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Via E-File

April 29, 2013

Public Utilities Commission of Ohio PUCO Docketing 180 E. Broad Street, 10th Floor Columbus, Ohio 43215

In re: Case No. 12-2190-EL-POR, 12-2191-EL-POR and 12-2192-EL-POR

Dear Sir/Madam:

Please find attached the MEMORANDUM CONTRA OF THE OHIO ENERGY GROUP for filing in the above-referenced matter.

Copies have been served on all parties on the attached certificate of service. Please place this document of file.

Respectfully yours,

David F. Boehm, Esq. Michael L. Kurtz, Esq. Jody Kyler Cohn, Esq.

BOEHM, KURTZ & LOWRY

COUNSEL FOR THE OHIO ENERGY GROUP

MLKkew

Encl.

Cc:

Certificate of Service

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Review of Application of Ohio Edison : Company, The Cleveland Electric Illuminating Company, :

and The Toledo Edison Company for Approval of Their : Energy Efficiency and Peak Demand Reduction Program :

Portfolio Plans for 2013 through 2015.

Case Nos. 12-2190-EL-POR

12-2191-EL-POR

12-2192-EL-POR

MEMORANDUM CONTRA APPLICATION FOR REHEARING OF THE OHIO ENERGY GROUP

The Ohio Energy Group ("OEG") hereby submits this Memorandum Contra the Application for Rehearing filed by Ohio Edison Company, Cleveland Electric Illuminating Company, and Toledo Edison Company (collectively, "FirstEnergy" or "Companies") on April 19, 2013 in this proceeding. In its Application for Rehearing, FirstEnergy alleges that the Public Utilities Commission of Ohio ("Commission") erred in its March 20, 2013 Opinion & Order ("Order") when it mandated that FirstEnergy bid 75% of its "planned energy efficiency resources" into the 2016/17 PJM Base Residual Auction ("BRA"). OEG disagrees.

FirstEnergy argues that the Commission's mandate exposes customers and the Companies to undue risk of PJM financial penalties and/or costs associated with resource shortfalls.¹ But the Commission can easily mitigate these risks by explicitly finding that FirstEnergy acted prudently in bidding 75% of its planned energy efficiency resources into the PJM BRA and that FirstEnergy may recover *reasonable* costs associated with PJM penalties and/or shortfalls incurred if a particular resource is not available in a given delivery year.² This would minimize the financial risk to both FirstEnergy and its customers. Hence, there is no compelling reason for the Commission to reverse its finding.

¹ FirstEnergy Application for Rehearing at 4-11.

² FirstEnergy asks that, at minimum, the Commission allow the Companies to recover "any and all costs" arising from its mandate. Application for Rehearing at 17.

The Commission's finding that FirstEnergy must bid 75% of its planned energy efficiency resources into the 2016/17 PJM BRA serves to facilitate its goals of lowering PJM capacity auction prices and reducing Rider DSE costs for customers.³ Moreover, if the Commission expressly clarifies that FirstEnergy must bid 75% of its Rider ELR and OLR interruptible load into the 2016/17 BRA, as OEG has recommended, it would provide even greater opportunity to achieve these goals. Therefore, the Commission should not only uphold its finding, but should also clarify that FirstEnergy is required to bid 75% of its interruptible load into the 2016/17 PJM BRA.

Respectfully submitted,

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April 29, 2013 COUNSEL FOR OHIO ENERGY GROUP

³ Order at 20 (emphasis added).

CERTIFICATE OF SERVICE

I hereby certify that true copy of the foregoing was served by electronic mail (when available) or ordinary mail, unless otherwise noted, this 29th day of April, 2013 to the following:

Day d F. Boelm, Esq. Michael L. Kurtz, Esq. Jody Kyler Cohn, Esq.

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Summary: Memorandum Ohio Energy Group's (OEG) Memorandum Contra Application for Rehearing electronically filed by Mrs. Jody Kyler Cohn on behalf of Ohio Energy Group