Reinvestment
 24 Act or not, but it's a federal incentive for
 25 renewable project development. 14:35:00

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1 Q. Do you know whether they used the
 2 30 percent figure for that?
 3 A. I think they did. I cannot truly
 4 say yes or no.
 5 Q. For renewable production credits, 14:35:09
 6 do you know what figure Renewable Energy
 7 Services used for that?
 8 A. Well, with this sentence, those are
 9 commas and doesn't necessarily mean that all of
 10 these were considered. My understanding is, 14:35:27
 11 that you have a choice between an ITC or an
 12 RPC, so I'm not sure. It's one of those. And
 13 it depends upon the project, if it's an ITC or
 14 RPC and who actually owns it. So, in this case
 15 it's one or the other. 14:35:47
 16 Q. And RPC refers to renewable
 17 production credits?
 18 A. That's correct.
 19 Q. Do you know whether it was the ITC
 20 or the RPC that was used in the calculation by 14:35:56
 21 Renewable Energy Services?
 22 A. No.
 23 Q. You mentioned on line 2: "And
 24 other tax and economic development incentives."
 25 What do you mean by that? 14:36:10

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<p>1 A. Accelerated depreciation is one 2 that I mean. That would not include it into 3 the project cost, that would be a value stream 4 that comes back. And when I say it "comes 5 back," that money can go into the energy 14:36:22 6 efficiency measures that we would implement and 7 the -- where am I? "Economic development 8 incentives," that actually refers to available 9 state potential, available state moneys such as 10 the State Energy Program, the Third Frontier 14:36:41 11 Program, Advanced Energy Program in Ohio, and 12 if there's any federal programs that we could 13 apply for as well.</p> <p>14 Q. Do you know how much revenue or 15 value -- how much value could be derived from 14:37:02 16 those applications in connection with the 17 project that you're proposing?</p> <p>18 A. We have no idea.</p> <p>19 Q. If you look down a little bit 20 further on page 6, on line 16, the sentence 14:37:21 21 that starts: "Because Ohio has little 22 installed solar capacity." What's the basis of 23 that sentence there?</p> <p>24 A. Ohio doesn't have much installed 25 solar, and the State of Ohio requires a portion 14:37:37</p>	<p>1 number that is how many that we could actually 2 power. And that happened to be correlated to 3 what we expect to be the number of low-income 4 customers in the all-electric. So, all we were 5 saying is: Here's a carve-out. Could we try 14:39:30 6 it as a pilot and see if this works? And if it 7 does then, going forward, is it possible to try 8 to do some other projects that are similar to 9 this, where you don't have to have long-term 10 viability through continued rate payer 14:39:42 11 subsidization?</p> <p>12 Q. When you say let's see if this 13 works -- I think, to paraphrase what you said 14 referring to the project -- what do you mean by 15 that? What would it mean for the project to 14:39:51 16 work?</p> <p>17 A. That we're able -- that the price 18 of power that people are paying is actually 19 lower for the all-electric and is not that -- 20 that differential is not being subsidized by 14:40:07 21 other rate payers that are non all-electric.</p> <p>22 Q. What would all-electric PIPP 23 customers have to pay for generation under your 24 proposal?</p> <p>25 A. We're looking at a 35 percent 14:40:24</p>
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<p>1 of the solar REC to be met with in-state solar 2 production. And from the laws of supply and 3 demand, when you're in short supply, you have a 4 high demand, which equals a high price.</p> <p>5 Q. Do you know what the price is? 14:37:55</p> <p>6 A. No. I don't. I know what the ACAP 7 price is, and that's \$425. So, if the 8 utilities do not meet their in-state solar 9 requirement, then they are to pay \$425 for, I 10 think it is -- I'm not sure if it's 2010 that 14:38:12 11 425 is associated with, or 2011. But we can 12 always pull that chart.</p> <p>13 Q. What chart?</p> <p>14 A. There's an alternative compliance 15 payment schedule that's available by year of 14:38:27 16 what the alternative compliance payment is, and 17 it starts at 425, I think, and then 18 continuously decreases.</p> <p>19 Q. Why in your proposal -- why do you 20 propose that only all-electric PIPP customers 14:38:53 21 receive the benefit of the power plant that 22 you're proposing here?</p> <p>23 A. We wanted to propose this as a 24 pilot. And the 16,000 number that came out 25 from powering from 36 megawatts, 16,000 was a 14:39:10</p>	<p>1 reduction once the -- with the energy 2 efficiency and weatherization included. 3 Without the energy efficiency and 4 weatherization included, we're looking at a 20 5 percent reduction. 14:40:37</p> <p>6 Q. Where did those figures come from?</p> <p>7 A. Those came from the 5 cents of 8 generated power versus the .615 -- the 6.15 -- 9 however that is -- and then, the percentage 10 savings from energy efficiency and home 14:40:55 11 weatherization measures. And if you take 20 12 percent off of the generation price of the 5 13 cents, brings you down to a price of 4 cents, 14 which is a 35 percent reduction from the 6.15 15 cents. 14:41:14</p> <p>16 Q. Is that calculation reflected in 17 your pre-filed testimony anywhere?</p> <p>18 A. No.</p> <p>19 Q. Have you done that calculation that 20 you just described? 14:41:27</p> <p>21 A. Yeah. I just did it.</p> <p>22 Q. Have you -- do you have any work 23 papers that would reflect that calculation or 24 how you derived that figure?</p> <p>25 A. No. Because, again, we needed to 14:41:38</p>

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<p>1 talk with FirstEnergy and get some more 2 hardcore numbers. And there's really not much 3 point in trying to get truly correct numbers. 4 Meaning that they're actually: This is what 5 everything is right now at this point in time. 14:41:58 6 That takes a lot of time, and it takes people 7 sitting down at a table, and we have not had 8 the opportunity to do that yet. 9 Q. How would all-electric PIPP 10 customers enroll in the program that you're 14:42:12 11 proposing? 12 A. I don't know. We haven't gotten 13 that far. 14 Q. Who would administer that program? 15 A. OPAE. 14:42:23 16 Q. How long would it last? 17 A. It would -- I would assume it would 18 continue to last. Because what we're doing is 19 putting in installed measures, and there's no 20 reason why that wouldn't last so that the 14:42:40 21 continued price of power would be from what -- 22 the generated price of power from the project. 23 Q. Would the program you're proposing 24 have to pass the Total Resource Cost Test? 25 A. With the power purchase agreement, 14:42:57</p>	<p>1 to that information. 2 Q. Why does OPAE use the 1,400? 3 A. We found that to be a good proxy. 4 Q. How did OPAE find that to be a good 5 proxy? 14:44:33 6 A. I don't know. We'll have to -- we 7 can check with OPAE on that one. 8 Q. In your testimony, you talk about 9 using excess revenue for weatherization. 10 A. Yes. 14:44:49 11 Q. What basis do you have to think 12 that the project you're proposing would 13 generate excess revenue? 14 A. The accelerated depreciation could 15 come back indirectly. No one has to actually 14:44:59 16 have that benefit. So, the money that's saved 17 -- let's say there's \$30 million that comes in 18 as accelerated depreciation, that \$30 million 19 could be turned into energy efficiency and home 20 weatherization measures because the project is 14:45:15 21 not including that. 22 Additionally, if additional revenue 23 streams -- we considered if there was an award 24 of any grants or project funding from the state 25 or the feds or whoever else, that would be 14:45:27</p>
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<p>1 I don't think so. On the other hand, I don't 2 know if -- I'm not familiar enough with the 3 rules if this is -- actually has to go back to 4 the rules or not, of: Does this have to go 5 into your integrated resource portfolio. I 14:43:18 6 don't know. 7 Q. What is the total load we're 8 talking about with the all-electric PIPP 9 customers? 10 A. The total load we assume -- let me 14:43:32 11 see what I put on that attachment B. 12 I didn't put anything on there. 13 We're assuming 1,400 kilowatt hours 14 per month per customer. So, if we take the 15 1,400 kilowatt hours times 16,000 customers, 14:43:54 16 that's the total load we're talking about. 17 Q. Who decided that that would be the 18 assumption that would be made with respect to 19 the load? 20 A. OPAE. OPAE uses that number for 14:44:04 21 all-electric. And we use that number -- the 22 1,400 is a year-round average. So, it's 1,400 23 for each month because there will be some 24 months that will be really high and some months 25 that are really low, but we don't have access 14:44:19</p>	<p>1 considered a revenue stream and would come back 2 in to fund the continued energy efficiency and 3 weatherization. 4 Q. How much excess revenue would be 5 generated? 14:45:44 6 A. We have no idea. 7 Q. And what would your proposal be 8 with respect to weatherization if there was no 9 excess revenue? 10 A. There will be, though. Just from 14:46:07 11 the simple accelerated depreciation, there is. 12 Q. Can you explain that to me a little 13 bit more? 14 A. The feds have approved any costs 15 that are associated with renewable projects. I 14:46:19 16 don't know the details of it, but there's 100 17 percent allowed recovery up until January 1st, 18 2012. So, all that money would simply be a tax 19 write-off. That write-off -- the recognized 20 value that comes out of that could then be put 14:46:38 21 in, considered a revenue, and that money would 22 then be used for weatherization and energy 23 efficiency. 24 Q. And what's the basis for -- do you 25 believe that the project you proposed would be 14:46:53</p>

15 (Pages 54 to 57)

1 eligible for that treatment?

2 A. Renewable Energy Services did say
3 that they thought it would be eligible, and
4 they estimated a \$30 million benefit from
5 accelerated depreciation. 14:47:07

6 Q. I thought you said earlier that
7 accelerated depreciation wasn't included.

8 A. It's not included in the generation
9 price. This is part of that additional revenue
10 stream. The ITC or the production tax 14:47:21
11 rebate -- PTC -- there you go -- production tax
12 credit, was included.

13 Q. Who calculated the 30 million for
14 accelerated depreciation?

15 A. Renewable Energy Services. 14:47:37

16 Q. What's the phrase "declining block
17 rate" mean to you?

18 A. Declining block rate means that
19 your price of power that you pay declines the
20 more you use it. So, if you only use 500 14:47:55
21 kilowatt hours a month, let's say your rate is
22 a dollar. If you use 1,500, your rate is
23 reduced because you're using more. So, now you
24 change your rate schedule, and now you're down
25 to 80 cents. 14:48:11

1 Q. Do you believe that the rate and
2 credit structure that's in place for
3 all-electric customers today is a declining
4 block rate?

5 A. Yes. 14:48:23

6 Q. Okay. Why is that?

7 A. Because as you use more, it goes
8 down. And --

9 Q. What's your basis for saying that?

10 A. That would be in the Commission's 14:48:35
11 order that said: Here are your rate
12 structures. And you get this credit if you're
13 using 1,200 kilowatt hours and more -- I think
14 that was for OE -- and if you're using 2,250
15 kilowatt hours per month, then you get this 14:48:54
16 additional reduction. So, as you're using
17 more -- you're actually being incentivised.
18 You're being incentivised to use more in order
19 to cut your rate. It's kind of like when we
20 invest in our retirement account, we have to 14:49:08
21 take out more in order to increase our take
22 home.

23 Q. Are all-electric customers
24 currently paying less than it costs the
25 companies to serve them? 14:49:13

1 A. I don't know. I know one of them
2 -- I think it was CEI that said that they were
3 less than the price to serve them. I had read
4 that in one of the file -- pieces filed in the,
5 what was it, 61 pages of documents. 14:49:42

6 Q. So, if you look at page 4 of your
7 testimony, Exhibit A, line 22, are you
8 suggesting there that you think that rates for
9 all-electric customers are below the cost of
10 electricity? 14:50:13

11 A. You're saying line 22 on page 4?

12 Q. (Nodding ahead.)

13 A. This sentence says that: "When
14 rates are reduced for one group of residential
15 consumers below the cost of the electricity,
16 the lost revenue" -- I'm just reading what it
17 says on lines 22, 23, and then on page 5, line
18 1. Do you want me to just read the sentence?

19 Q. Go ahead and read it to yourself. 14:50:40
20 And when you have it in mind, let me know.

21 A. Because what this sentence is
22 saying is, that it's talking about inner-class
23 rate subsidization, so that the non
24 all-electric rates are actually subsidizing the
25 all-electric rates for the all-electric 14:50:56

1 customers having a lower rate that they pay
2 than the non all-electric residential rates.

3 Q. Are non all-electric residential
4 customers subsidizing all-electric residential
5 customers? 14:51:11

6 A. Yes.

7 MR. GARBER: I think we've been
8 going for a while. Do you need a break or
9 anything?

10 THE WITNESS: A break would be 14:51:29
11 great.

12 MR. GARBER: Let's take a 10-minute
13 break.

14 Off the record.

15 (Recess had.) 14:51:40

16 MR. GARBER: Back on the record.

17 Q. If you could turn to your pre-filed
18 testimony, page 2.

19 A. Okay.

20 Q. On lines 2 through 4, you talk 14:59:29
21 about working for the Science Applications
22 International Corporation and the U.S.
23 Department of Energy as a project manager
24 between 2001 and 2004.

25 A. Yes. 14:59:46

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1 Q. What were you doing as project
2 manager?
3 A. I managed the U.S. Department of
4 Energy National Energy Technology Laboratory's
5 project of implementing alternative-fueled 14:59:58
6 vehicles in India as a joint project with the
7 U.S. Agency for International Development.
8 Q. So, if you look down on line 20 of
9 page 2, when you talk about basically what you
10 just said, I'm in charge of alternative fuel 15:00:16
11 implementation, you're talking about the same
12 position?
13 A. Yes.
14 Now, on line 20, where it talks
15 about the analytics, that was not -- that's not 15:00:27
16 project management. So, I answered your
17 question in terms of project management, which
18 was the India project.
19 Q. Is that the only project where
20 you've been project manager? 15:00:41
21 A. In terms of -- like, in definition
22 of, like, an engineering project manager, yes.
23 Q. Have you been -- would you say that
24 you've been project manager of any other
25 project in your career? 15:01:01

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1 A. Can you define what you mean by
2 "project manager"?
3 Q. I guess to the extent you use the
4 term in your testimony, I mean, would you apply
5 the project manager label to anything else that 15:01:10
6 you've done in your career?
7 A. The project manager from 2001 to
8 2004, there were two primary duties I had
9 there. I left as a project manager and I
10 entered as an analyst. I'm just adding 15:01:29
11 clarification there.
12 Q. So, what's the difference between
13 the two positions?
14 A. The difference between the two
15 positions is, that the project manager was the 15:01:43
16 title and that was my responsibility, was the
17 alternative-fueled vehicle implementation in
18 India.
19 Q. What was the goal of that project,
20 alternative fuel implementation? 15:02:01
21 A. To implement CNG, which is
22 compressed natural gas and liquified petroleum
23 gas, for automotive transportation uses in
24 India.
25 Q. And were these vehicles that were 15:02:18

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1 being sold retail, or was it sort of still in
2 the testing process?
3 A. The vehicles were normal cars that
4 required conversion. We designed the
5 conversion kit, then established the 15:02:32
6 certification measures. We worked through the
7 stakeholder process to create the
8 implementation acceptance of alternative-fueled
9 vehicles.
10 Q. Have you ever been a -- have you 15:02:48
11 ever managed a project like the one that you're
12 proposing in your pre-file testimony in this
13 case?
14 A. Yeah. My thesis in Alaska was a
15 project for implementation of PEM, polymer 15:03:06
16 electrolytic membrane fuel cells, for village
17 power applications. And what that was, it was
18 working with the Rural Alaska Village
19 Cooperative Association and performing a cost
20 benefit analysis of alternative energies of 15:03:26
21 existing diesel generation and trying to come
22 up with an alternative to the existing diesel
23 because of the pollution. And we chose the PEM
24 fuel cell because that was the most comparable.
25 And then, the rest of the project looked at the 15:03:42

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1 implementation. And it was not cost feasible
2 at that point in time. So, that was another
3 huge one.
4 I was also in charge of -- I
5 completed all my course work for my doctorate; 15:03:55
6 and, as part of my studies for the doctorate, I
7 led some research projects into looking at what
8 to do with coal slag and different
9 transportation networks. That -- I also worked
10 in coordination with NETL, that's the National 15:04:16
11 Energy Technology Laboratory. At NETL, there,
12 when I first joined, I was an analyst, and I
13 was also managing the assessment of the natural
14 gas infra-structure in the U.S., looking for
15 the areas of constraint and non-constraint and 15:04:33
16 identifying where -- the areas of the nation
17 needed to have more focus than not focus. So,
18 I led that.
19 I managed the development of our
20 national carbon climate change models that the 15:04:48
21 U.S. now uses in terms of reviewing which
22 existing models were there, working with the
23 developers in trying to figure out which ones
24 we should use the best.
25 Q. Have you ever managed a project 15:05:05

17 (Pages 62 to 65)

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<p>1 wherein a utility was purchasing RECs or SRECs 2 along with brown power? 3 A. No. 4 Q. If you could turn to your resume on 5 the back of Exhibit A. Under the Long-Term 15:05:21 6 Planning column at the top of, I guess, page 2 7 of the resume -- it's labelled page 2, but I 8 think it's actually the first page. There's a 9 2 at the bottom of my copy. 10 A. Okay. 15:05:46 11 Q. -- it says: "Alternative/Renewable 12 Energy." 13 A. Yes. 14 Q. Why is that phrase on here? 15 A. Because I did a cost benefit 15:05:52 16 analysis of alternative and renewable energy 17 implementation, bringing it down to comparable 18 BTUs of seaweed, which is part of bio-mass -- 19 if you want to use it that way -- wind, solar, 20 coal and natural gas, different types of 15:06:10 21 combustion processes, looking at what the 22 prices would come out to be. 23 Q. And when were you doing that? 24 A. I did that as part of my master's, 25 and I did that while I worked at NETL, which is 15:06:27</p>	<p>1 A. There's other project -- I'm not 2 managing any of them. 3 Q. If you look underneath Ohio 4 Partners for Affordable Energy: "Develop, 5 coordinate, and manage alternative energy 15:07:56 6 projects." What are those projects? 7 A. To manage the project, we have to 8 have it approved, and we haven't had our 9 projects approved. So, I'm in the development 10 and coordination stage right now. 15:08:07 11 Q. Have you ever managed an 12 alternative energy project while at OPAE? 13 A. No. 14 Q. If you turn to the next page, 15 underneath of the U.S Department of Energy, 15:08:22 16 National Energy Technology Laboratory heading. 17 And the first line: "Project Manager 18 alternative fuels implementation program," is 19 this the India project that you were talking 20 about earlier? 15:08:36 21 A. Yes. 22 Q. Let's mark another exhibit. This 23 will be Deposition Exhibit C. 24 - - - - - 25 (Thereupon, Deposition Exhibit C, a</p>
Page 67	Page 69
<p>1 the USDOE, Natural Energy Technology Lab. 2 Q. Do you do that in your work for 3 OPAE? 4 A. Yes. 5 Q. Tell me about that. 15:06:40 6 A. Well, this project is an example of 7 that. So, when we're -- the world is changing 8 and funds are drying up, and we've got to be a 9 little more creative of what we can do. And 10 there's also a large push for renewable energy 15:06:56 11 generation, and there's a lot of money out 12 there that's available to try to get different 13 technologies implemented. And I've been 14 looking at ways to bring in community -- well, 15 renewable energy investment as a community 15:07:13 16 energy program that encompasses energy 17 efficiency. And energy efficiency in its own 18 right is actually a renewable energy. 19 Q. So, what other alternative energy 20 projects have you managed while you've been at 15:07:30 21 OPAE? 22 A. That's not related to this case, 23 though, is it? 24 Q. Well, I guess if you could answer 25 my question. 15:07:43</p>	<p>1 3-page packet with the header 2 "Project Concept" at the top of the 3 first page, was marked for purposes 4 of identification.) 5 - - - - - 6 Q. I've just handed you Deposition 7 Exhibit C. Do you recognize this document? 8 A. Yes. 9 Q. What is it? 10 A. This is a document that was sent to 15:09:36 11 the PUCO, specifically Tammy Turkley and Bob 12 Fortney. 13 Q. Is that Tammy Turkenton? 14 A. Turkenton. I'm sorry. I have 15 problems with names. 15:09:53 16 Q. When was it sent to Ms. Turkenton 17 and Mr. Fortney? 18 A. December 21st. 19 Q. 2010? 20 A. Yes. 15:10:12 21 Q. How can you tell that? 22 A. There's an e-mail that I have, that 23 you might have, that has -- it's an e-mail 24 string that has the dates on it. 25 Q. Before we mark it, let me show you. 15:10:27</p>

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<p>1 Is this the e-mail string we're talking about?</p> <p>2 A. Yes.</p> <p>3 Q. I'll mark this as deposition</p> <p>4 Exhibit D.</p> <p>5 - - - - - 15:10:38</p> <p>6 (Thereupon, Deposition Exhibit D, a</p> <p>7 7-page packet of a string of e-mails</p> <p>8 beginning with an e-mail from Stacia</p> <p>9 Harper to David Rinebolt on January</p> <p>10 24th, 2011, was marked for purposes</p> <p>11 of identification.)</p> <p>12 - - - - -</p> <p>13 Q. So, where are you looking on</p> <p>14 Exhibit D to tell the date for this?</p> <p>15 A. Page 3 says: From Stacia, sent 15:11:06</p> <p>16 Tuesday, December 21st to Tammy, Bob Fortney,</p> <p>17 Dave Rinebolt. And it says: "Attached is a</p> <p>18 project concept document we will be reviewing</p> <p>19 for today's meeting."</p> <p>20 Q. Who drafted -- I'm talking about 15:11:20</p> <p>21 Exhibit C now. Who drafted the -- that</p> <p>22 document?</p> <p>23 A. I drafted the document. Dave</p> <p>24 Rinebolt helped to edit it some. And there's</p> <p>25 some information that I put in here from 15:11:33</p>	<p>1 Q. So, does Exhibit D reflect the</p> <p>2 e-mails that you just mentioned that you had</p> <p>3 with Mr. Fortney?</p> <p>4 A. Yes.</p> <p>5 Q. Were there any other e-mails or 15:12:49</p> <p>6 communications you had with Mr. Fortney that</p> <p>7 aren't reflected -- written communications that</p> <p>8 aren't reflected in this e-mail string?</p> <p>9 A. There are no other written</p> <p>10 communications that I'm aware of. 15:12:59</p> <p>11 Q. So, what was the purpose of the</p> <p>12 meeting you had -- I'll just refer to them as</p> <p>13 "staff," and you know who I'm talking about,</p> <p>14 correct?</p> <p>15 A. Yes. 15:13:12</p> <p>16 Q. So, what was the purpose of the</p> <p>17 meeting you had with staff about this document?</p> <p>18 A. We held the -- asked for the</p> <p>19 meeting as a result of reaching out to</p> <p>20 FirstEnergy. We had talked to FirstEnergy. 15:13:22</p> <p>21 There was an e-mail I sent to FirstEnergy, I</p> <p>22 think it was in October or early November, that</p> <p>23 we'd like to talk about this concept with</p> <p>24 someone. And we were referred to talk to the</p> <p>25 Commission and Kevin Warvell. So, I sent an 15:13:38</p>
Page 71	Page 73
<p>1 Renewable Energy Services.</p> <p>2 Q. Did you ever discuss this document</p> <p>3 with Ms. Turkenton and Mr. Fortney?</p> <p>4 A. Yes.</p> <p>5 Q. When did you discuss it with them? 15:11:44</p> <p>6 A. I need to go back to Exhibit D to</p> <p>7 see when -- I guess that would have been that</p> <p>8 day, December 21st, when they received it.</p> <p>9 Because it says that: Attached is the concept</p> <p>10 document we will be reviewing for today's 15:12:02</p> <p>11 meeting. So, that would have been December</p> <p>12 21st.</p> <p>13 Q. Did you guys have an in-person</p> <p>14 meeting about this document?</p> <p>15 A. No. We had it on the phone. 15:12:13</p> <p>16 Q. Do you remember how -- did you have</p> <p>17 any other discussions, either on the phone or</p> <p>18 in person, with Ms. Turkenton or Mr. Fortney</p> <p>19 about the proposal that's reflected in that</p> <p>20 document? 15:12:27</p> <p>21 A. No. I had some follow-up e-mails</p> <p>22 with Bob because he was trying to understand</p> <p>23 the document a little bit better. And that was</p> <p>24 just clarifying some questions, which is why we</p> <p>25 provided this e-mail string. 15:12:40</p>	<p>1 e-mail to Kevin, never heard anything back, and</p> <p>2 we filed with the Commission.</p> <p>3 Q. Did you contact anyone else at</p> <p>4 FirstEnergy about Exhibit C or the proposal</p> <p>5 that's reflected? 15:13:55</p> <p>6 A. Just the e-mail that was initially</p> <p>7 sent, and I don't recall the person who I sent</p> <p>8 that to.</p> <p>9 Q. But it was after you sent that</p> <p>10 e-mail that you followed up with Mr. Warvell? 15:14:06</p> <p>11 A. Correct.</p> <p>12 Q. How long did you talk with staff</p> <p>13 during the meeting that's referenced in the</p> <p>14 e-mail chain?</p> <p>15 A. Probably 30 minutes. 15:14:17</p> <p>16 Q. And what was the nature of that</p> <p>17 discussion?</p> <p>18 A. To go over this document that we</p> <p>19 put together to discuss the idea of combining</p> <p>20 solar RECs with a power purchase agreement to 15:14:29</p> <p>21 offset and bring in energy efficiency ideas to</p> <p>22 provide power of low income carve-out for</p> <p>23 all-electrics. Well, I guess it's a carve-out</p> <p>24 of the all-electrics.</p> <p>25 Q. What was staff's reaction to that 15:14:47</p>

<p style="text-align: right;">Page 74</p> <p>1 proposal?</p> <p>2 A. They wanted to know if we had</p> <p>3 talked to FirstEnergy. And that was their</p> <p>4 primary reaction, that they're interested in</p> <p>5 this, but we really need to talk with 15:15:03</p> <p>6 FirstEnergy. And they were still confused on</p> <p>7 revenue streams and how it would all work.</p> <p>8 Q. If you look on Exhibit C, the</p> <p>9 Project Concept document, the first paragraph,</p> <p>10 the last sentence, starting with: "We believe 15:15:27</p> <p>11 the project plan" -- and, I guess -- "as</p> <p>12 described below is a replicable model that is</p> <p>13 self-sustaining." Did you write that sentence?</p> <p>14 A. Yes, I did.</p> <p>15 Q. What made you -- or why did you 15:15:46</p> <p>16 write that?</p> <p>17 A. Because what we've talked about is,</p> <p>18 that -- we've put together an example that</p> <p>19 could be a pilot. And we believe that the way</p> <p>20 we've just defined the pilot that we've put 15:15:59</p> <p>21 forth is something that can sustain itself over</p> <p>22 a long period of time. What we mean by</p> <p>23 "self-sustaining" is, that without continued</p> <p>24 rate payer subsidization, it will continue to</p> <p>25 generate lower prices that all-electrics will 15:16:13</p>	<p style="text-align: right;">Page 76</p> <p>1 A. No.</p> <p>2 Q. The last sentence of that</p> <p>3 paragraph: "For weatherization etc" -- and</p> <p>4 towards the end of that sentence, you say:</p> <p>5 "But to the extent we find more funding, we can 15:17:49</p> <p>6 increase the money available for that."</p> <p>7 Do you have any particular funding</p> <p>8 sources in mind in writing that?</p> <p>9 A. Again, those are the same funding</p> <p>10 sources that we've been talking about by using 15:17:59</p> <p>11 the ITC, if there's any state money that's</p> <p>12 available through the available programs that</p> <p>13 -- for alternative energy or advanced energy</p> <p>14 that we would bring back in. If there's</p> <p>15 additional grants that we can apply for, 15:18:14</p> <p>16 regardless of if it's a state or federal, those</p> <p>17 are what we're calling either revenue stream or</p> <p>18 excess.</p> <p>19 Q. What state funding would be</p> <p>20 available for the project that you're proposing 15:18:27</p> <p>21 in this case?</p> <p>22 A. It's not that it's guaranteed or</p> <p>23 anything, but it's potential -- possible that</p> <p>24 there's the State Energy Program money; I guess</p> <p>25 that's the SEP money. There's the Advanced 15:18:35</p>
<p style="text-align: right;">Page 75</p> <p>1 be able to have a lower -- they're paying a</p> <p>2 less amount in electricity than they would</p> <p>3 otherwise, and they're doing this from the</p> <p>4 reductions that are caused in their own load,</p> <p>5 their base load reductions from the energy 15:16:28</p> <p>6 efficiency/weatherization measures, as well as</p> <p>7 the purchase power contract that's generating</p> <p>8 power at 5 cents.</p> <p>9 Q. In the second paragraph -- in the</p> <p>10 middle of the second paragraph, there's a 15:16:47</p> <p>11 sentence that starts: "To the extent we can</p> <p>12 find ways to use the projects to manage peak</p> <p>13 loads or do Demand Response."</p> <p>14 A. Yes. There's additional revenue</p> <p>15 streams in the wholesale market if there's 15:17:01</p> <p>16 interest in participating in organized demand</p> <p>17 response programs, or if there are different</p> <p>18 rate structures for managing peak loads such as</p> <p>19 a rebate program. And no, we didn't put those</p> <p>20 forth and discuss those, but that's what I was 15:17:17</p> <p>21 thinking in writing that sentence.</p> <p>22 Q. Do you have any particular</p> <p>23 projects, peak load projects in mind -- or did</p> <p>24 you have any particular peak load projects in</p> <p>25 mind when you wrote that sentence? 15:17:36</p>	<p style="text-align: right;">Page 77</p> <p>1 Energy Fund. There's also the Third Frontier</p> <p>2 pot of money. And there might be additional</p> <p>3 ones, we don't know. We haven't spent a lot of</p> <p>4 time because we don't want to do something --</p> <p>5 we're pretty small. We don't have many 15:18:59</p> <p>6 resources, so if we don't need to spend much</p> <p>7 time on something, then we're not going to,</p> <p>8 which is why this is a concept document.</p> <p>9 Q. If the Commission ordered</p> <p>10 FirstEnergy to move forward with this in some 15:19:15</p> <p>11 way, to conduct some sort of feasibility study,</p> <p>12 something like that, who would be the entity</p> <p>13 that would actually be applying for the funds,</p> <p>14 you know, the state money that you listed if</p> <p>15 things kind of progressed? 15:19:29</p> <p>16 A. It depends on what the opportunity</p> <p>17 is that's available. It could be OPAE that</p> <p>18 applies, it could be Renewable Energy Services</p> <p>19 that applies, it could be FirstEnergy that</p> <p>20 applies, it could be another party that 15:19:42</p> <p>21 applies.</p> <p>22 Q. And what's -- have you ever</p> <p>23 participated or had input into an application</p> <p>24 process for money from the State Energy</p> <p>25 Program? 15:20:09</p>

20 (Pages 74 to 77)

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1 A. To the Ohio energy -- no.
 2 Q. Have you ever had input into or
 3 participated in an application process for
 4 money from, I think you said the Advanced
 5 Energy Fund? 15:20:20
 6 A. Yes. That's Ohio.
 7 Q. Okay.
 8 A. No.
 9 Q. And have you ever participated in
 10 an application for funding from Third Frontier? 15:20:30
 11 A. No.
 12 Q. If you go back to Deposition
 13 Exhibit C, underneath the Project Description,
 14 in the second sentence, it says: The project
 15 will operate roughly 36 megawatts. 15:20:49
 16 Where did that 36 megawatt figure
 17 come from?
 18 A. That 36 megawatt figure is the
 19 minimum commitment that Renewable Energy
 20 Services could commit to for what they would be 15:21:04
 21 able to actually create in terms of a power
 22 project.
 23 Q. What about the 70,000 megawatt hour
 24 figure that appears later in that sentence,
 25 where did that come from? 15:21:30

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1 A. That is -- Renewable Energy
 2 Services provided that number.
 3 Q. What role are you proposing
 4 Renewable Energy Services play if the proposal
 5 that you're asking for is approved by the 15:21:54
 6 Commission?
 7 A. Well, I'm asking that the
 8 Commission have FirstEnergy take a look into a
 9 project such as this. And if FirstEnergy wants
 10 to consider Renewable Energy Services, that's 15:22:08
 11 their discretion. But the role that Renewable
 12 Energy Services provides, they are a developer
 13 of industrial projects, solar and wind.
 14 Q. So, if the project were -- that you
 15 propose was approved by the Commission, you 15:22:30
 16 wouldn't object if FirstEnergy went to another
 17 third party to assist them in developing the
 18 project?
 19 A. No. We would hope that the project
 20 was RFPed out or -- I mean -- and I really 15:22:46
 21 can't even say we would hope that it's RFPed
 22 out, so I'd like to take that back.
 23 We just hope that the prices --
 24 that there's some competitive solicitation that
 25 goes on to ensure that we're achieving the 15:23:04

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1 largest bang for the buck.
 2 Q. You mention that there were an
 3 infinite -- I believe an infinite number of
 4 alternatives that would accomplish kind of the
 5 goal that you have in mind with this proposal, 15:23:22
 6 is that fair to say?
 7 A. Yes.
 8 Q. So, would you object if the
 9 Commission ordered a different project or
 10 ordered FirstEnergy to pursue a different 15:23:31
 11 project that shared the same objective as the
 12 one that you are proposing?
 13 A. We would not object, but we would
 14 definitely hope that there's energy efficiency
 15 measures installed, because what we're trying 15:23:46
 16 to do is figure out ways to pay for energy
 17 efficiency and home weatherization because they
 18 do yield long-term reductions in generation.
 19 We could also call them megawatts in a way.
 20 Q. If you look at the last paragraph 15:24:02
 21 on the first page of Exhibit C, about halfway
 22 through that paragraph, on the far right-hand
 23 side there's a sentence that starts: That
 24 imputes a value of the RECs from wind of 4
 25 cents per kilowatt hour and for solar, do you 15:24:25

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1 see that sentence?
 2 A. Yes.
 3 Q. Where do those figures come from?
 4 A. Renewable Energy Services.
 5 Q. Did they just tell you that those 15:24:34
 6 were the figures for wind and solar?
 7 A. Yes.
 8 Q. Do you know how they calculated
 9 those figures?
 10 A. No. I have the baseline 15:24:43
 11 assumptions that they've given me that it was a
 12 combined capacity factor of 25 percent. I
 13 understood they had used a solar REC value of
 14 \$125. I'm not sure what they used for the
 15 regular renewable energy credit. 15:24:59
 16 Q. Are there any other variables that
 17 you're not sure about?
 18 A. I can't answer that. I'm not sure
 19 what other variables were considered.
 20 Q. Turn to the second page of Exhibit 15:25:12
 21 C, if you would. The first paragraph, about
 22 two-thirds of the way down the middle of the
 23 paragraph there's a sentence that starts:
 24 "OPAE is in the process of weatherizing an
 25 entire town, Murray City." Do you see that? 15:25:30

21 (Pages 78 to 81)

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<p>1 A. Yes.</p> <p>2 Q. Are you working on that project?</p> <p>3 A. I'm aware of the project. This</p> <p>4 project was started and implemented prior to me</p> <p>5 joining OPAE. 15:25:45</p> <p>6 Q. Did you write that sentence, first</p> <p>7 of all?</p> <p>8 A. Yes.</p> <p>9 Q. And are you suggesting there that</p> <p>10 there be some sort of tie-in or connection 15:26:10</p> <p>11 between that project and the proposed</p> <p>12 all-electric proposal?</p> <p>13 A. We're just relating the fact that</p> <p>14 OPAE has experience in doing the weatherization</p> <p>15 and energy efficiency and is currently 15:26:24</p> <p>16 undertaking weatherizing an entire city, that</p> <p>17 we would like to be able to bring in the EE</p> <p>18 weatherization component to the FirstEnergy</p> <p>19 all-electric low income. And it was just</p> <p>20 adding a little bit of weight to OPAE's 15:26:41</p> <p>21 experience. We're not saying that we have to</p> <p>22 do this, but we're going to say that we'd like</p> <p>23 to.</p> <p>24 Q. Go to the paragraph underneath the</p> <p>25 Benefits heading on that page. 15:27:08</p>	<p>1 closing note on the third page of Exhibit C</p> <p>2 where there's a reference to REP and REP</p> <p>3 Principals; do you see that?</p> <p>4 A. REP is RES. Renewable Energy</p> <p>5 Partners is Renewable Energy Services. 15:28:59</p> <p>6 Q. And where did the sentence -- the</p> <p>7 second sentence of that paragraph: REP</p> <p>8 Principals have developed or are developing</p> <p>9 over 500 megawatts of wind power, and then</p> <p>10 almost 150 megawatts of solar power; where did 15:29:16</p> <p>11 those figures come from?</p> <p>12 A. From Renewable Energy Services.</p> <p>13 Q. Did they just tell you those were</p> <p>14 the megawatts they had for wind and solar?</p> <p>15 A. Yes. 15:29:30</p> <p>16 Q. A little bit further down the</p> <p>17 paragraph, it says: "REP will retain a</p> <p>18 consulting fee from this project, only if</p> <p>19 approved."</p> <p>20 A. Correct. 15:29:39</p> <p>21 Q. Who would pay that consulting fee?</p> <p>22 A. It would be incorporated into the</p> <p>23 budget, which is part of that developmental</p> <p>24 budget cost that they put together of 2.6</p> <p>25 million. Meaning that, if they were to go 15:29:51</p>
Page 83	Page 85
<p>1 A. Yes.</p> <p>2 Q. The second to last sentence in that</p> <p>3 paragraph: "The power of production alone will</p> <p>4 lower the current generation rate 10%," where</p> <p>5 did the 10 percent figure come from? 15:27:17</p> <p>6 A. That was a guess, and it's really</p> <p>7 not correct. It's really 20 percent reduction</p> <p>8 because what that is is, it is the difference</p> <p>9 between the existing generation rate of the</p> <p>10 6.15 versus the projected amount of 5. And 15:27:31</p> <p>11 when we first were talking about this, everyone</p> <p>12 just thought: Oh, that's 10 cents roughly, so</p> <p>13 10 percent. But it's really, actually, 20</p> <p>14 percent.</p> <p>15 Q. And then, under the Additional 15:27:47</p> <p>16 Funding heading, the first sentence that</p> <p>17 starts: "Depending on the start date of the</p> <p>18 project," what are you talking about there?</p> <p>19 A. At the time that we were putting</p> <p>20 the concept document together, we were not 15:28:13</p> <p>21 aware that the federal government had extended</p> <p>22 the accelerated depreciation schedule to</p> <p>23 January 1st, 2011. I think they changed that</p> <p>24 on December 17th.</p> <p>25 Q. And I'm looking underneath the 15:28:32</p>	<p>1 through it and the project not get funded, that</p> <p>2 they would be responsible for that</p> <p>3 developmental budget of 2.6 million.</p> <p>4 Q. So is that to say that, in that</p> <p>5 case, they would not be paid a consulting fee? 15:30:03</p> <p>6 A. Yes.</p> <p>7 Q. If they were paid a consulting fee,</p> <p>8 who would pay it?</p> <p>9 A. It would be wrapped into the actual</p> <p>10 price of the generation. Because it's not that 15:30:11</p> <p>11 they're consulting to FirstEnergy, it's the</p> <p>12 industrial plant that they're getting a project</p> <p>13 for.</p> <p>14 Q. And if the project that you're</p> <p>15 proposing here were approved, do you know, 15:30:26</p> <p>16 ballpark, how much that consulting fee would</p> <p>17 be?</p> <p>18 A. I think it's \$2.6 million, but I</p> <p>19 don't know.</p> <p>20 Q. If you could look at Deposition 15:30:38</p> <p>21 Exhibit D, the e-mail chain, the first page,</p> <p>22 the e-mail from Bob Fortney -- and these, as</p> <p>23 you can tell, are not in color. So, if it</p> <p>24 appears that I'm confused as to who actually</p> <p>25 wrote this text, let me know. 15:31:02</p>

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<p>1 But it looks like about halfway 2 down the page, there's the sentence: "What is 3 the time frame that such a facility would be 4 operational?" Did Mr. Fortney write that? 5 A. Yes. 15:31:14 6 Q. What's the answer to that? 7 A. That's what the timeline was about, 8 the developmental timeline. So it shows when 9 the initial developmental stage is complete, 10 then it was a minimum of three months after 15:31:24 11 that that the first -- the solar or the wind 12 could go up. 13 Q. So based on that spreadsheet then, 14 what is the time frame? 15 A. Three months after July 2012. So, 15:31:38 16 we're looking at September, October -- November 17 2012 would be the earliest that it would be in 18 operation. And I did not respond to this 19 e-mail, I called and asked if we needed to 20 follow up. 15:32:09 21 Q. Mr. Fortney says, underneath that: 22 I still do not think this comes anywhere close 23 to solving the all-electric issue, neither in 24 terms of rates nor the magnitude of the load. 25 What's your reaction to that 15:32:25</p>	<p>1 that was off in the calculation of 16,000. 2 Q. So, what was the driver of the size 3 of the project then? If you weren't aiming for 4 a particular group of customers, then what was 5 the driver? 15:34:00 6 A. The 36 megawatts, two sites. It 7 was limited by the size of the project of doing 8 a wind and solar. 9 Q. But those -- but you're not 10 proposing in your pre-filed testimony those 15:34:16 11 particular sites, right? 12 A. No. 13 Q. Or that particular size of project? 14 A. No. 15 Q. Going back to Exhibit D, the 15:34:23 16 e-mail, it says: "The people I talked to are 17 skeptical." And then at the end, he talks 18 about the 5 cents per kilowatt hour: "Do you 19 have some back-up calculations that show how 20 that will be done?" Do you have those back-up 15:34:49 21 calculations? 22 A. No. 23 Q. Does Renewable Energy Services have 24 them? 25 A. I'm sure they do. 15:34:55</p>
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<p>1 sentence? 2 A. We weren't trying to solve the 3 all-electric. We were talking about a 4 carve-out that then could be used as a model to 5 do this over and over until you get to the 15:32:36 6 load, to the whole load of the all-electrics. 7 It's possible that a geothermal project might 8 be able to reach out to a much larger amount of 9 people, but we don't know, we haven't looked 10 into it. We started with looking at this, and 15:32:55 11 when the number came back at 16,000 homes, we 12 went: Hey, that's close to the low income. 13 That makes sense to do a carve-out, so let's 14 look at that. 15 This wasn't pre-meditated. 15:33:12 16 Q. Explain what you mean by that. 17 A. When we started looking at this, we 18 weren't looking at this in terms of a 19 low-income carve-out. We were simply saying: 20 If we do this project, how many homes can this 15:33:26 21 supply? What portion of the all-electric? And 22 when we first did our calculation, the 16,000 23 homes, it was actually 160,000 homes. So, we 24 thought that that was -- that would take care 25 of the all-electric, but there was a decimal 15:33:43</p>	<p>1 Q. Have you seen them? 2 A. No. 3 Q. And then, the question below that: 4 "What is your estimate for the cost of RECs?" 5 What's the answer to that? 15:35:05 6 A. The cost of RECs, that's -- 7 Renewable Energy Services said that they were 8 using the 125 for the project. 9 MR. GARBER: Let's go off the 10 record for a second. 15:35:32 11 (Discussion had off the record.) 12 MR. GARBER: Back on the record. 13 Q. If you could look at your testimony 14 again on page 7, line 6. And this is the last 15 word of that line and to the next line: "My 15:36:50 16 calculations indicate." 17 A. Yes. 18 Q. What calculations are you referring 19 to there? 20 A. My count for the information that I 15:37:01 21 provided to Renewable Energy Services is 22 specifically what my calculations were. And my 23 calculations were the 16,000 that was a result 24 of the count of the all-electric from the filed 25 staff report, and the assumption of 1,400 15:37:21</p>

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<p>1 kilowatt hours per month for the homes. 2 Q. So, who calculated the 40 to \$50 3 per megawatt hour figure? 4 A. That would be Renewable Energy 5 Services came up with the -- they actually came 15:37:45 6 up with that number. 7 Q. Did the Commission ask you or OP&E 8 to file pre-filed testimony on this issue? 9 A. The Commission wanted to know if we 10 were intending to file testimony, and we had 15:38:02 11 said that we weren't planning on it, but if we 12 needed to we would. And they said it would 13 probably -- that we might want to consider 14 that. 15 Q. And who at the Commission conveyed 15:38:14 16 that? 17 A. That was with our meeting with 18 Tammy Turkenton and Bob Fortney. 19 Q. Is that the meeting that we talked 20 about that was reflected in the e-mail chain? 15:38:23 21 A. Yes. 22 Q. Do you remember which of them asked 23 you to -- and I don't want to misquote you -- 24 but asked you to consider filing testimony? 25 A. That would be Tammy. And it 15:38:35</p>	<p>1 in the public like that at this point in time. 2 Because they were aware that I was being 3 deposed as well. 4 Q. In your -- in your testimony, you 5 proposed that FirstEnergy procure the REC's with 15:40:21 6 the brown power, correct? 7 A. I'm sorry. I don't understand the 8 question. 9 Q. Well, the point of the proposal is 10 to have the FirstEnergy companies buy the brown 15:40:40 11 power along with -- bundled with REC's, is that 12 right? 13 A. Correct. 14 Q. And I guess when I say 15 "FirstEnergy" -- or when you say "FirstEnergy" 15:40:51 16 in your testimony, are you talking about the 17 three operating companies? 18 A. Yes. 19 Q. The Ohio operating companies? 20 A. (Nodding head.) I don't expect 15:41:02 21 FirstEnergy services, the retail arm, to do 22 this. 23 Q. Who would the counterparty be in 24 the transaction that you're proposing with the 25 bundling? 15:41:14</p>
Page 91	Page 93
<p>1 wasn't: You all need to file. It was: You 2 should consider putting something in to get 3 this into the record. 4 Q. Did she say anything else about why 5 she thought that might be a good idea? 15:38:48 6 A. No. 7 Q. I want to go back to the -- to 8 Exhibit B, the timeline. I think you had 9 mentioned that you had asked for a project 10 timeline, but then got a development budget 15:39:06 11 back instead, is that right? 12 A. Yes. 13 Q. So, what were you expecting to get 14 when you asked for the project timeline? What 15 were you expecting to see on the document? 15:39:16 16 A. Step by step until completion of 17 solar and wind and power's being generated. 18 Q. Do you know why you didn't get 19 that? 20 A. Yes. When I asked where the rest 15:39:34 21 of it was, he said: Well, it's three months 22 after the development stuff is done, but we're 23 not going to commit to anything until after the 24 development stuff is done because that's just 25 not how -- we don't want to put ourselves out 15:39:48</p>	<p>1 A. With the generators. I don't know 2 how the design of the project would work in 3 this case. I don't know if you'd deal with 4 Renewable Energy Services since they're 5 representing the industrial patterns, or if 15:41:25 6 it's directly with industrial partners. I 7 don't know. 8 Q. Are you asking the Commission to 9 order the FirstEnergy companies to enter into 10 those agreements? 15:41:35 11 A. No. 12 Q. What are you asking, then, with 13 respect to those agreements? 14 A. To -- we're not asking them to 15 enter into any agreements. We're simply asking 15:41:46 16 that: Here's an example that we've put. 17 Please take a look into this and see what you 18 can get. 19 Q. What would be -- maybe this is 20 another way of asking the same question: What 15:41:58 21 would be the outcome that you'd want to see 22 from 10-176 with respect to the proposal in 23 your testimony? 24 A. I'd like the outcome to be that the 25 Commission comes and says: Hey, FirstEnergy, 15:42:08</p>

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1 why don't you take a look at a combined REC and
 2 brown power purchase and see what comes out of
 3 that. So, I'd like to see that: Wow. Out of
 4 this project, here comes a rate that's lower
 5 than the market generation price and 15:42:29
 6 encapsulating a revenue benefit bringing in
 7 energy efficiency and weatherization.
 8 Q. So, are you asking that FirstEnergy
 9 be required to perform a study or -- I think
 10 the phrase was to "look into," and I want to 15:42:42
 11 see what you mean by that.
 12 A. You don't have to do a research
 13 project to do it, but -- looking into it could
 14 be following up with OP&E and Renewable Energy
 15 Services, could be one option. Talking to 15:42:57
 16 other developers is another option. It doesn't
 17 have to be OP&E and RES by any means, and we're
 18 not suggesting that it has to be.
 19 Q. So you're not asking the Commission
 20 to order FirstEnergy to actually enter into 15:43:09
 21 those agreements at this point?
 22 A. Correct.
 23 Q. And you're not asking the
 24 Commission to order FirstEnergy to actually
 25 build or find someone to build a power plant at 15:43:18

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1 this point?
 2 A. Correct.
 3 Q. Okay.
 4 MR. GARBER: I don't think I have
 5 any more questions. Thank you. 15:43:28
 6 MS. MOONEY: She will want to read
 7 it.
 8 (The deposition concluded.)
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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 Grant W. Garber of Jones Day ordered an
 15 original transcript, next day expedite.
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1 REPORTER'S CERTIFICATE
 2 The State of Ohio,)
 3 SS:
 4 County of Cuyahoga.)
 5
 6 I, Buster Beck, 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, STACIA HARPER,
 10 was by me first duly sworn to testify the
 11 truth, the whole truth and nothing but the
 12 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

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 IN WITNESS WHEREOF, I have hereunto
6 set my hand and affixed my seal of office at
7 Cleveland, Ohio, on this _____ day of
8 _____, 2011.

9
10
11
12
13
14 Buster Beck, Notary Public
15 within and for the State of Ohio

16
17 My commission expires February 22, 2015.
18
19
20
21
22
23
24
25

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: STACIA HARPER
COURT REPORTER: Buster Beck, 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: 15:43:46

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: STACIA HARPER
COURT REPORTER: Buster Beck, 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:

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

~~~~~

Continued deposition of
SUSAN STEIGERWALD, Volume II

February 3rd, 2011

10:00 a.m.

Taken at:

Jones Day

901 Lakeside Avenue, North Point

Cleveland, Ohio

Kelly A. Hill, Notary Public

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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 ~~~~~

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5 INDEX OF EXHIBITS 2776
7 EXAMINATION OF SUSAN STEIGERWALD:

8 By Mr. Kutik..... 281

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10 REPORTER'S CERTIFICATE..... 37311
12 EXHIBIT CUSTODY

13 EXHIBITS RETAINED BY COURT REPORTER

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1 INDEX OF EXHIBITS

2 NUMBER DESCRIPTION MARKED

3 Exhibit E-mail from Susan 282

4 Steigerwa Steigerwald Dated February

5 Id 26 2nd, 2011

6 Exhibit List of Customers' Reported .. 288

7 Steigerwa Bill Totals For the Current

8 Id 27 Period

9 Exhibit List of Customers' Bills 283

10 Steigerwa Before the Rate Shock Period

11 Id 27 B

12 Exhibit E-mail from Susan 289

13 Steigerwa Steigerwald to Amy Gomberg

14 Id 28 Dated September 8th, 2010

15 Exhibit E-mail from Susan 293

16 Steigerwa Steigerwald to Amy Gomberg

17 Id 29 Dated August 5th, 2010

18 Exhibit E-mail from Susan 295

19 Steigerwa Steigerwald

20 Id 30

21 Exhibit E-mail from Susan 297

22 Steigerwa Steigerwald to Jim and Susan

23 Id 31 Borchert

24 Exhibit E-mail from Susan 299

25 Steigerwa Steigerwald to CKAP Friends

26 Id 32 Dated July 16th, 2010

27 Exhibit E-mail from Susan 301

28 Steigerwa Steigerwald to Amy Gomberg

29 Id 33 Dated June 28, 2010

30 Exhibit E-mail String..... 304

31 Steigerwa

32 Id 34

33 Exhibit E-mail from Susan 310

34 Steigerwa Steigerwald to Amy Gomberg

35 Id 35 Dated June 22nd

36 Exhibit E-mail from Susan 311

37 Steigerwa Steigerwald to Amy Gomberg

38 Id 36 Dated June 22nd, 2010

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1 Steigerwa Susan Steigerwald and Amy

2 Id 37 Gomberg

3 Exhibit E-mail from Amy Gomberg to ... 317

4 Steigerwa Connie Kline

5 Id 38

6 Exhibit E-mail from Susan 318

7 Steigerwa Steigerwald Dated March 11,

8 Id 39 2010

9 Exhibit E-mail from Susan 322

10 Steigerwa Steigerwald Dated December

11 Id 40 19th, 2010

12 Exhibit E-mail from Susan 323

13 Steigerwa Steigerwald to Vinco Astor

14 Id 41 Dated February 25, 2010

15 Exhibit Series of E-mails..... 326

16 Steigerwa

17 Id 42

18 Exhibit Document Bates Stamped 329

19 Steigerwa 000890 and 000891

20 Id 43

21 Exhibit E-mail from Susan 330

22 Steigerwa Steigerwald Dated February

23 Id 44 24th, 2010

24 Exhibit E-mail from Susan 331

25 Steigerwa Steigerwald Dated March 3rd,

26 Id 45 2010

27 Exhibit E-mail from Susan 332

28 Steigerwa Steigerwald Dated March

29 Id 46 16th, 2010

30 Exhibit E-mail from Sue Steigerwald .. 335

31 Steigerwa Dated February 26th, 2010

32 Id 47

33 Exhibit E-mail from Susan 335

34 Steigerwa Steigerwald to CKAP Members

35 Id 48 Dated February 27th, 2010

36 Exhibit E-mail from Susan 336

37 Steigerwa Steigerwald Dated March 9th,

38 Id 49 2010

39 Exhibit E-mail from Susan 338

40 Steigerwa Steigerwald Dated March

2 (Pages 275 to 278)

1 Exhibit Document Bates Stamped 339
2 Steigerwa CN001107 to CN001111
3 Id 51
4 Exhibit E-mail from Susan 340
5 Steigerwa Steigerwald Dated April 8th,
6 Id 52 2010
7 Exhibit E-mail from Susan 341
8 Steigerwa Steigerwald Dated June 10th,
9 Id 53 2010
10 Exhibit E-mail from Susan 341
11 Steigerwa Steigerwald Dated November
12 Id 54 2nd, 2010
13 Exhibit E-mail from Susan 342
14 Steigerwa Steigerwald Dated November
15 Id 55 12th, 2010
16 Exhibit E-mail from Susan 343
17 Steigerwa Steigerwald Dated February
18 Id 56 23rd, 2010
19 Exhibit Series of Complaints Filed ... 346
20 Steigerwa with PUCO
21 Id 57
22 Exhibit E-mail from Susan 359
23 Steigerwa Steigerwald Dated March 5th,
24 Id 58 2010
25 Exhibit E-mail from Susan 360
Steigerwa Steigerwald Dated March
Id 59 22nd, 2010
Exhibit E-mail from Susan 362
Steigerwa Steigerwald Dated December
Id 60 12th, 2010
Exhibit E-mail from Susan 363
Steigerwa Steigerwald Dated January
Id 61 6th, 2011
Exhibit E-mail from Susan 366
Steigerwa Steigerwald Dated January
Id 62 10th, 2011
Exhibit E-mail from Susan 369
Steigerwa Steigerwald Dated March

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2 Exhibit E-mail from Susan 370
3 Steigerwa Steigerwald Dated April
4 Id 64 16th, 2010
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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. Ms. Steigerwald, your counsel told
9 me yesterday you do not intend to testify in
10 this case; is that correct? 10:13:36
11 A. Yes.
12 Q. Is that decision unalterable?
13 Let me put it this way: Can you
14 imagine a set of circumstances sitting there
15 today where you might testify? 10:13:48
16 A. I don't know.
17 MR. KUTIK: Well, let's go off the
18 record.
19 MR. CORCORAN: Let's go off the
20 record. 10:14:00
21 (Discussion had off the record.)
22 MR. KUTIK: Let's mark this as the
23 next one, which is 26.
24 - - - - -
25 (Thereupon, Deposition Exhibit

1 Steigerwald 26, E-mail from Susan
2 Steigerwald Dated February 2nd,
3 2011, was marked for purposes of
4 identification.)
5 - - - - - 10:15:06
6 Q. Ms. Steigerwald, the court reporter
7 has handed you what's been marked as Exhibit 26
8 for this deposition.
9 Do you recognize this?
10 A. Yes.
11 Q. This is an e-mail that you sent out
12 to "CKAP friends" last night at 5:23?
13 A. Um-hum.
14 Q. Is that yes?
15 A. Yes.
16 Q. And I will tell you mainly, more
17 for your counsel's information than for me,
18 that this was provided to me not by anyone
19 connected with my firm or FirstEnergy.
20 This specifically says that you've 10:15:38
21 created a chart that shows how much our bills
22 were before the rates were increased, during
23 the rate shock and what they are now. The
24 chart will be useful to see what an acceptable
25 future total bill will be. 10:15:54

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<p>1 Is that correct?</p> <p>2 A. Yes.</p> <p>3 Q. So you have a chart?</p> <p>4 A. Yes.</p> <p>5 Q. Have you produced that chart? 10:16:00</p> <p>6 A. I created it last night.</p> <p>7 Q. So you haven't produced it to us;</p> <p>8 fair to say?</p> <p>9 A. Not to you, correct. I haven't</p> <p>10 sent it to anybody. 10:16:09</p> <p>11 Q. Okay. Do you have plans to use it</p> <p>12 in the hearing?</p> <p>13 A. Possibly.</p> <p>14 MR. KUTIK: Well, Counsel, I</p> <p>15 guess -- 10:16:18</p> <p>16 A. Not during the hearing, but --</p> <p>17 MR. KUTIK: Counsel, to the extent</p> <p>18 that there's any intention to use that, we</p> <p>19 would request it to be produced.</p> <p>20 MR. CORCORAN: Sure. Absolutely. 10:16:29</p> <p>21 A. Yeah, it's not a big deal.</p> <p>22 Q. And can you describe what that</p> <p>23 chart is? What did you do?</p> <p>24 A. It's a chart of -- based on per</p> <p>25 kilowatt hour what the standard rates were 10:16:40</p>	<p>1 that you found a bunch of customers who were at</p> <p>2 1,000 kilowatts and totalled up their bills and</p> <p>3 then 2,000 kilowatts and did the same thing, or</p> <p>4 how did you figure out what the charge for the</p> <p>5 total bill was for each kilowatt hour? 10:18:00</p> <p>6 A. For which category?</p> <p>7 Q. Any category.</p> <p>8 A. It depended on the category.</p> <p>9 Q. Okay. What categories were there?</p> <p>10 A. As I've already stated, there were 10:18:10</p> <p>11 the previous all-electric customer bills, the</p> <p>12 rate shock bills, and the bills that people are</p> <p>13 paying now.</p> <p>14 Two of the three categories you can</p> <p>15 compute based on standard rates -- 10:18:19</p> <p>16 Q. Okay.</p> <p>17 A. -- and verify with -- and I also</p> <p>18 did that, and I verified against actual data.</p> <p>19 Q. When you say standard rates, you</p> <p>20 mean the rates that are published? 10:18:28</p> <p>21 A. Right.</p> <p>22 Q. As opposed to a standard</p> <p>23 residential customer's rate?</p> <p>24 A. Well, that's what a standard rate</p> <p>25 is, a standard residential customer rate. 10:18:37</p>
Page 284	Page 286
<p>1 previously, what the all-electric customer was</p> <p>2 paying in -- before the rate shock happened,</p> <p>3 during the rate shock, what they're paying now.</p> <p>4 Q. And when you say what they were</p> <p>5 paying, is that on a dollars per kilowatt hour 10:16:59</p> <p>6 basis?</p> <p>7 A. Yes.</p> <p>8 Q. Is that --</p> <p>9 A. A total bill.</p> <p>10 Q. All right. So it's a -- it's an 10:17:05</p> <p>11 average of a kilowatt hour basis?</p> <p>12 A. Yes.</p> <p>13 Q. Okay. Not a dollars; it's a</p> <p>14 dollars per kilowatt hour?</p> <p>15 A. Dollars per kilowatt hour? It's a 10:17:14</p> <p>16 total bill amount per level of kilowatt hour,</p> <p>17 yes.</p> <p>18 Q. And did you do that for each</p> <p>19 customer or did you group customers together?</p> <p>20 A. It's a chart per kilowatt hour, so 10:17:30</p> <p>21 1,000 kilowatts would be what everybody was</p> <p>22 paying, okay, not per customer, but -- because</p> <p>23 everybody was paying the same amount that were</p> <p>24 space heating.</p> <p>25 Q. Okay. So is it -- is it the case 10:17:46</p>	<p>1 Q. Okay. And does that include --</p> <p>2 when you say the standard rate, are you</p> <p>3 including any credits?</p> <p>4 A. No, because a standard rate is</p> <p>5 without credits. 10:18:47</p> <p>6 Q. With respect to -- were you trying</p> <p>7 to determine what electric heating customers</p> <p>8 were paying?</p> <p>9 A. Was I trying to determine that</p> <p>10 when? 10:19:02</p> <p>11 Q. For either of the three periods</p> <p>12 that you were --</p> <p>13 A. Well, yes, I've stated that</p> <p>14 already.</p> <p>15 Q. Okay. Well, ma'am, you have to 10:19:08</p> <p>16 understand that I need to understand what you</p> <p>17 did. And so I need to take you through it so I</p> <p>18 can make sure that I've understood it</p> <p>19 correctly. So bear with me.</p> <p>20 So you determined, at least on some 10:19:20</p> <p>21 categories, what the standard rates were by</p> <p>22 using the published rates?</p> <p>23 A. Correct.</p> <p>24 Q. And which of the categories did you</p> <p>25 use for that? That is, which categories did 10:19:37</p>

4 (Pages 283 to 286)

Page 287

1 you use by referencing the published rates?
 2 A. You can figure out the current
 3 all-electric customers' bills by looking at
 4 published rates and you can figure out what the
 5 rate shock bills were by looking at published 10:19:52
 6 rates.

7 Q. Okay. You cannot determine that --
 8 what customers were paying in the first period
 9 of time before the "rate shock" --

10 A. You could if you had access to the 10:20:08
 11 published rates, but I don't have access to
 12 those.

13 Q. So you came up with what we might
 14 call a calculated rate?

15 A. Correct, based on customer provided 10:20:17
 16 data.

17 Q. And when you say you based it on
 18 the customer provided data, can you take me
 19 through how you did the calculation?

20 A. I asked for people's bills. I put 10:20:29
 21 them on the chart and I looked at what the
 22 average was per kilowatt.

23 Q. And of all those -- and then you
 24 took the average of those averages?

25 A. Yes. 10:20:42

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1 MR. KUTIK: Let's mark this as the
 2 next one.

3 -----
 4 (Thereupon, Deposition Exhibit
 5 Steigerwald 27 A, List of Customers' 10:22:15
 6 Reported Bill Totals For the Current
 7 Period, was marked for purposes of
 8 identification.)

9 -----
 10 -----

11 (Thereupon, Deposition Exhibit
 12 Steigerwald 27 B, List of Customers'
 13 Bills Before the Rate Shock Period,
 14 was marked for purposes of
 15 identification.)
 16 -----

17 Q. The court reporter has handed you
 18 what's been marked for identification as
 19 Exhibits 27 A and B.

20 Do you have those in front of you? 10:22:00

21 A. Yes.

22 Q. Can you tell me what they are?

23 A. 27 A is a list of customers'
 24 reported bill totals for the period that we're
 25 under now, for the reinstated period. And 27 B 10:22:23

Page 289

1 is a list of customers' bills -- customers'
 2 bills before the rate shock period.

3 Q. Are these all of the bill data that
 4 you have; in other words, do these two exhibits
 5 comprise all of the bill data that you have? 10:22:54

6 A. Well, these were turned over a
 7 couple of weeks ago, I believe. So, no,
 8 there's been more data added to these.

9 Q. All right. Since the -- do these
 10 represent all of the bill data that you had as 10:23:11
 11 of the day after your first deposition?

12 A. Well, yes. Yes.

13 -----

14 (Thereupon, Deposition Exhibit
 15 Steigerwald 28, E-mail from Susan
 16 Steigerwald to Amy Gomborg Dated
 17 September 8th, 2010, was marked for
 18 purposes of identification.)
 19 -----

20 Q. The court reporter has handed you 10:23:59
 21 what's been marked Exhibit 28.

22 Do you recognize that?

23 A. Yes.

24 Q. This is an e-mail from you to Amy
 25 Gomborg dated September 8th, 2010, correct? 10:24:17

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1 A. Yes.

2 Q. And you tell Ms. Gomborg that you
 3 have met with another FE employee today.
 4 Do you see that?

5 A. Um-hum. 10:24:31

6 Q. Is that yes?

7 A. Yes.

8 Q. Was that Mr. Karchefsky?

9 A. Yes.

10 Q. Was Mr. Karchefsky a member of 10:24:37
 11 CKAP?

12 A. Yes.

13 Q. Did Mr. Karchefsky tell you that,
 14 basically, he understood the way all-electric
 15 rates were promoted or heating systems were 10:25:02
 16 promoted is that they were beneficial to the
 17 company based upon the company's costs?

18 MR. CORCORAN: Objection. David, I
 19 thought the purpose of this deposition was to
 20 go over newly provided information. 10:25:21

21 MR. KUTIK: And this is.

22 MR. CORCORAN: Yes -- well, now
 23 you're asking about things that Sue may have
 24 talked to Mr. Karchefsky about, and I believe
 25 we covered that at the first deposition. 10:25:34

5 (Pages 287 to 290)

Page 291	Page 293
<p>1 MR. KUTIK: Well, this is a little 2 bit more detail than she had previously 3 disclosed. 4 So can you read the question, 5 please? 10:25:45 6 (Record read.) 7 A. I don't remember that specifically. 8 Q. In other words, it benefited the 9 company because it helped defray some of the 10 company's overhead, correct? 10:26:08 11 A. Yes. 12 Q. And those are costs for the 13 company, correct? 14 A. Yes. 15 Q. And that's what he talked to 10:26:17 16 customers about, correct? 17 A. I don't recall him saying he talked 18 to customers about that. That's what he told 19 me. 20 Q. Was it your understanding that 10:26:23 21 that's what he told customers? 22 A. Excuse me? 23 Q. Was that your understanding that 24 that's -- that was what he told customers? 25 A. No, it was not my understanding. 10:26:30</p>	<p>1 Q. And that is, for example, to defray 2 some of the overhead, some of the costs of the 3 company, correct? 4 A. Correct. 5 - - - - - 6 (Thereupon, Deposition Exhibit 7 Steigerwald 29, E-mail from Susan 8 Steigerwald to Amy Gomberg Dated 9 August 5th, 2010, was marked for 10 purposes of identification.) 11 - - - - - 12 Q. The court reporter has handed you 13 what has been marked as Exhibit 29. 14 It is an e-mail from you to Amy 15 Gomberg, correct? 10:28:57 16 A. Yes. 17 Q. It's dated August 5th, 2010, 18 correct? 19 A. Yes. 20 Q. And you're advising Ms. Gomberg 10:29:02 21 that you created an electronic petition, 22 correct? 23 A. Yes. 24 Q. Does that petition exist today? 25 A. It does, yes. 10:29:13</p>
Page 292	Page 294
<p>1 Q. Well, you say here that, When 2 questioned about if it would be forever to 3 discuss how the all-electric home benefitted FE 4 by using up their excess supply, in essence, to 5 convince people it would not go away because it 10:26:50 6 benefitted the customer and FE. 7 That's what you said, correct? 8 A. Um-hum. 9 Q. Is that correct? 10 A. Well, yes. Can I -- give me a 10:26:57 11 second to read this, okay? 12 MR. KUTIK: Can you read the 13 question, please? 14 Q. Let me start again, then. 15 You state in this e-mail, And when 10:27:37 16 questioned about it, if it would be forever to 17 discuss how the all-electric home benefitted FE 18 by using up their excess supply, in essence, to 19 convince people it would not go away because it 20 benefitted the customer and FE. 10:27:56 21 That's what he told you? 22 A. Correct. 23 Q. And you understood what he meant by 24 benefitted FE, correct? 25 A. Correct. 10:28:06</p>	<p>1 Q. Has that petition been produced? 2 A. No, it hasn't been produced to 3 anybody. It's not being turned in. 4 Q. Okay. But you do have the 5 petition, correct? 10:29:24 6 A. It's on a website, yes. 7 Q. This -- you say, The site allows 8 me, as the administrator, to print out all the 9 signatures and addresses in a formal manner, 10 correct? 10:29:38 11 A. Yes. 12 Q. So you could be able to provide us 13 with the names and addresses of individuals who 14 signed that petition, correct? 15 A. I can only provide you with what 10:29:47 16 people who signed it provided, and nine times 17 out of ten they didn't provide an address. 18 Q. But to the extent they had 19 addresses, you could have provided that to us, 20 correct? 10:29:59 21 A. Off of that website, yes. 22 Q. And that was, again, something 23 under your control; was it not? 24 A. Yes. 25 - - - - -</p>

6 (Pages 291 to 294)

Page 295

1 (Thereupon, Deposition Exhibit
2 Steigerwald 30, E-mail from Susan
3 Steigerwald, was marked for purposes
4 of identification.)
5 - - - - - 10:30:51
6 Q. The court reporter has handed you
7 what is marked Exhibit 30.
8 I want to direct your attention to
9 the bottom of the first page, and that's an
10 e-mail from you? 10:31:08
11 A. Correct.
12 Q. And the e-mail says, Re:
13 Membership in CKAP. I removed it for now
14 because of problems. Don't worry at this time
15 about signing. Just come ready to testify. 10:31:26
16 Were you referring in this e-mail
17 to the petition?
18 A. Yes.
19 Q. And we can see that you're
20 referring to the petition, because if you look 10:31:38
21 on the second page of this document, there's an
22 e-mail to you, correct?
23 A. Yes.
24 Q. And this person who's writing to
25 you says, I can't figure out how to sign the 10:31:49

Page 296

1 petition, correct?
2 A. Yes.
3 Q. This is Brock Landers, correct?
4 A. Yes.
5 Q. And you are responding to Mr. 10:31:56
6 Landers by telling him, Don't worry about
7 signing it?
8 A. Yes.
9 Q. Can you tell me what the problems
10 were that you refer to? 10:32:03
11 A. Because the website allows -- the
12 website was only allowed minimal controls as to
13 who could sign it. So a person didn't have to
14 be a CKAP member, a person didn't have to be in
15 the state of Ohio. 10:32:21
16 What I found is people across the
17 country apparently have nothing better to do
18 than sign petitions. So there would be random
19 signatures on this petition. So there was
20 really -- it was not a good controlled 10:32:30
21 petition.
22 Q. So you were trying to figure out a
23 way to make sure only people who had an
24 interest in the case --
25 A. Right. 10:32:39

Page 297

1 Q. -- or the issue would sign?
2 A. Right.
3 So, basically, there's random
4 signatures on this petition that are
5 meaningless. 10:32:47
6 Q. But CKAP members also signed this
7 petition?
8 A. Sure.
9 - - - - -
10 (Thereupon, Deposition Exhibit
11 Steigerwald 31, E-mail from Susan
12 Steigerwald to Jim and Susan
13 Borchert, was marked for purposes of
14 identification.)
15 - - - - - 10:33:37
16 Q. Ms. Steigerwald, the court reporter
17 has handed you what's been marked Exhibit 31.
18 I want you to look at the middle of
19 the page, and that appears to be an e-mail from
20 you to Jim and Susan, correct? 10:33:52
21 A. Yes.
22 Q. And it appears that is Jim and
23 Susan Borchert, B O R C H E R T, which is
24 referred to at the bottom of the page, correct?
25 A. Yes. 10:34:04

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1 Q. Are they members of CKAP?
2 A. Honestly, I don't know.
3 Q. Okay. And then you -- you are
4 saying to them, You definitely qualify for the
5 all-electric discount and to sign the petition. 10:34:19
6 The only reason I put down for Ohio
7 residents was because the first week I put the
8 petition out there people from all over the
9 country were signing it like they had nothing
10 better to do or something. 10:34:33
11 My intent was to make sure whoever
12 signed had an all-electric home in Ohio. When
13 you sign, just put down the address of the
14 all-electric property in Ohio. Hope that
15 clarifies things for you and thanks for 10:34:48
16 signing.
17 Correct?
18 A. Yes.
19 Q. And that was the advice you were
20 giving them sometime in July 2010, correct? 10:34:54
21 A. Yes.
22 Q. And that was what you were telling
23 people on the website, that only Ohio residents
24 or people who had all-electric homes in Ohio
25 should sign it? 10:35:07

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1 A. Yes.
 2 - - - - -
 3 (Thereupon, Deposition Exhibit
 4 Steigerwald 32, E-mail from Susan
 5 Steigerwald to CKAP Friends Dated 10:36:04
 6 July 16th, 2010, was marked for
 7 purposes of identification.)
 8 - - - - -
 9 Q. The court reporter has handed you
 10 what's been marked as Exhibit 32. 10:35:59
 11 Do you recognize this as an e-mail
 12 that you sent out to CKAP friends on July 16th,
 13 2010?
 14 A. Yes.
 15 Q. And when we see e-mails of this 10:36:08
 16 type, could we refer to them as kind of your
 17 E-newsletters?
 18 A. Yes.
 19 Q. I mean, that's what you intended
 20 them to be, correct? 10:36:21
 21 A. I intended them to be updates to
 22 CKAP members.
 23 Q. Did you ever refer to them as
 24 newsletters?
 25 A. I don't recall if I did or not. I 10:36:29

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1 may -- I may have.
 2 Q. It wouldn't be inappropriate to
 3 refer to them as newsletters, though?
 4 A. I usually refer to them as updates,
 5 but sure, newsletters without the frills. 10:36:42
 6 Q. Okay. And this is -- I want you to
 7 refer to the page which is marked at the bottom
 8 -- there are two numbers. Either look at page
 9 -- page 238 or page CN 001261.
 10 Are you there? 10:37:03
 11 A. Yes.
 12 Q. And then at the bottom of that
 13 page, it looks like there's two paragraphs, you
 14 say, Click here to go to the website and sign
 15 our petition to make the all-electric rate 10:37:14
 16 permanent in Ohio, and then you give the link.
 17 I've also added a link at the top
 18 of our website's home page. Remember that
 19 people who sign do need to live in Ohio, but do
 20 not need to live in an all-electric home. 10:37:32
 21 Thus, the more of your friends and
 22 family you get to sign, the better. When you
 23 sign, you need to include your mailing address
 24 and an e-mail address for a valid signature.
 25 Do you see that? 10:37:44

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1 A. Um-hum, yes.
 2 Q. And when you say for a valid
 3 signature, what does that mean?
 4 A. That was my interpretation of -- I
 5 didn't want to turn any in petition that just 10:37:52
 6 had random names on it without mailing
 7 addresses, but what I found out is that people
 8 really aren't willing to put their mailing
 9 addresses on an online petition.
 10 - - - - -
 11 (Thereupon, Deposition Exhibit
 12 Steigerwald 33, E-mail from Susan
 13 Steigerwald to Amy Gomberg Dated
 14 June 28, 2010, was marked for
 15 purposes of identification.)
 16 - - - - -
 17 Q. The court reporter has handed you
 18 what's been marked as Exhibit 33.
 19 Do you recognize this as an e-mail
 20 from you to Amy Gomberg dated June 28, 2010? 10:38:49
 21 A. Yes.
 22 Q. And you're asking her a question,
 23 correct?
 24 A. Yes.
 25 Q. And the question is, Do you know 10:38:59

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1 when/for how many years the A-E customer has
 2 had no discount during the summer months? And
 3 then you also ask, Has it always been that way?
 4 Do you see that?
 5 A. Yes. 10:39:13
 6 Q. Did Ms. Gomberg respond to you?
 7 A. I believe her response was that
 8 they were not aware -- she responded -- she
 9 always responds, but she didn't have the
 10 answer. 10:39:33
 11 Q. Did you ever get an answer to that
 12 question?
 13 A. Not from Amy, no.
 14 Q. Okay. Did you ever get a response
 15 to that question from anyone? 10:39:42
 16 A. Not from any person. I researched
 17 it myself and have come to my own conclusions.
 18 Q. What was your conclusion?
 19 A. It was -- there was a date in the
 20 80s that customers stopped getting the summer 10:39:53
 21 rate. I don't recall the actual date, but I
 22 have it in my research.
 23 Q. Do you know whether CEI
 24 all-electric customers or electric heating
 25 customers paid more in the summer than standard 10:40:08

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1 customers?

2 A. I'm sorry; could you repeat that

3 question?

4 Q. Sure.

5 Do you know whether they paid more 10:40:15

6 in the summer?

7 A. CEI customers?

8 Q. Yes, CEI electric heating

9 customers, did they pay more or less than

10 standard customers in the summer? 10:40:24

11 A. They paid the same as the summer --

12 as the standard customer in the summer, but

13 they paid more than they paid during the

14 winter.

15 Q. Do you know -- do you know whether 10:40:35

16 all-electric customers paid more than standard

17 residential customers in the summer for CEI at

18 any time?

19 A. Not that I'm aware of.

20 Q. Why were you asking this question? 10:40:47

21 A. Because I wanted to know.

22 Q. Why did you want to know?

23 A. Because I think it was important to

24 understand the -- whether or not customers --

25 all-electric customers ever had their rate year 10:41:02

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1 around versus just in the winter months, as

2 they do now.

3 Q. Do you believe that all-electric

4 customers should get a discount for the summer?

5 A. I do not believe that. 10:41:12

6 Q. Why not?

7 A. Because I think that it's only fair

8 and equitable that they are on the same playing

9 field with -- with gas heating customers during

10 the summer to cool their homes. 10:41:23

11 -----

12 (Thereupon, Deposition Exhibit

13 Steigerwald 34, E-mail String, was

14 marked for purposes of

15 identification.)

16 -----

17 Q. The court reporter has handed you

18 what's been marked in this deposition as

19 Exhibit 34.

20 Do you recognize this? 10:42:06

21 A. Yes.

22 Q. The first two pages of this

23 document appear to be an e-mail from you to a

24 Joyce Leimbach, L E I M B A C H, correct?

25 A. Yes. 10:42:20

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1 Q. And then moving on to the second

2 page, there is an e-mail from Ms. Leimbach to

3 you, correct?

4 A. Yes.

5 Q. And then following that, there's an 10:42:35

6 e-mail from you to Sue Daugherty and Joyce

7 Leimbach, correct?

8 A. Yes.

9 Q. And following that, there is an

10 e-mail from Sue Daugherty to Joyce Leimbach 10:42:49

11 copied to you, correct?

12 A. Yes.

13 Q. And then from that there's an

14 e-mail from Joyce Leimbach to somebody called

15 Harold Butcher, correct? 10:43:01

16 A. Yes.

17 Q. Is Ms. Leimbach a member of CKAP?

18 A. Yes.

19 Q. And do you know where she lives?

20 A. The Sandusky area. I don't know 10:43:17

21 exactly.

22 Q. Is she an all-electric customer?

23 A. Yes.

24 Q. Do you know anything else about

25 her? 10:43:25

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1 A. No.

2 Q. Does she lead any organizations

3 like you do or like Ms. Daugherty does?

4 A. Not that I'm aware of.

5 Q. Now, I will tell you that there is 10:43:35

6 some -- or I will direct you to the bottom of

7 the first page of this exhibit, and there's

8 some handwriting, which I will tell you is --

9 was on the copy that I received.

10 I assume that's not your 10:43:52

11 handwriting?

12 A. No.

13 Q. Okay. You say -- let me back up.

14 In the paragraph before that, the

15 second paragraph from the bottom, As far as the 10:44:26

16 subsidize issue, that's been discussed numerous

17 times. See my document located at our website,

18 and you give the link.

19 Since I wrote this document,

20 FirstEnergy's spokesperson, Ellen Raines, has 10:44:38

21 admitted -- has since admitted in the media

22 that up till 2009 the A-E customer was never

23 subsidized.

24 But since 2009 and the current ESP

25 we are in, the small A-E discount we were 10:44:51

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<p>1 originally given was being subsidized by the 2 industrial customers. 3 Do you see that? 4 A. Yes. 5 Q. Do you believe that to be true? 10:45:02 6 A. Yes. 7 Q. In other words, you believe that it 8 is true that the small A-E discount is being 9 subsidized by the industrial customers? 10 A. One of the two. I don't recall if 10:45:17 11 it's the RDC or the EDR, but one of the two, 12 yes. 13 Q. Do you know if there are any other 14 customers that are paying for that? 15 A. I don't recall. 10:45:27 16 Q. Then you go on to say in the next 17 paragraph, Amy Gomberg helped me understand 18 that although we don't like it or necessarily 19 think it necessary -- or necessarily don't 20 think it necessary, the unfortunate situation 10:45:43 21 is that FE is guaranteed by the PUCO a certain 22 amount of required revenue. Once that revenue 23 pie amount is determined, they must be given 24 that amount. 25 Back in 2009, when the pie was 10:45:56</p>	<p>1 Q. The prior e-mail, by the way, we 2 discussed -- let me start again. Let me start 3 on the first page of this document, okay? 4 The e-mail that we were talking 5 about previously, when you were talking about 10:47:58 6 the subsidized issue, that was the e-mail that 7 you wrote to Ms. Leimbach on June 26, 2010, 8 correct? 9 A. Yes. 10 Q. Now, flipping to the last page of 10:48:12 11 this document, marked at the bottom with a 12 number 000117, at the top is an e-mail -- is 13 the carry-over of an e-mail that you wrote to 14 Ms. Daugherty and Ms. Leimbach on June 26th, 15 2010? 10:48:29 16 A. Yes. 17 Q. Now, you discussed, again at the 18 top of the page that's marked 117, the question 19 as to what a fair rate to pay per KWH would be, 20 correct? 10:48:46 21 A. Yes. 22 Q. And is it -- is that your position 23 today? 24 A. Let me take a minute to read. 25 Q. Sure. 10:48:59</p>
Page 308	Page 310
<p>1 determined, that would include the years 2009 2 till 2011; the full A-E discount was not 3 figured in. Thus, if we get the discount, 4 someone has to make up that amount. 5 Likewise, it is highly unlikely 10:46:12 6 (although, it would be the honest thing to do), 7 for FE to eat the cost of giving us the 8 discount in the future (next ESP goes from 2012 9 to 2014, and there's no close paren, end of 10 sentence. 10:46:34 11 Thus, the PUCO will approve a 12 revenue pie for them, including charging us the 13 full amount. If they then discount our rates, 14 some other rate payer will need to make up the 15 difference. 10:46:46 16 Did I read that correctly? 17 A. Yes. 18 Q. And is that what you believe? 19 A. Yes. 20 Q. Let me refer you to the last page 10:47:24 21 of this document, and at the top we have a 22 carry-over from an e-mail that you sent to 23 Ms. Daugherty and Ms. Leimbach on June 26th, 24 2010, correct? 25 A. Yes. 10:47:45</p>	<p>1 A. Yes, that is my position. 2 - - - - - 3 (Thereupon, Deposition Exhibit 4 Steigerwald 35, E-mail from Susan 5 Steigerwald to Amy Gomberg Dated 6 June 22nd, was marked for purposes 7 of identification.) 8 - - - - - 9 Q. Ms. Steigerwald, the court reporter 10 has handed you Exhibit 35. 10:49:54 11 This is an e-mail that you wrote to 12 Ms. Gomberg on June 22nd, correct? 13 A. Yes. 14 Q. And it's about FE opposition to 15 motion to intervene, correct? 10:50:05 16 A. Yes. 17 Q. And you say, Seemed like FE made 18 pretty good argument to not let individual 19 customers intervene. 20 Do you see that? 10:50:14 21 A. Yes. 22 Q. What'd you mean by that? 23 A. There were numerous pages of 24 arguments from FirstEnergy in the contra motion 25 to not let individual customers intervene; 10:50:28</p>

10 (Pages 307 to 310)

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1 meaning, it was voluminous.

2 Q. Well, you said it was a pretty good
3 argument. Why'd you say it was a pretty good
4 argument?

5 A. I meant lengthy. 10:50:43

6 Q. So that's what pretty good means to
7 you?

8 A. Um-hum.

9 Q. Is that yes?

10 A. Yes. 10:50:49

11 Q. It also says, It looks like they
12 did what you feared with Bob Schmitt Homes and
13 Heginbotham saying they don't belong in the
14 proceeding because they don't qualify?

15 A. Correct. 10:50:59

16 Q. You'd been told that, that that
17 would be the argument that FirstEnergy would
18 make?

19 A. No. Kevin and I discussed that
20 there would be a potential that they would not 10:51:10
21 be included because at the time they were not
22 all-electric homeowners.

23 - - - - -

24 (Thereupon, Deposition Exhibit
25 Steigerwald 36, E-mail from Susan

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1 Steigerwald to Amy Gomberg Dated
2 June 22nd, 2010, was marked for
3 purposes of identification.)
4 - - - - -

5 Q. Ms. Steigerwald, the court reporter 10:52:01
6 has handed you what's been marked as Exhibit
7 36.

8 You recognize the top of this
9 document on the first page as an e-mail that
10 you sent to Amy Gomberg dated June 22nd, 2010, 10:52:19
11 correct?

12 A. Yes.

13 Q. And you attach to the document --
14 to the e-mail a -- I assume an e-mail that you
15 received from the PUCO, correct? 10:52:35

16 A. Yes.

17 Q. And actually, from an individual
18 who works for the service monitoring and
19 enforcement department of the PUCO by the name
20 of John Campbell, correct? 10:52:47

21 A. Yes.

22 Q. Is this the only contact that you
23 had with Mr. Campbell that you know of?

24 A. Yes.

25 Q. And Mr. Campbell's basically 10:52:53

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1 saying, you know, since you are a formal party
2 you need to go through more formal means,
3 correct?

4 A. Yes.

5 Q. And you tell Ms. Gomberg that, you 10:53:05
6 know, others -- other CKAP members had made
7 similar requests, correct?

8 A. Yes.

9 Q. And was it correct to say that
10 after you got this e-mail, you advised other 10:53:18
11 CKAP members to not identify themselves as CKAP
12 members in their contacts with the PUCO?

13 A. Yes.

14 Q. Why'd you do that?

15 A. My reasoning was I wanted to make 10:53:30
16 sure that because CKAP was named as a party to
17 intervene as well as myself as an individual, I
18 wanted to be safe and make sure that CKAP
19 members weren't cut off from communicating with
20 the PUCO. 10:53:48

21 Q. Okay. So as a member -- as CKAP
22 members, you understood that they were supposed
23 to go through formal means?

24 A. No, I didn't understand that.

25 Q. Okay. Well, why -- well, isn't it 10:53:58

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1 true you told them not to identify themselves
2 as CKAP members because you feared they would
3 get the same letter that you got from Mr.
4 Campbell?

5 A. No. I knew myself as a party name 10:54:10
6 individually was in that position, but CKAP
7 members were never told that they would be in
8 that position. I was attempting to avoid them
9 being told that.

10 Q. All right. So you were concerned 10:54:23
11 that if they identified themselves as CKAP
12 members, they would get a letter like you did
13 from Mr. Campbell, correct?

14 A. Yes.

15 - - - - -

16 (Thereupon, Deposition Exhibit
17 Steigerwald 37, Series of E-mails
18 Between Susan Steigerwald and Amy
19 Gomberg, was marked for purposes of
20 identification.)
21 - - - - -

22 Q. Ms. Steigerwald, the court reporter
23 has handed you Exhibit 37.

24 This includes a series of e-mails
25 to Ms. Gomberg from you and from Ms. Gomberg to 10:55:27

11 (Pages 311 to 314)

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1 you, correct?

2 A. Yes.

3 Q. And Ms. Gomberg's with the OCC,

4 correct?

5 A. Correct. 10:55:41

6 Q. I want to refer you specifically to

7 the bottom of the first page or the page that's

8 marked confidential 000126.

9 This is an e-mail from Ms. Gomberg

10 to you on June 18, 2010, correct? 10:55:56

11 A. Yes.

12 Q. And it says, Kevin, Sue,

13 FirstEnergy has come back to the table with

14 another offer regarding the all-electrics in

15 their proposed electric security plan. We 10:56:09

16 would like to share this information with you

17 on a conference call this Tuesday.

18 And then she goes and talks about

19 when she might be available and Janine might be

20 available. 10:56:24

21 Did you ultimately have the

22 conference call with OCC about this topic?

23 A. Yes.

24 Q. And did she share with you the

25 confidential settlement discussions they were 10:56:36

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1 having with FirstEnergy?

2 A. They discussed only portions that

3 we were permitted to hear.

4 Q. Do you understand that the

5 settlement conversations between FirstEnergy 10:56:45

6 and OCC were confidential?

7 A. Yes.

8 Q. And you understand that,

9 notwithstanding the fact they were

10 confidential, OCC was sharing that information 10:56:56

11 with you?

12 A. The portion that we were

13 discussing, yes.

14 Q. You have engaged in confidential

15 settlement discussions yourself, have you not? 10:57:06

16 A. Yes.

17 Q. With the staff of the PUCO?

18 A. Yes.

19 Q. And did you divulge the substance

20 of those discussions to others? 10:57:16

21 A. No.

22 Q. Okay. Did you not divulge the

23 discussions with John Funk of The Plain Dealer?

24 A. I did not.

25 Q. You did not discuss those 10:57:23

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1 conversations in a letter to legislators?

2 A. No.

3 - - - - -

4 (Thereupon, Deposition Exhibit

5 Steigerwald 38, E-mail from Amy

6 Gomberg to Connie Kline, was marked

7 for purposes of identification.)

8 - - - - -

9 Q. Ms. Steigerwald, the court reporter

10 has handed you what's been marked as Exhibit 10:58:10

11 38.

12 This is an e-mail from Amy Gomberg

13 to someone named Kline is fine, at least their

14 e-mail address, klineisfine.

15 Do you recognize that e-mail 10:58:27

16 address?

17 A. Yes.

18 Q. Who's e-mail address is that?

19 A. Connie Kline.

20 Q. And is Connie Kline a member of 10:58:33

21 CKAP?

22 A. Yes.

23 Q. And how did -- did you ever see

24 this before?

25 A. I need a minute to take a look at 10:58:40

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1 it, please.

2 Q. Sure.

3 A. No, I haven't seen this before.

4 Q. It's a reference to the Market

5 Research Service, Inc.; is that familiar to 10:59:13

6 you?

7 A. No.

8 Q. Do you have any idea why Ms. Kline

9 was asking Ms. Gomberg about the Market

10 Research Service, Inc. case? 10:59:24

11 A. No.

12 - - - - -

13 (Thereupon, Deposition Exhibit

14 Steigerwald 39, E-mail from Susan

15 Steigerwald Dated March 11, 2010,

16 was marked for purposes of

17 identification.)

18 - - - - -

19 Q. The court reporter has handed you

20 what's been marked as Exhibit 39. 11:00:08

21 On the first page, about less than

22 a quarter of the way down, there's an e-mail

23 from you, correct?

24 A. Yes.

25 Q. And the e-mail is dated March 11, 11:00:27

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<p>1 2010?</p> <p>2 A. Yes.</p> <p>3 Q. And you are relaying in that e-mail</p> <p>4 a request from John Funk, correct?</p> <p>5 A. Yes. 11:00:42</p> <p>6 Q. Among other things, correct?</p> <p>7 A. Yes.</p> <p>8 Q. On the next page, there's another</p> <p>9 e-mail from you to someone named Bridget,</p> <p>10 correct? 11:00:59</p> <p>11 A. Yes.</p> <p>12 Q. And it appears that that e-mail is</p> <p>13 responding to an e-mail that you received from</p> <p>14 Bridget Brigham on March 12, correct?</p> <p>15 A. Yes. 11:01:11</p> <p>16 Q. And then on the next page, there is</p> <p>17 an e-mail from a Brad Powell to you, correct?</p> <p>18 A. Yes.</p> <p>19 Q. And then following that, there is</p> <p>20 an e-mail from you, correct? 11:01:33</p> <p>21 A. Yes.</p> <p>22 Q. And you say in that e-mail, There</p> <p>23 is no need to file another class action in Lake</p> <p>24 County. Although, Grendell filed his in Geauga</p> <p>25 to get friendlier judges, it applies to all 11:01:51</p>	<p>1 Did he tell you that he felt that</p> <p>2 -- well, did he mention which judges were</p> <p>3 friendlier?</p> <p>4 A. No.</p> <p>5 Q. Did he mention whether the judges 11:02:40</p> <p>6 on the trial court were friendly?</p> <p>7 A. No.</p> <p>8 Q. Did he mention whether the judges</p> <p>9 in the court of appeals were friendly?</p> <p>10 A. No. 11:02:50</p> <p>11 Q. Did he mention any judges by name?</p> <p>12 A. No.</p> <p>13 Q. Did he mention the fact that his</p> <p>14 wife is a judge?</p> <p>15 A. No. 11:02:55</p> <p>16 Q. Am I correct to understand you were</p> <p>17 not named as a plaintiff in Mr. Grendell's</p> <p>18 lawsuit?</p> <p>19 A. Correct.</p> <p>20 Q. Why is that? 11:03:14</p> <p>21 A. I don't know.</p> <p>22 Q. Do you believe you should have</p> <p>23 been?</p> <p>24 A. No, not necessarily.</p> <p>25 Q. Did you ever ask Mr. Grendell why 11:03:19</p>
Page 320	Page 322
<p>1 citizens of Ohio regardless of where they live.</p> <p>2 Do you see that?</p> <p>3 A. Yes.</p> <p>4 Q. And that's something you said?</p> <p>5 A. Yes. 11:02:01</p> <p>6 Q. Why did you understand that there</p> <p>7 were friendly judges in Geauga County?</p> <p>8 A. Because Mr. Grendell lives in</p> <p>9 Geauga County.</p> <p>10 Q. And he told you that these judges 11:02:10</p> <p>11 were friends of his?</p> <p>12 A. Not friends of his, no, but</p> <p>13 friendlier than if he had filed in Cuyahoga</p> <p>14 County.</p> <p>15 Q. Okay. Can you be more specific as 11:02:18</p> <p>16 to what you mean by that?</p> <p>17 A. No.</p> <p>18 Q. Okay. He just told you that they</p> <p>19 were friendlier judges?</p> <p>20 A. Correct.</p> <p>21 Q. Because he lived there?</p> <p>22 A. Correct.</p> <p>23 Q. And that he knew them?</p> <p>24 A. He knew of them, yes.</p> <p>25 Q. He knew of them. 11:02:33</p>	<p>1 you were not named?</p> <p>2 A. No.</p> <p>3 Q. That subject never came up between</p> <p>4 you and him?</p> <p>5 A. Correct. 11:03:27</p> <p>6 -----</p> <p>7 (Thereupon, Deposition Exhibit</p> <p>8 Steigerwald 40, E-mail from Susan</p> <p>9 Steigerwald Dated December 19th,</p> <p>10 2010, was marked for purposes of</p> <p>11 identification.)</p> <p>12 -----</p> <p>13 Q. The court reporter has handed you</p> <p>14 what has been marked as Exhibit 40.</p> <p>15 I want to start about halfway down 11:04:17</p> <p>16 the first page; that's an e-mail that you sent</p> <p>17 out to your CKAP friends, in quotes, correct?</p> <p>18 A. Yes.</p> <p>19 Q. Dated December 19th, 2010, correct?</p> <p>20 A. Yes. 11:04:29</p> <p>21 Q. And you say you basically need</p> <p>22 bills for 3,500 kilowatts.</p> <p>23 Do you see that?</p> <p>24 A. Yes.</p> <p>25 Q. Why were you asking for that? 11:04:38</p>

13 (Pages 319 to 322)

Page 323

1 A. I wanted to evaluate the impacts at
 2 an average usage of 3,500 kilowatts for a
 3 winter bill.
 4 Q. Did you receive bills at that
 5 level? 11:04:49
 6 A. Yes.
 7 Q. Is it the case that your bills are
 8 at that level?
 9 A. No, my bills are higher.
 10 Q. So your bills are higher than 3,500 11:04:56
 11 kilowatts on a monthly basis?
 12 A. Yes.
 13 - - - - -
 14 (Thereupon, Deposition Exhibit
 15 Steigerwald 41, E-mail from Susan
 16 Steigerwald to Vince Astor Dated
 17 February 25, 2010, was marked for
 18 purposes of identification.)
 19 - - - - -
 20 Q. The court reporter has handed you 11:05:46
 21 what's been marked Exhibit 41.
 22 At the top this is an e-mail that
 23 you wrote to someone named Vince, correct?
 24 A. Yes.
 25 Q. And as we go more than halfway down 11:05:55

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1 the page, we can see you're responding to an
 2 e-mail from Vince Astor, A S T O R, dated
 3 February 25, 2010, correct?
 4 A. Yes.
 5 Q. Can we assume that this was shortly 11:06:10
 6 -- your e-mail was shortly thereafter, and by
 7 that I mean within the week or so?
 8 A. Sure. Yes.
 9 Q. Now, you're describing some certain
 10 things to Mr. Astor, correct? 11:06:25
 11 A. Yes.
 12 Q. You're providing some facts as to
 13 your background, correct?
 14 A. Yes.
 15 Q. And you're giving him some advice 11:06:36
 16 as well, correct?
 17 A. Yes.
 18 Q. Are all the facts that you're
 19 stating in this e-mail true?
 20 A. I need a minute to take a look 11:06:42
 21 here.
 22 Q. Sure.
 23 A. You're asking about the bottom
 24 section?
 25 Q. No. 11:06:48

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1 I'm talking about in the body of
 2 your e-mail, is there any fact in that e-mail
 3 that's untrue?
 4 A. Okay. Let me -- I'll take a minute
 5 to read. 11:06:56
 6 The facts are correct except that
 7 NOPEC wasn't allowed -- NOPEC/GEXAS/FirstEnergy
 8 Solutions at the time I wrote this e-mail was
 9 not allowed to service all-electric customers,
 10 whereas now they are. 11:07:57
 11 Q. But at the time you wrote -- you
 12 wrote this, every fact stated here is true?
 13 A. Yes.
 14 Q. Now, the last sentence of this
 15 e-mail, you're talking about how a small group 11:08:10
 16 got together with Mr. Grendell, correct?
 17 A. Yes.
 18 Q. Did you form that small group or
 19 was that small group formed by Mr. Grendell?
 20 A. It was formed by Mr. Grendell. 11:08:23
 21 Q. Okay. And at that meeting, was the
 22 idea that there were oral or verbal promises
 23 made discussed?
 24 A. Yes.
 25 Q. And was that an issue that was 11:08:36

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1 raised by Mr. Grendell?
 2 A. Yes.
 3 Q. And would it be fair to say Mr.
 4 Grendell came up with the idea that -- arguing
 5 that there were verbal or oral promises would 11:08:53
 6 be an effective way to get the all-electric
 7 discount reinstated?
 8 A. It's not correct to say that he
 9 came up with the ideas because other people had
 10 similar ideas at the time. 11:09:08
 11 Q. Okay. But he -- but he was the one
 12 that raised that issue, correct?
 13 A. He was one of the people who raised
 14 it, along with other customers who were
 15 present. 11:10:32
 16 - - - - -
 17 (Thereupon, Deposition Exhibit
 18 Steigerwald 42, Series of E-mails,
 19 was marked for purposes of
 20 identification.)
 21 - - - - -
 22 Q. The court reporter has handed you
 23 what's been marked Exhibit 42.
 24 This includes a series of e-mails
 25 from you to others and from others to you, 11:10:49

14 (Pages 323 to 326)

Page 327	Page 329
<p>1 correct?</p> <p>2 A. Yes.</p> <p>3 Q. The e-mail -- the document starts</p> <p>4 out with an e-mail that you wrote, correct?</p> <p>5 A. Yes. 11:11:08</p> <p>6 Q. And you're responding to an e-mail</p> <p>7 from James Reed, R E E D, dated March 31, 2010,</p> <p>8 correct?</p> <p>9 A. Yes.</p> <p>10 Q. He's advising you that he went to 11:11:20</p> <p>11 the Geauga County Tax Department today and</p> <p>12 filed for re-evaluation of his property down to</p> <p>13 zero, correct?</p> <p>14 A. Yes.</p> <p>15 Q. Did the Geauga County Tax 11:11:30</p> <p>16 Department ever react on his request?</p> <p>17 A. I don't know.</p> <p>18 Q. Following Mr. Reed's e-mail, there</p> <p>19 was another e-mail from you to Larry, correct?</p> <p>20 A. Yes. 11:11:48</p> <p>21 Q. And Larry is Larry Baker, whose</p> <p>22 name appears at the bottom of the second page</p> <p>23 of this document?</p> <p>24 A. Yes.</p> <p>25 Q. Mr. Baker wrote an e-mail to 11:12:07</p>	<p>1 A. Yes.</p> <p>2 Q. And other members of CKAP, correct?</p> <p>3 A. Yes.</p> <p>4 Q. So he's your lawyer, correct?</p> <p>5 A. He is a lawyer for the lawsuit, 11:13:13</p> <p>6 yes.</p> <p>7 - - - - -</p> <p>8 (Thereupon, Deposition Exhibit</p> <p>9 Steigerwald 43, Document Bates</p> <p>10 Stamped 000890 and 000891, was</p> <p>11 marked for purposes of</p> <p>12 identification.)</p> <p>13 - - - - -</p> <p>14 Q. The court reporter has handed you</p> <p>15 what has been marked Exhibit 43. 11:14:34</p> <p>16 It starts out a little less than a</p> <p>17 quarter of the way down with an e-mail that you</p> <p>18 wrote to folks?</p> <p>19 A. Yes.</p> <p>20 Q. That's followed by another e-mail 11:14:44</p> <p>21 that you wrote?</p> <p>22 A. Yes.</p> <p>23 Q. And going on to the second page,</p> <p>24 over halfway down, there's a memo from Karen</p> <p>25 Haney or an e-mail from Karen Haney? 11:15:02</p>
Page 328	Page 330
<p>1 Senator Grendell?</p> <p>2 A. Yes.</p> <p>3 Q. And that e-mail was then forwarded</p> <p>4 to you?</p> <p>5 A. Yes. 11:12:15</p> <p>6 Q. Was Mr. Baker a member of CKAP?</p> <p>7 A. At the time he was not.</p> <p>8 Q. Is he -- is he now?</p> <p>9 A. I don't know.</p> <p>10 Q. Okay. Was Mr. Grendell -- or is 11:12:31</p> <p>11 Mr. Grendell a member of CKAP?</p> <p>12 A. No.</p> <p>13 Q. When you talked with Mr. Grendell,</p> <p>14 did you basically believe that he was acting as</p> <p>15 the lawyer for members of CKAP and other 11:12:48</p> <p>16 all-electric customers?</p> <p>17 A. No.</p> <p>18 Q. At some time did he become the</p> <p>19 lawyer?</p> <p>20 A. No. 11:12:58</p> <p>21 Q. He's not the lawyer for</p> <p>22 all-electric customers?</p> <p>23 A. No. He's the lawyer for a class</p> <p>24 action lawsuit.</p> <p>25 Q. That includes you, correct? 11:13:06</p>	<p>1 A. Yes.</p> <p>2 Q. And it says, I'm grateful for</p> <p>3 whoever called and left a message on our phone</p> <p>4 the day before or I wouldn't have known about</p> <p>5 it. 11:15:13</p> <p>6 Do you see that?</p> <p>7 A. Yes.</p> <p>8 Q. Do you know who called her?</p> <p>9 A. My understanding is they were robot</p> <p>10 calls from Senator -- ex-state rep Patton's 11:15:20</p> <p>11 office.</p> <p>12 Q. Do you know whether there were</p> <p>13 similar robot calls for any of the PUCO public</p> <p>14 hearings in this case?</p> <p>15 A. I do not know. 11:15:31</p> <p>16 - - - - -</p> <p>17 (Thereupon, Deposition Exhibit</p> <p>18 Steigerwald 44, E-mail from Susan</p> <p>19 Steigerwald Dated February 24th,</p> <p>20 2010, was marked for purposes of</p> <p>21 identification.)</p> <p>22 - - - - -</p> <p>23 Q. The court reporter has handed you</p> <p>24 what's been marked as Exhibit 44.</p> <p>25 I want to direct your attention to 11:16:37</p>

15 (Pages 327 to 330)

Page 331	Page 333
<p>1 the bottom of the first page, and then 2 continuing on through the rest of the document 3 to the top of the last page. 4 My question to you is: This is an 5 e-mail or an update or a newsletter that you 11:17:03 6 wrote on February 24th, 2010, correct? 7 A. Yes. 8 Q. And would it be fair to say that in 9 this update or newsletter that your statement 10 of facts you believed to be true? 11:17:21 11 A. I'll need a minute to -- to read 12 through everything. 13 Q. Well, I guess my question is: Is 14 it your practice to send out e-mails with 15 statements of facts you believe to be untrue? 11:17:39 16 A. No. 17 Q. So if it's an e-mail, can we assume 18 that you believed it to be true at the time you 19 wrote it? 20 A. Yes. 11:17:47 21 ----- 22 (Thereupon, Deposition Exhibit 23 Steigerwald 45, E-mail from Susan 24 Steigerwald Dated March 3rd, 2010, 25 was marked for purposes of</p>	<p>1 A. Yes. 2 Q. And this is an e-mail that you 3 wrote dated March 16, 2010, correct? 4 A. Yes. 5 Q. Let me have you turn to the second 11:20:58 6 page of this document. 7 You mention in the bottom paragraph 8 there that you spoke with Mr. Grendell on 9 Thursday. He wanted to reiterate to us how 11:21:16 10 important it is for us to keep active during 11 the next 90 days and make sure the governor 12 knows that we are not going away. 13 He also suggested our group get a 14 name relating to keeping the promise, hence 15 keeping -- insistence for keeping the 11:21:28 16 all-electric promise. 17 Do you see that? 18 A. Yes. 19 Q. Is that true? 20 A. Yes. 11:21:34 21 Q. When did he suggest to you that 22 there should be a name? 23 A. It would have been shortly before 24 this e-mail. I don't recall the exact date. 25 Q. Was he your lawyer at this time? 11:21:46</p>
Page 332	Page 334
<p>1 identification.) 2 ----- 3 Q. The court reporter has handed you 4 what's been marked Exhibit 45. 5 I want to direct your attention to 11:18:47 6 a little more than a third of the way down the 7 first page going to the end of the document, 8 almost three quarters of the way down. Is this 9 another e-mail update, newsletter that you 10 wrote? 11:19:03 11 A. Yes. 12 Q. And this one's dated March 3rd, 13 2010? 14 A. Yes. 15 ----- 16 (Thereupon, Deposition Exhibit 17 Steigerwald 46, E-mail from Susan 18 Steigerwald Dated March 16th, 2010, 19 was marked for purposes of 20 identification.) 21 ----- 22 Q. The court reporter has handed you 23 what's been marked as Exhibit 46. 24 Do you recognize this as an e-mail, 25 newsletter or update that you wrote? 11:20:12</p>	<p>1 A. No. 2 Q. Okay. Was he a lawyer for the 3 lawsuit at this time? 4 A. He was a lawyer for the lawsuit. 5 Q. Which you were involved? 11:21:55 6 A. Yes. 7 Q. And he specifically mentioned to 8 you that it should have something to do with 9 keeping the promise? 10 A. Yes. 11:22:05 11 Q. And was it you or he that came up 12 with the name Citizens For Keeping the 13 All-Electric Promise? 14 A. I came up with the name. 15 Q. Did you run it by him? 11:22:13 16 A. No. 17 Q. Did you ask him what he thought 18 about it? 19 A. No. 20 Q. Did he ever give a reaction to it? 11:22:18 21 A. Yes. 22 Q. What did he say? 23 A. He said he liked it. 24 ----- 25 (Thereupon, Deposition Exhibit</p>

16 (Pages 331 to 334)

Page 335		Page 337	
1	Steigerwald 47, E-mail from Sue	1	A. Yes.
2	Steigerwald Dated February 26th,	2	Q. This is, obviously -- these
3	2010, was marked for purposes of	3	newsletters are things that you wrote, correct?
4	identification.)	4	A. Yes.
5	- - - - - 11:22:56	5	Q. This one is dated March 9, 2010, 11:26:36
6	Q. The court reporter has handed you	6	correct?
7	what's been marked as Exhibit 47.	7	A. Yes.
8	Let me refer you to the bottom of	8	Q. And in this e-mail, you're
9	the first page where it begins, from Sue	9	instructing individuals how to file complaints,
10	Steigerwald, and your e-mail address, sent 11:23:06	10	correct? 11:26:56
11	Friday, February 26th, 2010, 1:12 a.m.,	11	A. Yes.
12	Subject, big news, OCC makes counter proposal.	12	Q. And you're instructing them on the
13	And then the rest of this document	13	second page to cut and paste -- baby, cut and
14	until the top of the last page represents your	14	paste, correct?
15	e-mail, E-newsletter or update to members of 11:23:25	15	A. Yes. 11:27:06
16	CKAP, correct?	16	Q. And this advice or e-mail is
17	A. Yes.	17	basically repeated through the rest of this
18	- - - - -	18	document, correct, till the last page?
19	(Thereupon, Deposition Exhibit	19	A. What do you mean by this advice?
20	Steigerwald 48, E-mail from Susan	20	Q. Well, you have an e-mail that 11:27:21
21	Steigerwald to CKAP Members Dated	21	starts on the first page of this document, and
22	February 27th, 2010, was marked for	22	that e-mail appears to go until the page that's
23	purposes of identification.)	23	marked 37, correct?
24	- - - - -	24	A. Right, the e-mail continues, yes.
25	Q. Ms. Steigerwald, the court reporter 11:24:44	25	Q. And then on page 37, there's a 11:27:37

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1	has handed you what's been marked as Exhibit	1	similar e-mail that you're writing; this one
2	48.	2	dated February 19th, correct? And it appears
3	This is an e-mail or update that	3	to be quite similar to the first e-mail; would
4	you wrote to CKAP members dated February 27th,	4	you agree?
5	2010, correct? 11:25:00	5	A. Yes. 11:27:56
6	A. Yes.	6	Q. So these -- what we see in Exhibit
7	Q. And this e-mail, newsletter, update	7	49 are two e-mails where you're urging CKAP
8	runs to the second to last -- or, actually the	8	members to complain?
9	second -- the last page of this document,	9	A. Yes.
10	correct? 11:25:15	10	Q. And how to file complaints? 11:28:09
11	A. Yes.	11	A. Yes.
12	- - - - -	12	Q. Including cutting and pasting?
13	(Thereupon, Deposition Exhibit	13	A. Cutting and pasting their thoughts
14	Steigerwald 49, E-mail from Susan	14	into these different links, yes.
15	Steigerwald Dated March 9th, 2010,	15	- - - - -
16	was marked for purposes of	16	(Thereupon, Deposition Exhibit
17	identification.)	17	Steigerwald 50, E-mail from Susan
18	- - - - -	18	Steigerwald Dated March 18th, 2010,
19	Q. Ms. Steigerwald, the court reporter	19	was marked for purposes of
20	has handed you what's been marked as Exhibit 11:26:13	20	identification.)
21	49.	21	- - - - -
22	Starting about a little more than	22	Q. Ms. Steigerwald, the court reporter
23	halfway down the first page, there is another	23	has handed you Exhibit 50.
24	e-mail, E-newsletter or update that you're	24	This, too, is another e-mail,
25	sending out, correct? 11:26:29	25	E-newsletter or update that you were sending 11:29:05

17 (Pages 335 to 338)

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<p>1 out to your CKAP friends, correct?</p> <p>2 A. Yes.</p> <p>3 Q. This one is dated March 18,</p> <p>4 correct?</p> <p>5 A. Yes. 11:29:16</p> <p>6 -----</p> <p>7 (Thereupon, Deposition Exhibit</p> <p>8 Steigerwald 51, Document Bates</p> <p>9 Stamped CN001107 to CN001111, was</p> <p>10 marked for purposes of</p> <p>11 identification.)</p> <p>12 -----</p> <p>13 Q. The court reporter has handed you</p> <p>14 what's been marked Exhibit 51, a document that</p> <p>15 contains a series of e-mails. 11:30:32</p> <p>16 And I want to specifically refer</p> <p>17 you to one that begins at the bottom of the</p> <p>18 first page of this document that's dated March</p> <p>19 31, 2010, subject, CKAP, time to complain</p> <p>20 again. 11:30:48</p> <p>21 Do you see that?</p> <p>22 A. Yes.</p> <p>23 Q. And this e-mail -- this is an</p> <p>24 e-mail, update or E-newsletter that continues</p> <p>25 to the top of the last page of this document, 11:30:57</p>	<p>1 -----</p> <p>2 (Thereupon, Deposition Exhibit</p> <p>3 Steigerwald 53, E-mail from Susan</p> <p>4 Steigerwald Dated June 10th, 2010,</p> <p>5 was marked for purposes of</p> <p>6 identification.)</p> <p>7 -----</p> <p>8 Q. Ms. Steigerwald, the court reporter</p> <p>9 has handed you what's been marked as Exhibit</p> <p>10 53. 11:38:03</p> <p>11 Starting at the bottom, there is an</p> <p>12 e-mail that you wrote, correct?</p> <p>13 A. Yes.</p> <p>14 Q. This is another one of your updates</p> <p>15 or E-newsletters, and this one's dated June 10, 11:38:10</p> <p>16 2010, correct?</p> <p>17 A. Yes.</p> <p>18 Q. This one's entitled, CKAP, Friday</p> <p>19 is pester the PUCO day.</p> <p>20 Do you see that? 11:38:25</p> <p>21 A. Yes.</p> <p>22 -----</p> <p>23 (Thereupon, Deposition Exhibit</p> <p>24 Steigerwald 54, E-mail from Susan</p> <p>25 Steigerwald Dated November 2nd,</p>
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<p>1 correct?</p> <p>2 A. Yes.</p> <p>3 -----</p> <p>4 (Thereupon, Deposition Exhibit</p> <p>5 Steigerwald 52, E-mail from Susan</p> <p>6 Steigerwald Dated April 8th, 2010,</p> <p>7 was marked for purposes of</p> <p>8 identification.)</p> <p>9 -----</p> <p>10 Q. Ms. Steigerwald, the court reporter 11:36:23</p> <p>11 has handed you Exhibit 52 for purposes of this</p> <p>12 deposition.</p> <p>13 Starting towards the bottom of the</p> <p>14 first page, that appears to be the start of an</p> <p>15 e-mail, E-newsletter or update that you wrote, 11:36:40</p> <p>16 correct?</p> <p>17 A. Yes.</p> <p>18 Q. And that document continues till</p> <p>19 the last page of -- or that e-mail, newsletter,</p> <p>20 update continues to the last page of this 11:36:55</p> <p>21 document, correct?</p> <p>22 A. Yes.</p> <p>23 Q. And this is dated April 8th, 2010,</p> <p>24 correct?</p> <p>25 A. Yes. 11:37:10</p>	<p>1 2010, was marked for purposes of</p> <p>2 identification.)</p> <p>3 -----</p> <p>4 Q. The court reporter has handed you</p> <p>5 what's been marked as Exhibit 54, another 11:38:59</p> <p>6 document.</p> <p>7 This one is another e-mail,</p> <p>8 E-newsletter or update that you wrote, correct?</p> <p>9 A. Yes.</p> <p>10 Q. This one is dated November 2, 2010, 11:39:11</p> <p>11 correct?</p> <p>12 A. Yes.</p> <p>13 Q. And your e-mail, E-newsletter or</p> <p>14 update continues to the last page of this</p> <p>15 document, correct? 11:39:21</p> <p>16 A. Yes.</p> <p>17 -----</p> <p>18 (Thereupon, Deposition Exhibit</p> <p>19 Steigerwald 55, E-mail from Susan</p> <p>20 Steigerwald Dated November 12th,</p> <p>21 2010, was marked for purposes of</p> <p>22 identification.)</p> <p>23 -----</p> <p>24 Q. The court reporter has handed you</p> <p>25 what is marked Exhibit 55. 11:40:12</p>

18 (Pages 339 to 342)

Page 343	Page 345
<p>1 You recognize this as another 2 e-mail, E-newsletter or update that you were 3 sending out, correct? 4 A. Yes. 5 Q. This one begins about halfway down 11:40:20 6 the first page? 7 A. Yes. 8 Q. And it's dated February 12, 2010? 9 A. Yes. 10 Q. And it's dated -- the subject is, 11:40:30 11 CKAP FE wins delay in A-E case, correct? 12 A. Correction. You said February 13 12th. It's November 12th. 14 Q. Thank you for that correction. 15 And the e-mail continues to the top 11:40:44 16 of the last page of this document, correct? 17 A. Yes. 18 ----- 19 (Thereupon, Deposition Exhibit 20 Steigerwald 56, E-mail from Susan 21 Steigerwald Dated February 23rd, 22 2010, was marked for purposes of 23 identification.) 24 ----- 25 Q. The court reporter has handed you 11:41:24</p>	<p>1 A. The current case to take away the 2 residential distribution credit. 3 Q. Do you mean the ESP by that? 4 A. No. 5 Q. What do you mean by that? 11:43:06 6 A. That one was case 090906. 7 Q. Was that an ESP case? 8 A. No. 9 Q. What was it? 10 A. Just a regular rate case, to my 11:43:15 11 understanding. 12 Q. To your understanding. 13 Then flipping the page, you say at 14 the top of the page that's marked 59 or 15 CN001082, To recap, FE's February 12th proposal 11:43:33 16 would cap our total bill increase to a max of 17 20 percent to start. Then would gradually 18 phase the remaining increases over eight years. 19 We need to oppose both of these cases. Please 20 click on the following link to do so and cut 11:43:49 21 and paste the italicized text below into the 22 complaint form. 23 Do you see that? 24 A. Yes. 25 Q. And then you provided them some 11:43:58</p>
Page 344	Page 346
<p>1 what's been marked Exhibit 56. 2 This is an e-mail that you sent out 3 to CKAP members starting at the bottom of the 4 first page dated February 23, 2010, correct? 5 A. Yes. 11:41:41 6 Q. This is another e-mail, 7 E-newsletter or update, correct? 8 A. Yes. 9 Q. You wrote all of this, correct? 10 A. I'm sorry? 11:41:51 11 Q. You wrote all of this, correct? 12 A. Yes. 13 Q. Let me refer you to the second page 14 of this document, and towards the bottom there 15 is an action item 2, correct? 11:42:28 16 A. Yes. 17 Q. And you said, We all need to 18 formally oppose FirstEnergy's 20-percent cap 19 proposal submitted February 12th and currently 20 being reviewed by the PUCO, as well as a 11:42:41 21 current case that they have -- they have 22 pending to actually take away our residential 23 distribution credit. I'll stop there. 24 Was the current case that you refer 25 to the ESP case, to your understanding? 11:42:55</p>	<p>1 text that they could cut and paste, correct? 2 A. Yes. 3 Q. Adding that they could feel free to 4 add their own text, correct? 5 A. Yes. 11:44:10 6 Q. And do you know whether some 7 individuals do -- did that? 8 A. Yes, they did. 9 Q. Did you look on the PUCO's website 10 to see that? 11:44:17 11 A. I've seen some, yes. 12 ----- 13 (Thereupon, Deposition Exhibit 14 Steigerwald 57, Series of Complaints 15 Filed with PUCO, was marked for 16 purposes of identification.) 17 ----- 18 Q. I want to ask you if you -- well, 19 Exhibit 57 appears to be a series of 20 complaints, correct? 11:45:02 21 A. Yes. 22 Q. That are filed with the PUCO under 23 various individuals' names, correct? 24 A. Yes. 25 Q. And almost all of them start with 11:45:10</p>

19 (Pages 343 to 346)

Page 347	Page 349
<p>1 the same language that you suggested that they 2 use in your e-mail, newsletter, update that was 3 marked as Exhibit 56, correct? 4 A. No. The first -- I have paged 5 through 5 and they don't all start with the 11:45:26 6 same language, no. 7 Q. All right. Would you say that most 8 of them do? 9 A. No. Some do, yes. I will say some 10 do. 11:45:50 11 Q. Well, let's go through them. 12 The first page does, correct? 13 A. Yes. 14 Q. The second page does, correct? 15 A. Are you talking about the first 11:46:03 16 three words? 17 Q. We'll start there, yes. 18 A. The first three words of the whole 19 paragraph, yes. 20 Q. Okay. And the third page does, 11:46:12 21 correct? 22 A. Yes. 23 Q. The fourth page does not? 24 A. Correct. 25 Q. The fifth page does not, correct? 11:46:19</p>	<p>1 to be from Jessica Sheets filed on February 2 26th, does, correct? 3 A. Yes. 4 Q. The one from Barbara Leskovich does 5 as well? 11:47:31 6 A. It starts with the same three 7 words, yes. 8 Q. As does Richard Nesselhauf on the 9 next page? 10 A. Yes. 11:47:40 11 Q. As does -- the next one does not, 12 from Robert Wodecki? 13 A. Correct. 14 Q. The next one from Tammy Wigren does 15 not? 11:47:51 16 A. Correct. 17 Q. Neither does Anthony Jaycock, 18 although on the second -- the next page, the 19 one from Frank Kajder does, correct? 20 A. Yes. 11:48:00 21 Q. The one from Nicholas Genco does 22 not? 23 A. Correct. 24 Q. The one from Deborah Albertini 25 does? 11:48:10</p>
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<p>1 A. Correct. 2 Q. The sixth page does not? 3 A. Correct. 4 Q. The seventh page does? 5 A. Correct. 11:46:29 6 Q. The eighth page does? 7 A. Correct. 8 Q. The ninth page does? 9 A. Correct. 10 Q. The tenth page does? 11:46:37 11 A. Correct. 12 Q. The eleventh page does? 13 A. Not technically it doesn't. 14 Q. It says, Am adamantly opposed as 15 opposed to I am adamantly opposed, correct? 11:46:57 16 A. Correct. 17 Q. The next one starts, In regards to 18 case 10-0176 EL-ATA, I am adamantly opposed. 19 Adamantly is spelled wrong, 20 correct? 11:47:10 21 A. Yes. 22 Q. The next one does not. The next 23 one does not. 24 The next one, just so we're clear 25 on the record, which is the complaint, appears 11:47:18</p>	<p>1 A. Correct. 2 Q. The one from Rose Leskovich does? 3 A. Correct. 4 Q. The one from Kathy Dombrowski does? 5 A. Correct. 11:48:19 6 Q. The one from James Kowski does? 7 A. Correct. 8 Q. The one from Lynn Westphal does? 9 A. Correct. 10 Q. The one from Howard Swafford does? 11:48:26 11 A. Correct. 12 Q. The one from Maureen Sheldon does? 13 A. Correct. 14 Q. The one from Gary Freeh, F R E E H, 15 does? 11:48:40 16 A. Yes. They all start with -- those 17 ones do start with the same three words, but 18 have different text in the body of the -- 19 Q. Well, you think they do, but 20 frankly, they don't. 11:48:51 21 Linda Barita-Pountney starts the 22 same way, correct? 23 A. Yes, the same three words. 24 Q. Well, it's more than the same three 25 words, correct? 11:48:59</p>

20 (Pages 347 to 350)

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1 A. Well, I'm the answering the
2 question on the same three words.
3 Q. They start with the same language;
4 do they not?
5 A. The same three words, yes. 11:49:04
6 Q. Well, it's more than the same three
7 words.
8 A. Well, the question is the same
9 three words.
10 Q. No. I asked you -- now the
11 question to you is: Doesn't it --
12 A. Well, then we would have to read
13 each one individually.
14 Q. Well, yours starts out, I am
15 adamantly opposed to FirstEnergy's case 10-0176 11:49:16
16 EL-ATA and demand the PUCO not -- not to
17 approve it.
18 Isn't that what Ms. Barita-Pountney
19 says?
20 A. Which one is Ms. Barita-Pountney? 11:49:29
21 Q. Linda Barita-Pountney, B A R I T
22 A --
23 A. Yes, she has that sentence in
24 her --
25 Q. Let me finish. B A R I T A, dash, 11:49:38

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1 P O U N T N E Y.
2 Same first sentence, right?
3 A. Correct.
4 Q. Same first sentence for Kym, K Y M,
5 Ladow, L A D O W? 11:49:51
6 A. Correct.
7 Q. The one from Danette Brandt does
8 not, correct?
9 A. Correct.
10 Q. The one from John Rowles, R O W L E 11:50:07
11 S, does begin the same way, correct?
12 A. Right, the same first sentence.
13 Q. Okay. The same first sentence for
14 Sarah Barys, B A R Y S, correct?
15 A. The same first sentence, yes. 11:50:22
16 Q. And actually, the second sentence
17 is the same, too, correct?
18 A. I would have to go back and --
19 Q. Your second sentence says, As an
20 all-electric customer, there are many reasons I 11:50:32
21 am opposed to this case, right?
22 A. I don't have my second sentence in
23 front of me.
24 Q. It's Exhibit 56.
25 A. May I have Exhibit 56? 11:50:42

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1 Q. Yeah, I haven't taken it away from
2 you. It's right in front of you.
3 A. Yes, the second sentence matches
4 what I had written.
5 Q. So the first two sentences at least 11:51:10
6 are the same, correct?
7 A. On this e-mail, yes.
8 Q. And the same we could say for Paul
9 Sciarrino, S C I A R R I N O, on the next page,
10 correct? 11:51:24
11 A. Yes, the first two sentences are
12 the same.
13 Q. And Scott Wade on the next page is
14 also the same?
15 A. The first two sentences are the 11:51:33
16 same.
17 Q. Okay. And isn't it true that the
18 third sentence is the same as well?
19 A. The third sentence is the same,
20 yes. 11:51:51
21 Q. And the fourth sentence is the
22 same?
23 A. The fourth sentence is the same on
24 this e-mail.
25 Q. And the fifth sentence is the same? 11:52:09

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1 A. Yes, on this e-mail the fifth
2 sentence is the same.
3 Q. And the sixth sentence is the same?
4 A. Yes, on this e-mail the sixth
5 sentence is the same. 11:52:35
6 Q. And, in fact, the entire text is
7 the same?
8 A. Yes, on this e-mail the entire text
9 is the same.
10 Q. And the entire text is the same for 11:52:51
11 the next e-mail, James Vinciquerra, V I N C I Q
12 U E R R A?
13 A. Yes, on this e-mail the text is the
14 same.
15 Q. Would it also be true that the next 11:53:16
16 e-mail from Joe Hays, H A Y S, is the same?
17 A. No.
18 Q. Because it adds a reference to
19 Senators Grendell and Patton, correct?
20 A. There's other stuff at the bottom, 11:53:41
21 too, that's different.
22 Q. The next one from Donita Holden is
23 different, correct?
24 A. Yes.
25 Q. The next one from Chris Yaecker, Y 11:53:58

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<p>1 A E C K E R, starts in the second paragraph 2 the same as yours, correct? 3 A. The second sentence -- or the 4 second paragraph starts with the same first 5 second sentence in my second paragraph, yes. 11:54:24 6 Q. Well, isn't the rest of that e-mail 7 the same as yours? 8 A. I would have to check. Yes. 9 Q. The next e-mail from Gerald 10 Yosowitz is the same until -- the language cuts 11:55:05 11 off after but R A T H, correct? 12 A. Where is that language at? 13 Q. The end. 14 A. Oh, yes. 15 Q. The one from Frank Kajder, K A J D 11:55:22 16 E R, filed February 10th is the same as yours, 17 correct? 18 MR. CORCORAN: It's March 10th. 19 MR. KUTIK: March 10th, thank you. 20 A. Yes, the language is the same. 11:55:55 21 Q. The e-mail from an Andrea 22 Sturtevant, S T U R T E V A N T, is similar to 23 yours, but it uses the word we instead of I and 24 changes the verbs and adds an ending sentence, 25 correct? 11:56:19</p>	<p>1 tell me is, is there anyone who you believe is 2 not a member of CKAP that's part of the e-mails 3 that we've collected as Exhibit 57? 4 A. I don't know Gayle Santavicca. I 5 do not know Rose Yaecker. I do not know Larry 11:58:49 6 Bohannon. Scott Horvath is a member of CKAP. 7 I do not know Gary Korecky. I do not know 8 Frank Guarnera. I do not recognize Jeff 9 Strouk. I do not recognize Donna Haders. I do 10 not recognize William Hance. Richard Koller is 11:59:21 11 a member of CKAP. Wilbert Steigerwald is a 12 member of CKAP. 13 Q. That's your husband, right? 14 A. Yes. 15 I do not recognize Kilee Yarosh. I 11:59:43 16 do not recognize Kevin Ditto. I do not 17 recognize Gary Kriegmont. I do not recognize 18 Jessica Sheets. Barbara Leskovich is a member 19 of CKAP. Richard Nesselhauf is a member of 20 CKAP. Robert Wodecki is a member of CKAP. I 12:00:07 21 do not recognize Tammy Wigren. I do not 22 recognize Andrew Jaycock. Nicholas Genco is a 23 member of CKAP. 24 Q. How about Frank Kajder, K A J D E 25 R? 12:00:43</p>
Page 356	Page 358
<p>1 A. Yes. 2 Q. The e-mail from Mark and Ginger 3 Rhodes, R H O D E S, filed March 10, that's 4 also the same as yours, correct? 5 A. Yes, it appears to be. 11:56:40 6 Q. The same for the e-mail from John 7 Rowles, R O W L E S, this one filed March 10, 8 it's the same; is it not? 9 A. Yes. 10 Q. The next one is from Richard 11:57:03 11 Angelino, and after the first paragraph, it 12 appears to copy yours, correct? 13 A. Yes, it is very similar to mine. 14 Q. Let me have you refer to the last 15 page. That's from Wayne Heginbotham, and 11:57:39 16 that's the same as yours except they added two 17 sentences at the end, correct? It's at the 18 end. 19 A. Yes. 20 Q. Now, are all of these people that 11:58:10 21 we've just mentioned and whose e-mails we have 22 reviewed members of CKAP? 23 A. I would have to look at them 24 individually. 25 Q. Please do. And what I want you to 11:58:26</p>	<p>1 A. I do not recognize that name. 2 I do not recognize Deborah 3 Albertini. I recognize Rose Leskovich as a 4 member of CKAP. I do not recognize Kathy 5 Dombrowski. I do not recognize James Kowski. 12:01:08 6 I recognize Lynn Westphal as a member of CKAP. 7 I do not recognize Harold Swafford. 8 I do not recognize Maureen Sheldon. I do not 9 recognize Gary Freeh. I do not recognize Linda 10 Barita-Pountney. I do not recognize Kym Ladow. 12:01:43 11 I do not recognize Daniel Brandt -- Danette 12 Brandt; I'm sorry. 13 John Rowles is a member of CKAP. I 14 do not recognize Sarah Barys. I do not 15 recognize Paul Sciarino. I do not recognize 12:02:18 16 Scott Wade. I recognize James Vinciquerra as a 17 member of CKAP. I recognize Joe Hays as a 18 member of CKAP. 19 I do not recognize Donita Holden. 20 I do not recognize Chris Yaecker as a member of 12:02:51 21 CKAP. I do not recognize Gerald Yosowitz. I 22 do not recognize Frank Kajder. I recognize 23 Andrea Sturtevant as a member of CKAP. 24 I do not recognize Mark Rhoades. 25 John Rowles is a member of CKAP. 12:03:26</p>

22 (Pages 355 to 358)

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<p>1 Q. We mentioned him before, correct?</p> <p>2 A. Yes.</p> <p>3 I do not recognize Richard</p> <p>4 Angelino. I do not recognize Kathleen Spore.</p> <p>5 I do not recognize Kevin Ditto. 12:03:43</p> <p>6 Andrea Matic is a member of CKAP.</p> <p>7 Q. Is Miso Matic a member of CKAP?</p> <p>8 A. I'm only aware of Andrea Matic.</p> <p>9 Q. We mentioned Gary Freeh before and</p> <p>10 we mentioned Wayne Heginbotham. 12:04:09</p> <p>11 For someone to receive your e-mails</p> <p>12 from you, these E-newsletters, E-updates,</p> <p>13 whatever we want to call them, they would be a</p> <p>14 member of CKAP, correct?</p> <p>15 A. Yes. 12:04:27</p> <p>16 - - - - -</p> <p>17 (Thereupon, Deposition Exhibit</p> <p>18 Steigerwald 58, E-mail from Susan</p> <p>19 Steigerwald Dated March 5th, 2010,</p> <p>20 was marked for purposes of</p> <p>21 identification.)</p> <p>22 - - - - -</p> <p>23 Q. Handing you what's been marked as</p> <p>24 Exhibit 58; this is another e-mail,</p> <p>25 E-newsletter, update that you wrote, correct? 12:05:26</p>	<p>1 March 22nd, 2010 at 12:10 a.m., correct?</p> <p>2 A. Yes.</p> <p>3 Q. And then you go on in this e-mail</p> <p>4 that continues to almost two-thirds of the way</p> <p>5 down the last page, correct? 12:07:19</p> <p>6 A. Yes.</p> <p>7 Q. And, again, this is all material</p> <p>8 that you wrote, correct?</p> <p>9 A. Yes.</p> <p>10 Q. Or quoted from others, correct? 12:07:31</p> <p>11 A. Yes.</p> <p>12 Q. On Exhibit 59, on the page that's</p> <p>13 marked 214 or CN001237 -- are you there?</p> <p>14 A. Yes.</p> <p>15 Q. There is a series of asterisks, and 12:08:34</p> <p>16 then you say, FirstEnergy case to take away our</p> <p>17 residential distribution credit, correct?</p> <p>18 A. Yes.</p> <p>19 Q. And in this you are advising folks</p> <p>20 that Amy Gomberg from the OCC is advising you 12:08:50</p> <p>21 of the final settlement discussions, correct?</p> <p>22 A. I have to read the paragraph.</p> <p>23 She is telling me that, yes, they</p> <p>24 are in final settlement discussions.</p> <p>25 Q. And she had talked to you earlier 12:09:15</p>
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<p>1 A. Yes.</p> <p>2 Q. And this one is dated March 5,</p> <p>3 2010, correct?</p> <p>4 A. Yes.</p> <p>5 Q. The re: line is, Subject, 12:05:39</p> <p>6 clarifying who's in and who's left out of PUCO</p> <p>7 reinstatement order, correct?</p> <p>8 A. Yes.</p> <p>9 Q. And your e-mail goes to the top of</p> <p>10 the last page of this document, correct? 12:05:54</p> <p>11 A. Yes.</p> <p>12 - - - - -</p> <p>13 (Thereupon, Deposition Exhibit</p> <p>14 Steigerwald 59, E-mail from Susan</p> <p>15 Steigerwald Dated March 22nd, 2010,</p> <p>16 was marked for purposes of</p> <p>17 identification.)</p> <p>18 - - - - -</p> <p>19 Q. Ms. Steigerwald, Exhibit 59 is</p> <p>20 another e-mail, E-newsletter or update that you 12:06:50</p> <p>21 sent out to members of CKAP, correct?</p> <p>22 A. Yes.</p> <p>23 Q. And particularly let's -- let me</p> <p>24 refer you down to the bottom of the first page.</p> <p>25 There's a -- from Sue Steigerwald, sent Monday, 12:07:03</p>	<p>1 -- we had discussed earlier that she had</p> <p>2 briefed you on those discussions, correct?</p> <p>3 A. No, that's a different case.</p> <p>4 Q. What was the case that they had</p> <p>5 briefed you on? 12:09:24</p> <p>6 A. We talked about -- in the ESP case,</p> <p>7 we were told what the all-electric settlement</p> <p>8 offer was as part of that case.</p> <p>9 Q. Okay. And that was a different</p> <p>10 case than 09906? 12:09:39</p> <p>11 A. Yes.</p> <p>12 Q. So you -- you received no</p> <p>13 information about the settlement discussions in</p> <p>14 09906, other than that there were discussions?</p> <p>15 A. Correct. 12:09:52</p> <p>16 - - - - -</p> <p>17 (Thereupon, Deposition Exhibit</p> <p>18 Steigerwald 60, E-mail from Susan</p> <p>19 Steigerwald Dated December 12th,</p> <p>20 2010, was marked for purposes of</p> <p>21 identification.)</p> <p>22 - - - - -</p> <p>23 Q. The court reporter has handed you</p> <p>24 what's been marked for identification as</p> <p>25 Exhibit 60. 12:10:34</p>

23 (Pages 359 to 362)

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<p>1 Starting at the bottom of the first</p> <p>2 page, where it says from Sue Steigerwald, sent</p> <p>3 Sunday, December 12th, 2010; that starts an</p> <p>4 e-mail, E-newsletter or update that you wrote,</p> <p>5 correct? 12:10:48</p> <p>6 A. Yes.</p> <p>7 Q. And this e-mail ends towards the</p> <p>8 bottom of the last page of this document,</p> <p>9 correct?</p> <p>10 A. Yes. 12:10:54</p> <p>11 -----</p> <p>12 (Thereupon, Deposition Exhibit</p> <p>13 Steigerwald 61, E-mail from Susan</p> <p>14 Steigerwald Dated January 6th, 2011,</p> <p>15 was marked for purposes of</p> <p>16 identification.)</p> <p>17 -----</p> <p>18 Q. The court reporter has handed you</p> <p>19 what's been marked Exhibit 61. Starting about</p> <p>20 the middle of the first page, that is an 12:11:55</p> <p>21 e-mail, E-newsletter or update that you wrote</p> <p>22 to CKAP members dated January 6th, 2011,</p> <p>23 correct?</p> <p>24 A. Yes.</p> <p>25 Q. And that e-mail continues to the 12:12:04</p>	<p>1 A. Not offhand.</p> <p>2 Q. Can you tell me the names of anyone</p> <p>3 who responded to that?</p> <p>4 A. I don't have them memorized, no.</p> <p>5 Q. You can't tell me the name of 12:13:08</p> <p>6 anyone?</p> <p>7 A. No.</p> <p>8 Q. How many did you get?</p> <p>9 A. A handful.</p> <p>10 Q. Less than five? 12:13:12</p> <p>11 A. Would be my guess, yes.</p> <p>12 Q. And can you recall anything that</p> <p>13 any of these e-mails said?</p> <p>14 A. Some of the e-mails said that they</p> <p>15 had shown properties and that people had -- 12:13:22</p> <p>16 were disinterested once they found out that</p> <p>17 they were all-electric.</p> <p>18 And I suggested the realtor would</p> <p>19 submit that information to the docket.</p> <p>20 Q. Do you know whether that happened? 12:13:33</p> <p>21 A. I did not check up on everybody,</p> <p>22 no.</p> <p>23 Q. So would it be fair to say that</p> <p>24 your recollection, with respect to the e-mails</p> <p>25 you got in response to this request, was 12:13:48</p>
Page 364	Page 366
<p>1 last page of this document, correct?</p> <p>2 A. Yes.</p> <p>3 Q. And you wrote all of this, correct?</p> <p>4 A. Yes.</p> <p>5 Q. Let me refer you to the last page 12:12:15</p> <p>6 of this document, and what appears to be the --</p> <p>7 well, at least under the first line of</p> <p>8 asterisks, there's a -- for lack of a better</p> <p>9 term, a headline. It says, Need realtor help.</p> <p>10 Do you see that? 12:12:36</p> <p>11 A. Yes.</p> <p>12 Q. And you said, If you're a realtor</p> <p>13 and have any direct e-mails and/or comments</p> <p>14 from potential buyers after having seen an</p> <p>15 all-electric property that shows their 12:12:41</p> <p>16 uneasiness with purchasing the property due to</p> <p>17 the heating system, please send me an e-mail.</p> <p>18 I need some help from you.</p> <p>19 Did you get any e-mails in</p> <p>20 response? 12:12:53</p> <p>21 A. Yes.</p> <p>22 Q. Okay. Did you produce those?</p> <p>23 A. Yes.</p> <p>24 Q. Can you tell me who the e-mails are</p> <p>25 from? 12:13:00</p>	<p>1 realtors telling you about individuals who were</p> <p>2 -- or potential buyers who declined to look at</p> <p>3 all-electric homes?</p> <p>4 A. Yes.</p> <p>5 Q. And there are five or so of those? 12:13:58</p> <p>6 A. Approximately, yes, from what I</p> <p>7 recall.</p> <p>8 Q. And would it be your assumption</p> <p>9 that these realtors were CKAP members?</p> <p>10 A. No. 12:14:13</p> <p>11 Q. Did any identify themselves as CKAP</p> <p>12 members?</p> <p>13 A. I don't recall.</p> <p>14 Q. Why would you not assume that</p> <p>15 they're CKAP members? 12:14:23</p> <p>16 A. Because people pass my e-mails</p> <p>17 along to other -- other people, especially when</p> <p>18 there's outside requests for help such as was</p> <p>19 in that e-mail.</p> <p>20 Q. So you don't know whether they were 12:14:36</p> <p>21 or they were not members of CKAP?</p> <p>22 A. Correct.</p> <p>23 -----</p> <p>24 (Thereupon, Deposition Exhibit</p> <p>25 Steigerwald 62, E-mail from Susan</p>

24 (Pages 363 to 366)

Page 367	Page 369
<p>1 Steigerwald Dated January 10th, 2 2011, was marked for purposes of 3 identification.) 4 ----- 5 Q. The court reporter has handed you 12:15:05 6 what is marked as Exhibit 62. 7 Now, this is another e-mail or set 8 of e-mails that you sent out to CKAP members, 9 correct? 10 A. Yes. 12:15:19 11 Q. The one I want to direct your 12 attention to starts at the bottom of the first 13 page. It says it's from Sue Steigerwald, sent 14 January 10, 2011, 8:57 p.m., Subject, CKAP, 15 reminder to contact Governor Kasich this week. 12:15:32 16 And that e-mail or E-newsletter or 17 update continues to about the middle of the 18 last page, correct? 19 A. Yes. 20 Q. And you wrote all of this, correct? 12:15:47 21 A. Yes. 22 Q. On the last page, under the line of 23 asterisks you say, If anyone out there has an 24 advertising legal/disclosure background, please 25 shoot me an e-mail because I have a few quick 12:15:58</p>	<p>1 required on utility advertising? 2 A. No, I did not. 3 MR. KUTIK: Let's go off the 4 record. 5 (Discussion had off the record.) 12:17:01 6 ----- 7 (Thereupon, Deposition Exhibit 8 Steigerwald 63, E-mail from Susan 9 Steigerwald Dated March 24th, 2010, 10 was marked for purposes of 11 identification.) 12 ----- 13 Q. Ms. Steigerwald, the court reporter 14 has handed you what's been marked as Exhibit 15 63. 12:31:18 16 Starting towards the bottom of the 17 first page, this begins an e-mail, E-newsletter 18 or update that you sent out to CKAP members on 19 March 24, 2010, correct? 20 A. Yes. 12:31:31 21 Q. And this e-mail continues through 22 the end of this document, correct? 23 A. Yes. 24 Q. And up through the third page, the 25 page that has the numbers 120 or CN001143, 12:31:53</p>
Page 368	Page 370
<p>1 questions that I need help with. 2 Do you see that? 3 A. Yes. 4 Q. What were the quick questions that 5 you needed help with? 12:16:05 6 A. I just wanted to talk to the 7 person, but nobody responded so I ended up not 8 having a list of questions. 9 Q. Okay. So you had -- when you said, 10 I have quick questions, you had no questions in 12:16:14 11 mind when you wrote it? 12 A. I wanted to -- I knew I wanted to 13 talk to the person. 14 Q. What did you want to talk to them 15 about? 12:16:20 16 A. I wanted to ask them about 17 legalities with disclosure information on 18 electric and gas advertising. 19 Q. Okay. And when you say legalities 20 with respect to disclosure, what does that 12:16:31 21 mean? 22 A. Whether or not disclosure 23 information is required on ads. 24 Q. Okay. Did you come to any 25 conclusion whether disclosure information is 12:16:40</p>	<p>1 that's information that you wrote, correct? 2 A. Yes. 3 Q. And then is the rest of the 4 information, information that came from Mr. 5 Grendell's office? 12:32:15 6 A. Yes. 7 Q. And you're passing along 8 information that came from Mr. Grendell's 9 office or OCC? 10 A. Right. Correct. 12:32:31 11 ----- 12 (Thereupon, Deposition Exhibit 13 Steigerwald 64, E-mail from Susan 14 Steigerwald Dated April 16th, 2010, 15 was marked for purposes of 16 identification.) 17 ----- 18 Q. Exhibit 64, starting a little more 19 -- little less than halfway down the first 12:33:30 20 page, is an e-mail, E-newsletter or update that 21 you wrote to CKAP members on April 16, 2010, 22 correct? 23 A. Yes. 24 Q. And this e-mail continues to the 25 end of this document, correct? 12:33:49</p>

25 (Pages 367 to 370)

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1 A. Yes.
2 MR. KUTIK: Ms. Steigerwald, those
3 are all the questions I have at this time.
4 And I assume you want to read the
5 transcript? 12:34:19
6 MR. CORCORAN: Do you want to read
7 the transcript or waive the reading of the
8 transcript? Did you read the last one?
9 THE WITNESS: Not really. I'll
10 waive the reading of it. 12:34:30
11 MR. KUTIK: Thank you.
12 (The deposition was concluded.)
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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 reading and signing of the
8 transcript of said deposition, be and the same
9 is hereby waived.
10
11 TRANSCRIPT DELIVERY:
12 Counsel was requested to give instruction
13 regarding delivery date of transcript.
14
15 Original: Mr. Kutik
16
17
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19
20
21
22
23
24
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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, SUSAN
10 STEIGERWALD, 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

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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 IN WITNESS WHEREOF, I have hereunto
6 set my hand and affixed my seal of office at
7 Cleveland, Ohio, on this _____ day of
8 _____, 2011.
9
10
11
12
13
14 _____
15 Kelly A. Hill, Notary Public
16 within and for the State of Ohio
17 My commission expires January 26th, 2011.
18
19
20
21
22
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25