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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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PUCO

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

INDUSTRIAL ENERGY USERS-OHIO'S MEMORANDUM CONTRA
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL'S
APPLICATION FOR REHEARING

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July 5, 2011

On Behalf of Industrial Energy Users-Ohio

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I. INTRODUCTION

In its Opinion and Order issued on May 25, 2011, the Public Utilities Commission of Ohio ("Commission"), addressed issues regarding rates for all-electric residential customers. Among other things, the Commission found, based on the evidence and the law, that the incremental or additional revenue shortfalls created by the relief granted for the benefit of residential customers should be recovered from the residential customers. Additionally, the Commission's Order did not disturb the approximately 2.6 cents per kilowatt hours ("Kwh") discount associated with economic development and residential distribution credit riders that are funded by charges applied to non-residential electric customers.¹

On June 24, 2011, the Office of the Ohio Consumer's Counsel ("OCC") filed an Application for Rehearing. OCC's Application for Rehearing claims, in part, that the Commission erred by not increasing non-residential rates to fund the discount available to eligible residential customers.

¹ PUCO Case No. 10-176 EL-ATA, Opinion and Order at 26, (May 25, 2011).

As noted below, OCC's claims do not justify granting its Application for Rehearing. OCC has not raised any claims, nor any issues or arguments that were not fully and completely addressed by the Commission in the May 25, 2011, Opinion and Order.²

II. ARGUMENT

In its Post Hearing Brief and in its Application for Rehearing, the OCC attempted to analogize the cost and benefits associated with reasonable arrangements with the all-electric rate design benefit for residential customers.³ The OCC has selectively applied a comparison that does not exist and one that the Commission has already rejected.

The Commission appropriately found that OCC's own witness agreed that the all-electric rate was not for economic development purposes. Accordingly, OCC's economic development analogy has no support in the record evidence.⁴ The Commission's May 25, 2011, Opinion and Order also confirmed that non-residential customers are already making significant contributions to support the residential rate discounts through the economic development rider.⁵

² PUCO Case No. 10-176 EL-ATA, Opinion and Order at 26, (May 25, 2011).

³ OCC Post Hearing Brief at 41, (March 28, 2011); OCC Application for Rehearing at 19, (June 24, 2011).

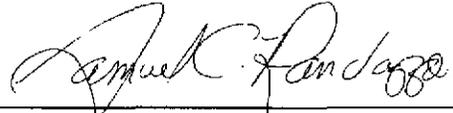
⁴ PUCO Case No. 10-176 EL-ATA, Opinion and Order at 26, (May 25, 2011).

⁵ *Id.*

III. CONCLUSION

OCC has raised no new issues or arguments in its Application for Rehearing. For the reasons explained above, IEU-Ohio urges the Commission to reject OCC's Application for Rehearing.

Respectfully Submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Industrial Energy Users-Ohio's Memorandum Contra The Office of the Ohio Consumers' Counsel's Application for Rehearing*, has been served this 5th day of July, 2011, via first class mail, postage prepaid upon the parties listed below.



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