

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**Application to Amend an Approved Rate Schedule and
Not for an Increase in Rates,
pursuant to Section 4909.18 Revised Code**

In the Matter of the Application of The)
Cleveland Electric Illuminating Company) Case No. 09-1820-EL-ATA
for Amendment to the Peak Time Rebate)
Rider Tariff (PTR))

1. APPLICANT RESPECTFULLY PROPOSES: (Check applicable proposals)

- | | |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| <input type="checkbox"/> New Service | <input type="checkbox"/> Change in Rule or Regulation |
| <input type="checkbox"/> New Classification | <input type="checkbox"/> Reduction Rates |
| <input type="checkbox"/> Change in Classification | <input type="checkbox"/> Correction of Error |
| <input checked="" type="checkbox"/> Other, not involving increase in rates | |
| <input type="checkbox"/> Various related and unrelated textual revision, without change in intent | |

2. DESCRIPTION OF PROPOSAL: The PTR Tariff is part of the Smart Grid Modernization Initiative Consumer Behavior Study. It is available to those customers located at service locations within the particular geographic area identified in the Smart Grid Modernization Initiative that was filed by the Company with the Department of Energy.

3. TARIFFS AFFECTED: (If more than 2, use additional sheets)

Table of Contents (replacement)
Original Sheet No. 88, P.U.C.O. No. 13
Peak Time Rebate Rider

4. Attached hereto and made a part hereof are: (Check applicable Exhibits)

☒ Exhibit A - existing schedule sheets (to be superseded) if applicable

X Exhibit B - proposed schedule sheets

 Exhibit C-1

- a) if new service is proposed, describe;
Description included on attached Exhibit C-1.
- b) if new equipment is involved, describe (preferably with a picture, brochure, etc.)
and where appropriate, a statement distinguishing proposed service from existing
services;
- c) if proposed service results from customer requests, so state, giving if available,
the number and type of customers requesting proposed service.

 Exhibit C-2 - if a change of classification, rule or regulation is proposed, a statement
explaining reason for change.

 X Exhibit C-3 - statement explaining reason for any proposal not covered in Exhibits
C-1 or C-2.

- 5. This application will not result in an increase in any rate, joint rate, toll, classification, charge
or rental.
- 6. Applicant respectfully requests expedited Commission approval of proposed changes to the
Peak Time Rebate (PTR) tariff in order to meet the proposed effective date of June 1, 2012.



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The Cleveland Electric
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Exhibit A - RIDER PTR
Peak Time Rebate Rider

AVAILABILITY:

This Rider is only available to those customers taking service at service locations within the particular geographic area identified in FirstEnergy's Smart Grid Modernization Initiative filed by the Company with the Department of Energy, who are not taking service under a critical peak pricing rate schedule. The Company will select customers that will be assigned to this Rider in two phases. The initial group of 4,000 customers will be assigned by the end of June of 2010. The following group of approximately 39,000 customers will be assigned by the end of June of 2012. Customers so assigned may opt-out of service under this Rider pursuant to the "Term" provision specified below.

PURPOSE:

The Peak Time Rebate program (PTR Program) will be used to collect data to gauge customer response to higher hourly energy price signals in exchange for rebates based on the customer's decreased electrical usage during times of peak system demand. PTR Program participants may receive rebates to their bill for reduced energy use during critical peak hours as described below. Rebate payments will be based on the amount of reduced energy usage as compared to a calculated baseline usage level.

CRITICAL PEAK EVENTS:

Upon assignment to this Rider, PTR Program participants will be randomly assigned a critical peak period (CPP) by the Company of either 1 P.M. EDT through 7 P.M. EDT or 2 P.M. EDT through 6 P.M. EDT. During the months of June through August, the Company will call up to fifteen (15) Critical Peak Events each year (a "Critical Peak Event").

Baseline Usage for each Critical Peak Event is calculated using customer-specific energy usage for recent historical days. Baseline Usage shall equal the customer's average energy usage occurring during the customer's CPP of the first five (5) non-holiday, non-weekend, non-Critical Peak Event days immediately prior to each Critical Peak Event. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

NOTIFICATION:

For scheduled Critical Peak Events, the Company will notify PTR customers by 6 P.M. the previous day or as soon as possible thereafter. Notification of a Critical Peak Event consists of an electronic message issued by the Company to a device or devices such as telephone, facsimile, pager or email, selected and provided by the customer and approved by the Company. Operation, maintenance and functionality of such communication devices selected by the customer as well as receipt of notifications of Critical Peak Events shall be the sole responsibility of the customer.

RATES:

Rebate amounts of either \$0.40 per kWh or \$.80 per kWh will be randomly assigned to customers upon placement on this Rider by the Company. The customer's usage occurring during the customer's CPP shall be subtracted from the Baseline Usage to determine the number of kWhs eligible for the rebate for each Critical Peak Event. Negative results from this calculation shall be set to a result of zero, which will cause no rebate for that specific Critical Peak Event.

RIDER PTR
Peak Time Rebate Rider

OTHER PROVISIONS:

1. Rebates will be rewarded as a line-item credit on the customer's monthly bill for electric service. For a Critical Peak Event that falls near the end of the customer's billing cycle, rebates may carry over to the next month's bill.
2. No later than December 1st of each year, the Company shall file with the Public Utilities Commission of Ohio ("Commission") either 1) documentation sufficient to demonstrate that the PTR Program is reflective of current market conditions, or 2) a request for amendment to this Rider as necessary to reflect changes in program requirements and market conditions.

TERM:

This Rider shall expire with service rendered through August 31, 2012, unless earlier terminated by the Company with approval by the Commission. A customer may terminate their participation in this Rider, effective with the next scheduled meter reading following at least 12 days notice to the Company by the customer.

Exhibit B - RIDER PTR (red lined)
Peak Time Rebate Rider

AVAILABILITY:

This Rider is only available to those customers taking service at service locations within the particular geographic area identified in FirstEnergy's Smart Grid Modernization Initiative filed by the Company with the Department of Energy, who are not taking service under a critical peak pricing rate schedule and who have been selected by the Company to participate in the program. The Company will randomly select customers that will be assigned to this Rider based on their election to participate. Customers will be assigned by the beginning of June of 2012. Customers so assigned may opt-out of service under this Rider pursuant to the "Term" provision specified below.

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Filed pursuant to Order dated June 30, 2010, in Case No. 09-1820-EL-ATA et al., before

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Effective: June 1, 2012

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The Peak Time Rebate (PTR) Tariff was approved under Case No. 09-1820-EL-ATA. As part of its order in Case 09-1820-EL-ATA, the Commission requested that the Company work with the Department of Energy on a Consumer Behavior Study plan. As a result of plan requirements, the PTR Tariff needs to be modified to reflect a revised timeline, customer baseline calculation and other study criteria such as random customer selection. This proposal is being submitted to modify the tariff to comply with the Consumer Behavior Study plan and timeline filed with the Department of Energy. No other changes to the tariff are proposed and the aforementioned changes will not affect the rates approved in the schedule.

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 09-1820-EL-ATA

Summary: Application to Amend an Approved Rate Schedule, Not involving a Rate Increase electronically filed by Ms. Kathy J Kolich on behalf of The Cleveland Electric Illuminating Company