

## 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 AUTHORITY TO PROVIDE  
FOR A STANDARD SERVICE OFFER  
PURSUANT TO R.C.4928.143 IN THE  
FORM OF AN ELECTRIC SECURITY  
PLAN

- - -

BE IT REMEMBERED that upon the  
hearing of the above-entitled matter held at the  
Ocasek Building, 161 South High Street, Akron,  
Ohio, before Commissioner Lynn Slaby and  
Attorney Examiner Dick Bulgrin, and commencing  
on Monday, the 4th day of June, 2012, at 6:00  
p.m., the following proceedings were had.

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## APPEARANCES:

On Behalf of the FirstEnergy:

FirstEnergy Corporation

By: Arthur E. Korkosz, Esq.  
76 South Main Street  
Akron, Ohio 44308  
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- - -

1                   MR. BULGRIN: Can you hear me? This  
2                   is the, I believe, the first local hearing in  
3                   the matter of the Ohio Edison Company, the  
4                   Cleveland Electric Illuminating Company, and  
5                   Toledo Edison Company for authority to provide  
6                   for a standard service offer pursuant to Section  
7                   4928.143 Revised Code in the form of an electric  
8                   security plan being case number 12-1230-EL-SSO.

9                   My name is Dick Bulgrin. I'm the  
10                  attorney examiner who will be presiding. With  
11                  me is Commissioner Lynn Slaby.

12                 COMMISSIONER SLABY: As mentioned,  
13                 I'm commissioner Lynn Slaby. I'm a relatively  
14                 new commissioner on the board, appointed April  
15                 11th, so relatively new. But I do appreciate  
16                 everybody being here this evening and will pay  
17                 very close attention to what you tell us.

18                 MR. BULGRIN: Let's start with  
19                 appearances. Mr. Korkosz?

20                 MR. KORKOSZ: On behalf of the  
21                 applicant, Arthur Korkosz, 76 South Main Street,  
22                 Akron, Ohio 44308.

23                 MR. BULGRIN: Are there any other  
24                 attorneys who want to enter their appearance on  
25                 the record? I would note with us this evening

1 is Christopher Verick from the OCC. And if  
2 anybody wants to contact the OCC for whatever  
3 reason, Mr. Verick would be happy to oblige you.

4 Has everybody who wishes to testify  
5 signed in this evening? If not, see Matt  
6 Schilling in the back. Matt raise your hand.  
7 He'll get you signed in. Anything else we need  
8 to address? Let's just start with witnesses  
9 then. And you'll have to help me out, this is  
10 Carol Rimedio Righetti; is that right.

11 (Witness sworn.)

12 MR. RIGHETTI: My name is Carol  
13 Rimedio Righetti with the Mahoning County  
14 commissioners, Mahoning County, Youngstown,  
15 Ohio. With me today is Jim Fortunato, who is  
16 our purchasing director for Mahoning County,  
17 Ohio as well.

18 I am here in favor of helping  
19 FirstEnergy. Dave Turner who is our external  
20 affairs from Mahoning and Trumbull County, has  
21 been very helpful to us and hopefully will be  
22 given the opportunity to continue with the  
23 program they are giving the Mahoning Valley as  
24 well as everyone else.

25 We had just recently signed on with

1 a project and Mr. Fortunato will continue to  
2 explain this with the generation of energies for  
3 Mahoning County and the savings we get. It's  
4 also helping us with economic development and  
5 things that we could use in Mahoning County that  
6 would help our government work very efficiently  
7 and energy efficient as they have helped us try  
8 to get perks through the energy with our  
9 buildings, and we have many buildings, and  
10 savings in money that would help with other  
11 areas of the county government.

12 Also before I turn this over to Jim,  
13 I also have a letter, testimony letter from our  
14 regional chamber, Anthony Paglia, who is the  
15 director of the Youngstown-Warren Regional  
16 Chamber Economic Development Team. I have a  
17 letter from the Second Harvest Food Bank, Mike  
18 Iberis, who is in charge of one of the largest  
19 food banks in Mahoning and Columbiana County and  
20 also a letter from our United Way, Bob Hannon,  
21 who is the president of Youngstown United Way.  
22 Three large organizations that are also in favor  
23 of FirstEnergy.

24 So with that I would ask if you  
25 would take this for the record, and I will give

1       this to you and turn this over to Jim Fortunato.  
2       Thank you for listening.

3                               (Witness sworn.)

4                       MR. FORTUNATO:   James Fortunato,  
5       F-o-r-t-u-n-a-t-o, director of purchasing for  
6       Mahoning County.  I'm here to offer my support  
7       for the FirstEnergy rate plan.  I want to say  
8       FirstEnergy has been very instrumental with our  
9       electrical aggregation program.  We feel that  
10      we're going to save over one million dollars in  
11      a three-year period for our various county  
12      buildings.

13                      With the meltdown of the financial  
14      structure everyone is feeling lessening of the  
15      revenue stream.  We have both our general and  
16      non-general budgets severely impacted with lack  
17      of revenue coming in from various sources.  We  
18      have a justice center and juvenile justice  
19      center operating 24/7 with significant energy  
20      use.  We also have our sanitary pump stations  
21      that are 24/7 usage.  That is non-general and  
22      with housing permits on decline, with loans  
23      under water, revenue is not even coming in to  
24      help the non-general so this electrical  
25      aggregation program has significantly helped us

1       where we have a lessening of funds.

2                       And what has also been beneficial  
3       for us, with so many different proposals out  
4       there for aggregation, who do you know how to  
5       select. We utilized the County Commissioner  
6       Association in helping us in partnering with  
7       FirstEnergy to achieve this. We feel as this  
8       program goes on it will help us somewhat to be  
9       able to manage our lessening budgets and  
10      continue to be able to achieve electrical  
11      savings through their aggregation program. And  
12      as Commissioner Righetti also mentioned a  
13      partnership with the community, we do a lot of  
14      things to help us and we're like most areas  
15      filling where the economy is weak and people  
16      need help and they're a good partner who works  
17      with our various organizations. They're very  
18      community minded. With that I would like to  
19      thank you for the opportunity to speak and for  
20      my support for them.

21                   MR. BULGRIN: Thank you. Fred  
22      Wright. State your name and address for the  
23      record.

24                   MR. WRIGHT: My name is Fred Wright,  
25      W-r-i-g-h-t. I'm the president and CEO of the

1 Akron Urban League, an organization in this  
2 community for 87 years, and on a national level  
3 it's been around for 102 years.

4 I would like to express my full  
5 support for First Energy's ESP proposal. They  
6 are an excellent community partner to our  
7 organization and many others in this region have  
8 benefited greatly under First Energy's current  
9 rate plan. FirstEnergy has pledged that its  
10 generous support will continue under the new  
11 ESP.

12 FirstEnergy provides much-needed  
13 financial support for low-income customers, a  
14 wide range of community projects, as well as  
15 economic development.

16 Through the FirstEnergy Foundation  
17 the company has already donated nearly a half  
18 million dollars to various organizations and  
19 charities in Ohio this year alone. And  
20 FirstEnergy intends to contribute more than 1.3  
21 million to charities and the United Way chapters  
22 by the end of the year. FirstEnergy employees  
23 raised an additional 1.2 million for United Way  
24 that was contributed above and beyond the  
25 FirstEnergy foundation grant.



1                   FirstEnergy continues to step up as  
2                   a good corporate citizen to improve the lives in  
3                   Ohio. There are many examples but here are just  
4                   a few: \$10,000 paid to FirstMerit fund  
5                   established for the Benevolent Fund for Danny  
6                   Parmertor, a young victim of the Chardon school  
7                   tragedy; \$10,000 paid to Ronald McDonald House  
8                   of Cleveland through the grand opening of the  
9                   Cleveland Aquarium event; significant support of  
10                  the Rock & Roll Hall of Fame Induction Ceremony,  
11                  and both the Greater Cleveland and Akron Area  
12                  Red Cross Balls.

13                  Under the two-year extension  
14                  FirstEnergy will continue to provide nearly 10  
15                  million dollars in economic development and  
16                  assistance to low-income customers at the levels  
17                  established in this current plan. When you do  
18                  the math this amounts to an additional 20  
19                  million dollars in benefits during the two-year  
20                  extension period. These annual investments  
21                  include: 1 million per year for economic  
22                  development funding; 4.5 million for low-income  
23                  customers from fuel fund contributions; 5  
24                  million for low-income weatherization and energy  
25                  efficient programs for local municipalities

1 through the Community Connection program. And  
2 that is another one of the programs the Urban  
3 League constituents benefit from a great deal.  
4 The plan also supports our community's most  
5 vulnerable electric customers, those in the  
6 Percentage of Income Payment Plan program, with  
7 a six percent discount off their electric rate.  
8 This is in addition to the affordable rate  
9 FirstEnergy provides under its existing plan  
10 which has allowed the generation rate to  
11 decrease by nine percent from a year ago.

12 First Energy's current rate plan was  
13 widely supported by a broad range of groups  
14 representing businesses, consumers, hospitals,  
15 and schools. Many of these same groups have  
16 also signed onto the new proposal because they  
17 agree that First Energy's plan is working and  
18 basically extending the plan is a good policy.

19 Again, I just wanted to express my  
20 support for FirstEnergy. Thank you for the  
21 opportunity to voice our support for the  
22 FirstEnergy ESP. We encourage the Commission to  
23 approve this plan and allow the community to  
24 reap the benefits that will continue for two  
25 years. I want to submit my written testimony.

1                   MR. BULGRIN:   Thank you.   Bob  
2   Taussig.

3                               (Witness sworn.)

4                   MR. BULGRIN:   State your name and  
5   spell your last name.

6         A.       My name is T-a-u-s-s-i-g, and I'm  
7   president of ROI Energy Solutions out of Hudson,  
8   Ohio.   I am here in support of FirstEnergy  
9   extending this program for another two years.

10               ROI Energy provides turn-key  
11   lighting retrofit projects for warehouses and  
12   manufacturers all over northeast Ohio in an  
13   effort to help reduce their energy costs.   We  
14   retrofit their lighting with more energy  
15   efficient lighting.

16               One of the first things I do when I  
17   go in to do a light and energy audit is to look  
18   at their electric bills to see if they're  
19   shopping their energy and most typically they  
20   are shopping.   There is a third-party solution  
21   they have gone to for the generation portion of  
22   that energy.   So that's one of the quickest ways  
23   to actually realize some additional cost  
24   savings.

25               I'm trying to save them money doing

1     lighting retrofits. I'm encouraging them to  
2     make sure they're shopping the generation  
3     portion of that energy to save money there as  
4     well trying to bring value to my customer.  
5     Basically I believe that allowing FirstEnergy to  
6     extend their plan two more years helps northeast  
7     Ohio businesses in today's difficult global  
8     markets as some of the other raw materials costs  
9     continue to increase.

10                     I appreciate the opportunity to  
11     speak.

12                     MR. BULGRIN: Thank you. Larry  
13     Thompson.

14                     (Witness sworn.)

15                     MR. BULGRIN: Please state your name  
16     and address.

17                     MR. THOMPSON: My name is Larry  
18     Thompson, president of Thompson Electric, Inc.,  
19     a local electric contracting company.

20                     My company has worked hand-in-hand  
21     with FirstEnergy for more than 20 years on  
22     numerous infrastructure projects, as well as  
23     assisting them to remain reliable operations of  
24     their electric facilities. I'm here this  
25     evening to voice my support for First Energy's

1 rate proposal. Their new plan will ensure  
2 reliable operation while keeping their base  
3 distribution rates frozen through 2016.

4 FirstEnergy has worked closely with  
5 all of the surrounding communities to ensure  
6 they receive reliable electric service to their  
7 businesses and residents. When a sudden storm  
8 arises and causes the power to go off,  
9 FirstEnergy's response team acts quickly and  
10 professionally around the clock until power has  
11 been restored. These emergency response efforts  
12 are made possible through excellent coordination  
13 with FirstEnergy's 9-1-1 dispatchers and  
14 emergency management personnel.

15 FirstEnergy has a solid track record  
16 for emergency response, and I'm confident their  
17 rate proposal will enable them to maintain this  
18 high level of service. It will allow for the  
19 continued recovery of costs associated with the  
20 new distribution investments such as poles,  
21 wiring, and transformers as outlined in their  
22 existing plan that was previously approved by  
23 the PUCO and will accomplish this while keeping  
24 their base distribution rates frozen at the  
25 current levels.

1                   When lights go out, people panic.  
2       Electricity is not a luxury, it's an essential  
3       element of our everyday lives. It is, in fact,  
4       the livelihood of our community. I encourage  
5       the Commission to approve the ESP proposal  
6       because of the benefits contained in what we all  
7       should consider a successful electric rate plan.

8                   Thank you for the opportunity to  
9       speak this evening.

10                  MR. BULGRIN: Bethany Dentler.

11                               (Witness sworn.)

12                  MR. BULGRIN: State your name and  
13       address for the record.

14                  MS. DENTLER: My name is Bethany  
15       Dentler, 144 North Broadway Street, Medina, Ohio  
16       44256. I serve as the executive director of the  
17       Medina County Economic Development Corporation,  
18       which is a non-profit organization funded by  
19       both public and private sector in Medina County.  
20       Thank you for allowing me the opportunity to  
21       testify in support of the proposed electrical  
22       security plan.

23                               As an organization dedicated to  
24       helping our local economy grow, keeping existing  
25       businesses competitive, and creating new jobs,

1 the Economic Development Corporation is  
2 compelled to support any effort that would  
3 ensure a level playing field when it comes to  
4 the cost of utilities, and we believe that this  
5 proposal from FirstEnergy will keep the electric  
6 rate environment competitive.

7 In attracting and retaining jobs in  
8 Ohio it is critical to provide a stable business  
9 climate where company executives build the  
10 regulatory environment and predictable costs of  
11 doing business into their long-term plans. We  
12 believe that FirstEnergy's proposed plan will  
13 help protect customers in Medina County from  
14 potential price volatility providing them with a  
15 longer-term view of electric costs. Such a plan  
16 can incentivize growing businesses to create new  
17 jobs sooner rather than later.

18 We believe this plan will help save  
19 money for customers, both residential and  
20 businesses. Medina has benefited from  
21 FirstEnergy's forward-thinking plan to provide  
22 affordable electric rates to its customer and we  
23 believe we can continue to do so in the future  
24 if PUCO approves this proposal.

25 FirstEnergy has been a good economic

1 development partner. They have built solid  
2 partnerships with area officials and their  
3 responsiveness in helping our local economy to  
4 grow.

5 In light of these benefits to the  
6 state of Ohio, I would urge PUCO to approve this  
7 proposed electric security plan. I have a  
8 written copy of my statement.

9 MR. BULGRIN: Russ Pry.

10 (Witness sworn.)

11 MR. PRY: Good evening. My name is  
12 Russell Pry. I'm the county executive of Summit  
13 County.

14 I'm here this evening to express my  
15 full support for FirstEnergy's Electric Security  
16 Plan proposal. FirstEnergy is an outstanding  
17 community partner and has promoted economic  
18 development through its support to retain the  
19 Goodyear World and North American headquarters  
20 and Diebold corporate headquarters here in  
21 Summit County. This support has resulted in  
22 helping to retain thousands of jobs in our  
23 region. And this plan will be just an absolute  
24 benefit from FirstEnergy's existing rate plan.

25 FirstEnergy has pledged to continue



1 its commitment to economic development plans  
2 such as those I have mentioned under their new  
3 electric security plan.

4 In addition under its current  
5 electric security plan and proposed electric  
6 security plan, FirstEnergy has provided needed  
7 financial support to low-income customers. One  
8 of those successful programs is the Fuel Fund  
9 Assistance Program. That program in Summit  
10 County is administered by the county through its  
11 office of Community and Economic Development.  
12 In 2011, 784 homes received fuel fund assistance  
13 in Summit County. Between 2009 and 2011 over  
14 \$560,000 was distributed to low-income  
15 individuals in Summit County from the fuel fund  
16 which benefited 2770 homes. This much needed  
17 program will be continued under FirstEnergy's  
18 proposed electric security plan.

19 Under the two-year extension  
20 FirstEnergy will continue to provide 10 million  
21 dollars in economic development and assistance  
22 to low-income customers at levels established in  
23 its current plan. When you do the math, this  
24 amounts to an additional 20 million dollars in  
25 benefits during the two-year extension period.

1                   These annual investments include: 1  
2                   million per year in economic development  
3                   funding; 4.5 million dollars for low-income  
4                   customers from the Fuel Fund; 5 million dollars  
5                   for low-income weatherization/energy efficiency  
6                   programs for local municipalities through the  
7                   community connections program.

8                   The plan also supports our  
9                   community's most vulnerable electric customers,  
10                  those in the Percentage of Income Payment Plan  
11                  program with a 6 percent discount off their  
12                  electricity rates. This is in addition to the  
13                  affordable rates provided under its existing  
14                  plan which has allowed generation rates to  
15                  decrease by 9 percent from a year ago.

16                  FirstEnergy's current rate plan was  
17                  widely supported by a broad range of groups  
18                  representing businesses, consumers, hospitals  
19                  and schools. Many of these same groups have  
20                  also signed on to the new proposal because they  
21                  agree that FirstEnergy's plan is working and  
22                  basically extending that plan is good policy.

23                  FirstEnergy continues to be a good  
24                  corporate citizen in our community from the  
25                  charities and arts and cultural organizations it

1 supports to its commitment, and that of its  
2 employees, to our United Way campaign.

3 Thank you for the opportunity to  
4 voice my support for the FirstEnergy Electric  
5 Security Plan. I encourage the Commission to  
6 approve this plan and allow the residents of  
7 Summit County to continue to receive the  
8 benefits of the plan for an additional two  
9 years. Thank you.

10 MR. BULGRIN: Mark Scheffler.

11 (Witness sworn.)

12 MR. SCHEFFLER: I'm Mark Scheffler,  
13 executive director of Leadership Akron here in  
14 the Akron area.

15 I'm here to express my full support  
16 for FirstEnergy's Electric Security Plan  
17 proposal. As you heard from other colleagues of  
18 mine that have testified they have been an  
19 excellent community partner for our  
20 organization, and many others in the region,  
21 that have benefited from FirstEnergy's support  
22 during this current rate plan. Also indicated,  
23 as one would expect, they will continue this  
24 legacy of broad community support under the new  
25 electric security plan.

1                   You've already heard from my  
2                   colleagues that FirstEnergy will continue to  
3                   contribute more than 1.3 million dollars to  
4                   charities and United Way chapters by the end of  
5                   this year. That is over and above the 1.2 for  
6                   United Way that FirstEnergy employees have  
7                   contributed over and above that foundation's  
8                   contribution.

9                   I guess from my prospective I would  
10                  note how often FirstEnergy continues to step up  
11                  and be the exemplary corporate citizen to  
12                  improve the quality of life in our state and  
13                  region. In fact, you will be hard-pressed to  
14                  find a community cause you do not see the  
15                  presence of FirstEnergy providing volunteer  
16                  leadership, financial contribution, or  
17                  participation, and often all three. There's  
18                  many examples but a couple stand out to me in  
19                  particular:

20                  FirstEnergy stepped up as a major  
21                  investor in the newly created Austen  
22                  BioInnovation Institute. ABIA is a  
23                  groundbreaking collaboration of health care  
24                  institutions, universities, and economic  
25                  development agencies to foster a new wave of new

1 products, new enterprises, and ultimately  
2 economic growth and jobs. Beyond providing a  
3 major investment to launch ABIA, FirstEnergy  
4 executives personally advocated for ABIA with  
5 the Knight Foundation, fostering one of the  
6 largest grants in the Knight Foundation's  
7 history to jump start ABIA right here in our own  
8 region.

9 FirstEnergy recently became the  
10 title sponsor, in another example, of the  
11 All-American Soap Box Derby, an iconic family  
12 tradition rooted in Ohio that delivers huge  
13 publicity and economic impact each year. The  
14 Soap Box Derby, thanks to FirstEnergy, is  
15 regaining sustainability after a turbulent  
16 period in which their future was unclear. After  
17 they developed a new strategy and brought in a  
18 new leadership team, FirstEnergy's investment  
19 signals to others this treasured asset has  
20 redefined itself and will continue as a  
21 cherished family tradition.

22 The reason I highlight these  
23 contributions is that they illustrate the  
24 strategic vision that marks FirstEnergy's  
25 activities both in the community and in the

1 marketplace. For the last decade, FirstEnergy  
2 has demonstrated the initiative and leadership  
3 to position itself for a more competitive market  
4 in Ohio, making targeted investments and  
5 acquisitions to improve efficiency and capacity  
6 to be effective on a new competitive landscape.

7           This electric security plan  
8 extension reflects this strategic vision as it  
9 continues many of the investments in the state's  
10 quality of life that have become a staple of  
11 FirstEnergy's corporate citizenship. As part of  
12 its extension, as you've heard from others who  
13 have testified, they will renew their economic  
14 commitment to economic development and to  
15 low-income customers totalling a 20 million  
16 dollar investment in the region's  
17 sustainability. They will continue to support  
18 our region's most vulnerable families with the  
19 Percentage of Income Payment Plan, assuring  
20 families do not have to make tragic decisions  
21 between paying utility bills or medical bills.

22           FirstEnergy's current rate plan, as  
23 you can see tonight, has been widely supported  
24 by a broad range of groups representing  
25 businesses, consumers, hospitals. It's a

1 privilege to voice my support for them this  
2 evening. Thank you.

3 MR. BULGRIN: Thomas Collins.

4 (Witness sworn.)

5 MR. BULGRIN: State your name and  
6 address for the record.

7 MR. COLLINS: Tom Collins. I live  
8 in Garrettsville, Ohio 44231.

9 I am here tonight because I would  
10 like to tell the PUCO that energy efficiency is  
11 a vital part of Ohio's energy future, and that  
12 with programs that help families to do the  
13 needed upgrades, through them, the PUCO and  
14 FirstEnergy, can get their customers power  
15 demands down eliminating new generation units  
16 that are costly for both residential and  
17 business customers.

18 I included in part of my -- in my  
19 letter, my words, talking about the energy  
20 efficiency that we did on our house as my health  
21 required me to do so. But the overall effect of  
22 those improvements in the last six years, while  
23 FirstEnergy talks about saving 9 percent a year,  
24 I saved 69 percent over the last six years on my  
25 energy through the energy efficiency plan. I

1 would like PUCO to continue to encourage  
2 FirstEnergy to include the energy efficiency  
3 program in their rating future.

4 I know that my energy efficiency  
5 upgrades are above and beyond what the average  
6 person does. These are at risk of being  
7 cancelled out by rate increases to residential  
8 customer effective in 2015. This is not the  
9 right direction for the PUCO to go. Working  
10 together for the benefit of all is one of your  
11 mandates and representing Ohio customers who are  
12 energy efficient can help Ohio get back on its  
13 feet in this economy. FirstEnergy is wrong to  
14 be small-minded in its energy efficiency program  
15 in any area that affects their customers'  
16 prices. Thank you for your time.

17 MR. BULGRIN: Thank you. Katie  
18 Rennard.

19 (Witness sworn.)

20 MR. BULGRIN: State your name and  
21 address for the record.

22 MS. RENNARD: Katie Rennard, Akron,  
23 Ohio. I am Senior Vice President Resource  
24 Development at the United Way of Summit County.  
25 I would like to also express my full support of



1 FirstEnergy's ESP proposal. They are a  
2 wonderful community partnership, not just here  
3 in Summit County but the whole area where  
4 FirstEnergy has a footprint. They have  
5 contributed a great deal of money and plan to  
6 give over 1.3 million dollars to other charities  
7 and United Way chapters in addition to the 1.2  
8 million that is provided by their employees.

9 FirstEnergy's employees and  
10 foundation generosity accounts for 10 percent of  
11 the overall contributions raised by the United  
12 Way of Summit County every year. FirstEnergy's  
13 United Way campaign supports 737 United Ways and  
14 independent charities affiliated with United Way  
15 through their corporate footprint. Volunteer  
16 efforts of 130 FirstEnergy employees who  
17 participate in our annual county-wide day of  
18 action account for over \$20,000 in in-kind  
19 volunteer support in just one day.

20 FirstEnergy provides much-needed  
21 financial support to low-income customers, a  
22 wide range of community projects as well as  
23 economic development. There is no question that  
24 their support of the Austen BioInnovation  
25 Institute will lead to improved quality of

1 healthcare for all our residents, including  
2 those who are most needy through FirstEnergy's  
3 foundation support to non-profit service  
4 providers.

5 FirstEnergy's current rate plan is  
6 widely supported by a broad range of groups  
7 representing businesses, consumers, hospitals,  
8 and schools. Many of these same groups have  
9 also signed onto the new proposal because we all  
10 agree that FirstEnergy's plan is working.

11 Thank you for the opportunity to  
12 voice my support for the FirstEnergy Electric  
13 Security Plan, and I encourage the Commission to  
14 approve this plan and allow the residents of  
15 Summit County to receive the benefits of the  
16 plan for an additional two years. Thank you.

17 MR. BULGRIN: Thank you. Rochelle  
18 Fisher.

19 (Witness sworn.)

20 MR. BULGRIN: Please state your name  
21 and address for the record.

22 MS. FISHER: My name is Rochelle  
23 Fisher, F-i-s-h-e-r, president and CEO of  
24 Habitat for Humanity here in Summit County.

25 I'd like to express my full support

1     for FirstEnergy's ESP. They are an excellent  
2     community partner, as many have testified this  
3     evening, and our organization has benefited  
4     greatly as well as others in the region under  
5     FirstEnergy's current rate plan. FirstEnergy  
6     has pledged that its generous support will  
7     continue under the new ESP plan.

8                 FirstEnergy provides much-needed  
9     support to low-income customers, a wide range of  
10    community projects, as well as economic  
11    development. FirstEnergy and it's employees  
12    have been working in partnership with Habitat  
13    for Humanity of Summit County, as well as  
14    affiliates across their service area, to build  
15    and rehabilitate simple, decent, affordable  
16    homes for 10 years. Their employees give  
17    generously of their time and much-needed  
18    financial support necessary to purchase building  
19    materials for each home and each project it  
20    supports.

21                Here in Summit County FirstEnergy  
22    has been part of 20 home builds and over 400 in  
23    the state of Ohio helping families to achieve  
24    the dream of home ownership. Through  
25    FirstEnergy's leadership habitat affiliates

1     around the state are building Energy Star rated  
2     and certified homes and thereby reducing the  
3     cost of the homeowner's electric expenses on a  
4     monthly basis. This is a significant savings to  
5     a low to moderate income family. It is our  
6     pleasure to support our hometown utility company  
7     and speak on their behalf as a great corporate  
8     citizen here in Summit County. Thank you.

9                     MR. BULGRIN: Wayne Hill.

10                    (Witness sworn.)

11                    MR. BULGRIN: Please state your name  
12     and address for the record.

13                    MR. HILL: My name is Wayne Hill,  
14     associate vice president chief marketing officer  
15     for the University of Akron. The university  
16     thanks the commissioners and Commissioner Slaby  
17     for attending. I would like to express our  
18     institution's strong support for FirstEnergy.  
19     We don't presume to have the technical knowledge  
20     need for meaningful commentary on the ESP  
21     application under consideration. Our testimony  
22     is centered on FirstEnergy's standing as an  
23     exemplary corporate citizen committed to  
24     improvement of this region's economic and social  
25     well-being.

1           For more than a decade, Dr. Luis  
2     Proenza, president of the University of Akron,  
3     has worked with public and private sector  
4     entities to build multi-partner collaborations.  
5     FirstEnergy has been an early, active and  
6     reliable partner in many of these initiatives.

7           Most notably, as you heard, it made  
8     major financial and organizational commitment to  
9     the creation of the Austen BioInnovation  
10    Institute in Akron, and that institute is vital  
11    to our collective goal of creating new economic  
12    opportunities for citizens today and tomorrow.

13          FirstEnergy also supported one of  
14    our earliest collaborations, the University Park  
15    Alliance. This neighborhood revitalization  
16    project initially focused on a 50-block area  
17    adjacent to campus. Over the years, UPA has  
18    created more than 900 jobs, 80 new housing units  
19    and attracted more than 300 million dollars in  
20    private investments. FirstEnergy's corporate  
21    leadership in this project directly contributes  
22    to the creation of safer and more desirable  
23    neighborhoods for students and families.

24          We believe that collaboration among  
25    corporations, universities, and government is

1     our region's best hope for a prosperous future.  
2     FirstEnergy has demonstrated again and again its  
3     commitment to such broad partnerships.

4             FirstEnergy is an exceptional  
5     supporter of our university. Executives of the  
6     company serve on the advisory boards of our  
7     colleges of engineering, business, and arts and  
8     science. They form the development of  
9     coursework and help us identify the knowledge  
10    and capabilities that graduates will need to  
11    succeed in the job market.

12            FirstEnergy also recruits students  
13    from across many disciplines, and provides  
14    internships and cooperative educational  
15    opportunities for qualified students. Such  
16    experiential learning is extremely valuable and  
17    highly prized by our students and by employers.

18            We're proud to say that University  
19    of Akron alumni can be found at nearly every  
20    level of FirstEnergy, from linesmen to senior  
21    management. The company's practice of hiring  
22    Ohio graduates sets an important example for  
23    other companies and helps preserve what is  
24    arguably Ohio's most natural resource: An  
25    educated populace.

1           In addition to building the  
2       regions's talent supply chain, FirstEnergy is an  
3       important research partner and support numerous  
4       research projects on campus, including the  
5       FirstEnergy Advanced Energy Research Lab. This  
6       facility is conducting research into carbon  
7       capture technology, which may lead to clean coal  
8       power generation that is safe, affordable and  
9       effective.

10           These actions alone would firmly  
11       establish FirstEnergy's credentials as a good  
12       corporate citizen. However, their largesse  
13       extends to other areas that enhance the social  
14       and cultural well-being of our campus and  
15       community.

16           The company has provided substantial  
17       support for the university's E.J. Thomas  
18       Performing Arts Hall, the flagship venue for a  
19       four-county region and the fourth-largest arts  
20       presenter in Ohio.

21           FirstEnergy also played a leadership  
22       role in raising Akron's soccer program and  
23       stadium into the nation's premium ranks,  
24       culminating in the 2010 national championship.  
25       The stadium annually attracts thousands of

1 spectators and is oversubscribed for soccer  
2 camps. FirstEnergy provided additional support  
3 to the University of Akron's football,  
4 basketball and other athletic programs.

5           These items I have listed are only  
6 among the most recent of FirstEnergy's  
7 philanthropic and community-oriented actions. I  
8 would like to conclude by saying that the  
9 University of Akron respectfully requests in its  
10 evaluation of the ESP application the Commission  
11 takes into consideration FirstEnergy's sterling  
12 record of corporate citizenship and commitment  
13 to practices and policies that benefit the  
14 citizens of Ohio. Thank you.

15           MR. BULGRIN: Thank you. Rick  
16 Rebadow.

17                           (Witness sworn.)

18           MR. BULGRIN: Please state your name  
19 and address for the record.

20           MR. REBADOW: Rick Rebadow,  
21 R-e-b-a-d-o-w. I'm the executive vice president  
22 of the Greater Akron Chamber, and I'm here to  
23 provide support to FirstEnergy as they file  
24 their application to extend the current electric  
25 plan for two years.



1           The Greater Akron Chamber is a  
2 non-profit regional chamber of commerce and  
3 economic development organization that has been  
4 in existence for over 100 years. The mission of  
5 the Greater Akron Chamber is to drive economic  
6 development and prosperity for the Greater Akron  
7 region, in particular those in Medina, Portage,  
8 and Summit Counties here in northeast Ohio. The  
9 over 1,800 members of the Chamber includes  
10 universities, hospitals, government,  
11 manufacturers, service providers, and small  
12 businesses. The goals of the Chamber include  
13 growing businesses, investing in human capital,  
14 improving perceptions, revitalizing our physical  
15 assets, enhancing value to small business and  
16 creating the capacity to succeed.

17           In our efforts to grow business we  
18 focus on economic development, entrepreneurship,  
19 and workforce development to create and maintain  
20 jobs and attract capital investment.  
21 FirstEnergy has been and continues to be one of  
22 our key strategic investor in our domestic and  
23 international economic development efforts and  
24 we expect this commitment to continue for this  
25 important work under the proposed ESP extension.

1     The investment that FirstEnergy has made, be it  
2     financial or by dedicating its staff to lead and  
3     support our strategic efforts, have been  
4     critical to not only the success of our members  
5     but also to that of the region.

6             In today's global economy it is  
7     essential for the state of Ohio to remain  
8     competitive to attract, retain, expand and  
9     create business enterprises that will result in  
10    job creation and capital investment.  
11    FirstEnergy's continued investment of a million  
12    dollars a year for the next two years will build  
13    upon their continued legacy of investing in  
14    economic development in their service territory.  
15    Over the past ten years, FirstEnergy has helped  
16    attract about 30 billion dollars in capital  
17    investment and created approximately 60,000 jobs  
18    in their service area. This is without question  
19    numbers worth noting.

20            Many of my colleagues today also  
21    talked about some of the examples they have had  
22    in some very high profile projects. I will  
23    briefly go over them again, the retention of the  
24    Bridgestone Americas Technical Center, a 100  
25    million dollar investment in a new research and

1 development center in south Akron that is  
2 retaining 1100 jobs.

3 The retention of the Goodyear Tire &  
4 Rubber Company's Global North America  
5 Headquarters and North American research and  
6 development center project will preserve nearly  
7 3,000 jobs.

8 The retention of Diebold, an Ohio  
9 company founded in 1876, currently headquartered  
10 in the city of Green, the company will be  
11 constructing a new world headquarters with an  
12 investment of over 100 million dollars that will  
13 result in the retention of 1,500 local jobs.

14 Rochling Automotive USA  
15 headquartered in Germany, is an innovative  
16 manufacturer of light weight durable plastics.  
17 Their emergence in the Akron market was the  
18 company's seventh manufacturing site in the  
19 United States. This investment of 20 million  
20 dollars created 125 high paying manufacturing  
21 jobs and will position the company to better  
22 service their customers such as Ford, GM and  
23 Audi in a revitalized automotive industry.

24 ABIA, Austen BioInnovation  
25 Institute, an unprecedented collaboration of

1 Children's Hospital, Akron General health  
2 System, Northeast Ohio Medical University, Summa  
3 Health System, University of Akron, and the John  
4 S. and James L. Knight Foundation with the  
5 support from the city of Akron, Summit County,  
6 and our own organization. ABIA is focused on  
7 patient-centered innovation and  
8 commercialization of biomaterials and medicine.  
9 As a founding partner, FirstEnergy has  
10 contributed more than 10 million dollars over  
11 ten years to this groundbreaking initiative to  
12 help reach its full potential.

13 FirstEnergy has several buildings  
14 located through the greater Akron region. The  
15 company was contemplating an expansion to their  
16 facility on Ghent Road but opted to allow their  
17 neighbors at Sterling Jewelers to acquire their  
18 facility to accommodate their expansion needs.  
19 FirstEnergy worked with the city of Akron to  
20 build a 30 million dollar state-of-the-art LEED  
21 certified facility on White Pond Drive allowing  
22 for the retention of over 2,000 jobs and the  
23 creation of 150 new jobs. It also leveraged a  
24 15 million dollar investment that retained 1,400  
25 jobs along with creation of 300 jobs by Sterling

1 Jewelers.

2 FirstEnergy's commitment to economic  
3 development and community enhancement has been  
4 independently verified by their ranking as one  
5 of the top ten utilities in the country eight  
6 out of the past ten years by Site Selection  
7 Magazine.

8 As a former executive with a utility  
9 based in New York I have witnessed the divesting  
10 of financial resources from economic development  
11 efforts by other utilities. We're very  
12 fortunate to have a partner and community leader  
13 such as FirstEnergy willing to maintain their  
14 commitment to our region. For that I urge your  
15 favorable consideration to our request. Thank  
16 you.

17 MR. BULGRIN: Thank you. Courtney  
18 Wade.

19 (Witness sworn.)

20 MR. BULGRIN: Please state your name  
21 and address.

22 MS. WADE: My name is Courtney Wade,  
23 W-a-d-e. Energy efficiency is something that I  
24 have become very passionate about because it  
25 would really benefit me, my future, and future

1 generations to come. As a junior in college I  
2 will soon face my own utility bills, and I need  
3 them to be as low as possible. Unfortunately  
4 FirstEnergy's decisions are leading to higher  
5 energy bills and lower opportunities to save  
6 money through energy efficiency programs. It is  
7 important to me that I have the opportunity to  
8 utilize energy efficiency to lower my bills and  
9 lower the need for the use of coal and gas  
10 powered plants. Fewer coal and gas plants would  
11 benefit current and future Ohioans because it  
12 would keep the environment and air we breathe  
13 cleaner.

14 Furthermore, upon graduation I will  
15 need to decide where I want to live. With  
16 Ohio's air quality being the worst in the  
17 country, primarily because of the use of dirty  
18 powered plants, I will be looking into other  
19 locations. I and many of my college friends  
20 discussed that although we would like to stay in  
21 our hometowns, it seems like the higher rates  
22 and poor environmental habits will push us away.  
23 I strongly believe that FirstEnergy's increased  
24 rates and persistence with coal will drive many  
25 college graduates out of the state and keep

1       others from entering. Energy efficiency would  
2       offset the need for coal and gas, improving the  
3       environment and ultimately putting Ohio back  
4       into the minds of those looking to settle down.

5               Finally, besides being here as a  
6       student, I'm here as a woman who hopes to one  
7       day start a family. I believe in giving our  
8       future generation the best opportunities  
9       possible. That is why I am here to ask the  
10      Public Utilities Commission of Ohio to give my  
11      future family clean air and a healthy  
12      environment.

13             FirstEnergy's choice to comply with  
14      Senate Bill 221 energy efficiency requirements  
15      should have been the stepping stone to many new  
16      programs and opportunities. However, the  
17      company's lack of leadership on the issue has  
18      led it to offer less energy efficiency programs  
19      than it should have in the auction. As a result  
20      customers will face increases in energy prices  
21      later in the future. This affects current  
22      customers, soon to be customers like myself, and  
23      future generations.

24             I am asking the Commission, the  
25      Public Utilities Commission of Ohio, as an

1 individual representing Ohioans, specifically  
2 its college students and future generations, to  
3 note the negative impact that increases in  
4 electric bills will have and to positively  
5 embrace the benefits of energy efficiency can  
6 have.

7 FirstEnergy needs to do more. With  
8 energy efficiency initiatives it is a small yet  
9 vital step toward a better future for all  
10 Ohioans. Thank you for your time.

11 MR. BULGRIN: Steve Hambley.

12 (Witness sworn.)

13 MR. BULGRIN: Please state your name  
14 and address for the record.

15 MR. HAMBLEY: My name is Steve  
16 Hambley, H-a-m-b-l-e-y. I have been a Medina  
17 County Commissioner for 16 years and life-long  
18 resident of Brunswick. I'm here to lend my  
19 support for FirstEnergy's Electric Security  
20 Plan.

21 FirstEnergy continues to maintain  
22 reliable operations of their electric facilities  
23 and the new plan proposes to do just that while  
24 keeping its base distribution rate through 2016.  
25 I support the plan for a couple reasons.



1           First, they'll continue economic  
2       development assistance to low-income customers  
3       for the two-year extension period. They will  
4       provide the Percentage of Income Payment Plan  
5       customers with a 6 percent discount off  
6       electricity rates. They will continue to  
7       provide capacity to both shopping and  
8       non-shopping customers at a market-based price  
9       through an auction process.

10           FirstEnergy's plan provides clear  
11       choices and access to competitive electric  
12       rates. As a FirstEnergy utility customer I can  
13       continue to obtain electric generation service  
14       from them or shop for a better deal with a  
15       competitive supplier without penalties or  
16       barriers or restrictions.

17           The success of the government  
18       aggregation program in Medina is also a  
19       testament to the reliable electric service  
20       provided to our businesses and our residents.

21           I have a great deal of respect for  
22       their professionalism and keeping their  
23       facilities running 24/7, responding quickly when  
24       power is interrupted during storms. My  
25       experience is people just don't volte solely on

1     they're pocket books. They also look at the  
2     value of what their voting for and reliable  
3     service is a high value.

4                 On May 4, 2010, voters in 14  
5     townships in Medina County authorized Medina  
6     County Commissioners to aggregate the retail  
7     electric loads in those townships and enter into  
8     a service agreement with FirstEnergy Solutions.  
9     It was not just a vote to allow the Board of  
10    Commissioners to negotiate a better rate than  
11    individual business owners or homeowners could  
12    achieve on their own but also a vote of  
13    confidence for the FirstEnergy Corporation, as  
14    well as FirstEnergy Solutions.

15                Customers know if they switch to  
16    another supplier they still will remain a  
17    FirstEnergy customer for distribution of  
18    electricity and can rely on them to answer  
19    questions and respond to power outages during a  
20    storm.

21                FirstEnergy wants to extend its rate  
22    for an additional two years to keep electric  
23    rates stable through 2016. Stability of these  
24    rates at these times of growing costs in other  
25    utilities is of utmost importance. I know, our

1 city, our county, has a water system, sewer  
2 system, and solid waste management utilities. I  
3 can't guarantee a stable rate in any of those  
4 departments for the next four years. I wish I  
5 could. FirstEnergy can.

6 I believe that FirstEnergy has  
7 proven their model makes good business sense and  
8 that our local economy will be well served by  
9 extending the benefit of its current plan.  
10 Thank you for the opportunity to speak on  
11 FirstEnergy's behalf and I'll present my remarks  
12 for the record.

13 MR. BULGRIN: Is there anybody else?  
14 If there is nothing further, then this hearing  
15 will be concluded. I would note the evidentiary  
16 hearings are happening in Columbus and you can  
17 see Mr. Korkosz for an update. Other than that,  
18 this record is closed. Thank you.

19 (Hearing concluded at 7:05 p.m.)  
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23  
24  
25

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