

NC
FILE

36

13-2145-EL-CSS

Craig I. Smith
Attorney at Law
15700 Van Aken Blvd.
Suite #26
Shaker Heights, Ohio 44120
216-561-9410
216-571-9410 (cell)
wttpmc@aol.com

RECEIVED-DOCKETING DIV
2013 OCT 30 AM 10:59

PUCO

October 29, 2013

Public Utilities Commission of Ohio
PUCO Docketing
180 East Broad Street, 11th Floor
Columbus, Ohio 43215

Greetings:

Counsel for Material Sciences Corporation provides the original and ten copies of a complaint on behalf of MSC for filing in the Commission docket. Contact me if questions, please.

Regards

Craig I. Smith 10-30-13
Craig I. Smith (0019207)
Attorney at Law
15700 Van Aken Blvd.
Suite #26
Shaker Heights, Ohio 44120
216-561-9410
216-571-9410 (cell)
wttpmc@aol.com

Attorney for Material Sciences Corporation

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
Technician And Date Processed 10/30/13

• NK

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Complaint of Material
Sciences Corporation,

COMPLAINANT

V.

The Toledo Edison Company,

RESPONDENT

Case No. 13- 2145 EL-CSS

RECEIVED-DOCKETING DIV
2013 OCT 30 AM 11:00
PUCO

COMPLAINT

Material Sciences Corporation (“MSC”), pursuant to Ohio Revised Code (“ORC”) sections 4905.26 and ORC 4928.16, files its complaint against The Toledo Edison Company for violating statutory and regulatory duties in rendering, and billing for, electric services to the MSC Walbridge Facility, based upon the following statements in support of its relief requested.

PARTIES

1. Material Sciences Corporation, a corporation organized and existing under the laws of the State of Delaware, headquartered in Elk Grove Village, Ill., provides material-based solutions for electronic, acoustical, thermal and coated-metal applications. Its multilayer composites of metals, films, coatings and other materials are used to control acoustical and thermal energy. MSC, with more than 290 employees, and a partner network, operates in North America, South America, Europe, and Asia. In North America, MSC operates two U.S. plants, one in Ohio, and the other in Elk Grove Village, Ill.

2. The MSC Walbridge Coatings Facilities in Ohio primarily engages in electro galvanizing (“EG”) or zinc-nickel (“ZnNi”) plating of steel coils, laminating of steel coils, and various coating of steel coils at a state of the art plant, located at 30610 E. Broadway Street, Walbridge, Ohio (hereinafter “MSC Walbridge Facility” or “Facility”). The Facility, which operates a 72” wide processing line, produces process steel, and zinc-nickel electro galvanized steel for fuel tanks, and as a low-cost alternative to brushed stainless steel. The electroplating process requires high electrical demand (kVa) to produce EG and ZnNi steel, and products from EG and ZnNi steel.

3. MSC competes with other producers of EG and ZnNi products, including steel mills, by operating as a “lean” manufacturer to maintain and add jobs at the MSC Walbridge Facility. The Facility employs a competitively compensated, highly trained, work force of management, technical and union production workers; purchases goods and services from Ohio suppliers and firms; and pays substantial state and local taxes to the economic benefit of north-west Ohio, and particularly the Toledo area. Farmers also farm on unused land of the Facility.

4. The MSC Walbridge Facility monthly peak demand is between 25,000 to 30,000 kVa. The Toledo Edison Company (“TE” or “Toledo Edison”) provides the Facility with generation and transmission services to serve that amount of demand under rates, terms, and conditions of electric security plans approved by The Public Utilities Commission of Ohio (“PUCO” or “Commission”). Toledo Edison, an Ohio corporation, operates under PUCO jurisdiction as a public utility, electric light company, electric distribution utility, electric supplier, and electric

utility.¹ TE is an affiliate of The Cleveland Electric Illuminating Company, The Ohio Edison Company, and FirstEnergy Solutions, each owned by FirstEnergy Corporation.

FACTS RELEVANT TO ALL CLAIMS FOR RELIEF

5. The MSC Walbridge Facility, among the 20 largest electric consumers on the TE system, receives firm and non-firm retail electric service from TE as a non-shopping mercantile customer,² under an Electric Security Plan (“ESP”), approved by the Commission under ORC 4928.14, 4928.141, and 4928.143, by Opinion and Order, dated August 25, 2010, in Case No. 10-388-EL-SSO. (“ESP 2”) *In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan.*

6. TE retail electric service to the MSC Walbridge Facility under ESP 2 continues from June 1, 2011 through May 31, 2014 (“ESP 2 Term”), at those Commission approved rates, riders, terms, and conditions in effect at time of rendered electric services. (“ESP 2 Rates”)

7. The Facility earlier received firm and non-firm retail electric service from TE under an ESP that the Commission approved by a Second Finding and Order, dated March 4, 2009, and a Second Opinion, dated March 25, 2009, in Case No. 08-935-EL-SSO. (“ESP 1”) *In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and*

¹ ORC defines these terms: public utility at sec. 4905.02; electric light company at sec. 4905.03 (A) (3); electric distribution at sec.4928.01 A. (6); electric supplier at sec. 4928.01 (A) (10); and electric utility at sec. 4928.01 (A) (19).

² Mercantile customer defined by ORC 4928.01 (A) (19), and the terms firm and non-firm retail electric service defined at ORC 4928.01 (A) (12) and (22).

The Toledo Edison Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan.

8. Commission approved TE rates, riders, terms, and conditions in effect at time of service (“ESP 1 Rates”) , after a two month interim period, applied from June 1, 2009 through May 31, 2011 (“ESP 1 Term”).

9. Following expiration of ESP 2, Toledo Edison provides similar firm and non-firm retail electric service to the MSC Walbridge Facility, as a mercantile, non-shopping, customer, under an ESP the Commission approved, pursuant to ORC 4928.14, 4928.141, and 4928.143, by Opinion and Order, dated July 18, 2012, in Case No. 12-1230-EL-SSO. (“ESP 3”) *In the Matter 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 Section 4928.143, Revised Code, in the Form of an Electric Security Plan.*

10. ESP 3 continues from June 1, 2014 through May 31, 2016 (“ESP 3 Term”) at Commission approved TE rates, riders, terms, and conditions in effect for service rendered. (“ESP 3 Rates”)

11. MSC stipulated to receiving interruptible service for The MSC Walbridge Facility under the Economic Load Response Program (“Rider ELR”) in the ESP 1, ESP 2, and ESP 3 cases. Rider ELR, along with the Economic Development Rider, lowers industrial rates for larger energy consumers to support Ohio’s economy and keep at risk Ohio manufacturing jobs. For current ESP 2 services, MSC pays a monthly \$150.00 ELR administration fee, receives a \$5.00 program credit per kVA for load subject to curtailment, and incurs an ECE charge for load above contract Firm Load during a CEC. MSC qualified for ESP 2 service under Rider ELR by (i) on February 1, 2008 receiving interruptible service under a subsequently ended or terminated

special interruptible contract; (ii) demonstrating capability to timely reduce measured load to a pre-established contract Firm Load (iii) signing a standard Program contract; (iv) receiving from TE generation service; (v) not participating in other load curtailment or load response programs, including that by PJM; and (vi) committing its demand response capability to TE for its ORC 4928.66 programs. (MSC Ex. 1, Rider ELR, pg. 1; MSC Ex. 2, EDR)

12. Rider ELR allows Toledo Edison, PJM, and/or the transmission operator, in their sole discretion, to curtail load when an “emergency situation exists that may jeopardize the integrity of either the distribution or transmission system in the area.” Curtailments require “no less than two hour advance notification provided by the Company.” (Emphasis Added) A customer receiving at least two hour advance notification before the mandatory curtailment “must curtail all load above its Firm Load during an Emergency Curtailment Event consistent with the Company’s instructions.” (MSC Ex. 1, Rider ELR, subpart D, pg. 3-4)

13. Rider ELR limits an Emergency Curtailment Event (“ECE”) called for by PJM to six hours per event, and ten events per the PJM planning year, which occur on weekdays, other than PJM Holidays, between 12:00 PM (Noon) to 8:00 PM, Eastern Prevailing Time (“EPT”), during May through September, and 2:00 PM to 10:00 PM during October to April. (MSC Ex. 1, Rider ELR, subpart D, pg. 3-4)

14. When the customer’s actually measured load, determined as the highest lagging kVa, or highest kW, measured every clock half-hour (“Measured Load”), exceeds its contract Firm Load at any time during the Emergency Curtailment Event, Rider ELR prescribes three different actions for Toledo Edison: (i) completely disconnect the customer, at its expense, from the transmission system for the duration of that ECE, without liability for direct or indirect costs,

losses, expenses, or other damages, special or otherwise, including profits lost from the disconnection; (ii) assess as penalties the forfeiture of the customer's ELR Program Credit, and payment of the ECE Charge for that month; plus for the immediately preceding 12 months forfeiture of Riders ELR and EDR-b credits, if at any time during the event the Measured Load exceeded contract Firm Load by more than 110%; or (iii) assess penalties equal to forfeiture of its Program Credit and payment of the ECE Charge for that month if at any time during the event the Measured Load exceeded contract Firm Load by equal to, or less than, 110%. (MSC Ex. 1, Rider ELR, subpart D, pg. 3-4).

15. Those prescribed actions under Rider ELR apply also to the one hour, non-emergency tests where interruptible customers not subject to ECE curtailments between June 1 and August 15 of that year, upon no less than two hour advance notice, must lower Measured Load to contract Firm Load levels. (MSC Ex. 1, Rider ELR, subpart D, pg. 3-4)

16. The MSC Walbridge Facility passed the ECE compliance tests noticed on September 16, 2011, and September 6, 2012. An interruptible customer previously under contract, and under ESP 1, MSC never to its knowledge experienced an emergency curtailment event before 2013. Five Emergency Curtailment Events affected service to the MSC Walbridge Facility during 2013 on July 15, July 16, July 18, September 10, and September 11. MSC Walbridge Facility complied with the four ECEs between July 15, 2013 and September 10, 2013.

17. On September 11, 2013, the Plant Manager of the MSC Walbridge Facility, as for the ECE the day before, ordered a mandatory shut down of the Facility by 2:00 PM (EDT) as instructed by PJM for its initiated mandatory curtailment event. The Operations Manager directed the Facility's electricians to follow the documented shutdown procedures successfully used for shut

downs ordered for ECEs on July 15, 2013, July 16, 2013, July 18, 2013, August 10, 2013, and September 10, 2013.

18. MSC management responsible for ECE compliance (“MSC Management”) relied on the same documented shutdowns procedures used during the ECE on September 10, 2013 for the September 11, 2013 shutdown, while recognizing earlier that day the Facility began producing a product requiring high heat process ovens, a somewhat unique situation as the ovens never operated during previous ECE events.

19. While the ovens ended operation before the 2:00 PM (EDT) mandatory curtailment, shutdown procedures for the combustion boxes, incinerators, and ovens required internal circulation fans to remain on to sufficiently cool the ovens to protect the oven fan blades, and other internal mechanical equipment. MSC Management fully expected the Measured Load to remain below the contract Firm Load after the 2:00 PM (EDT) curtailment event began with added incremental load from the operating circulation fans. An unexpected failure of the plant-designed computer system used to track energy usage at the Facility after the PJM designated 2:00 (EDT) start time prevented MSC Management from tracking on a real time basis the Measured Load within the Facility during that ECE on September 11, 2013.

20. However, MSC Management believed in good faith the Facility complied with PJM instructions for the ECE on September 11, 2013 because TE never contacted them about exceeding contract Firm Load levels, or about disconnecting the Facility from the power supply at its expense during the ECE for non-compliance.

21. By Penalty Letter, dated October 4, 2013, MSC Management received notice from Toledo Edison that the Measured Load exceeded the contract Firm Load at the Facility during the ECE

on September 11, 2013. TE assessed penalties for Rider ELR service in the amount of \$2,445,543.15. The penalties forfeited both ELR and EDR-b credits on the basis the Measured Load for the MSC Walbridge Facility exceeded 110% of its contract Firm Load for the half hours ending 3:00 PM and 3:30 PM during that ECE on September 11, 2013. (MSC Ex. 3, TE Penalty Letter)

22. Since the circulation fans turned off at about 3:30 PM on September 11, 2013, the incremental usage from those fans caused the Facility's Measured Load to exceed its contract Firm Load during the half hour ending 3:00 PM (EDT) and half hour ending 3:30 PM (EDT) because the Facility met its contract Firm Load for all other hours, as shown:

Date—September 11, 2013	Time EST	Time EDT	KVA	
	13:30	2:30 PM	3030	
	14:00	3:00 PM	3041	Circulation Fans
	14:30	3:30 PM	2895	
	15:00	4:00 PM	1932	No Circulation Fans
	15:30	4:30 PM	1819	
	16:00	5:00 PM	1793	
	16:30	5:30 PM	1833	
	17:00	6:00 PM	1853	
	17:30	6:30 PM	1755	
	18:00	7:00 PM	1709	
	18:30	7:30 PM	1723	
	19:00	8:00 PM	1776	

Source: PJM Spreadsheet

The MSC Walbridge Facility typical monthly bill totals between \$200,000 to \$300,000, while the incremental usage consumed from the circulation fans would total during those hourly periods approximately \$85.00.

23. Toledo Edison assessed Penalties equaled to (i) the forfeiture of MSC's ELR Program Credit for usage during September 2013, (ii) payment of that month's ECE Charge, and (iii) forfeiture

of all ELR and EDR-b credits for the immediately preceding 12 months, September 2013 back to August 2012, as shown:

(i) \$ 99,760.00	Forfeited Rider ELR Program Credit for current month
(ii) \$ 162.15	Billed ECE Charge for current month
(iii) \$2,345,621.00	Forfeited Rider ELR and EDR-b credits for preceding
Total \$2,445,543.15	12-months

(MSC E. 2, TE Penalty Letter)

24. Toledo Edison intends to recover \$2,345,621.00 in credits deemed forfeited under Rider ELR and EDR-b for the past twelve months by withholding future credits earned by MSC under Rider ELR and EDR-b over the next twelve billing months to amortize that amount. Credits lost retroactively and prospectively require MSC to pay at least \$2,445,543.15 more for electricity over the next twelve months. (MSC Exhibit 2, Penalty Letter)

COUNT ONE
Violation of ORC 4905.22
Unreasonable and Unlawful Charges for Electric Service
TE Failed to Provide MSC with No Less than Two Hour Advance Notice
Before the Beginning of the CEC as Instructed by PJM

25. MSC incorporates preceding paragraphs 1 through 24 as if written herein in their entirety.

26. The PJM Interconnection by its instructions “initiated an Emergency Load Curtailment event beginning on 09/11/2013 at 14:00 PM (Eastern Prevailing Time) for First Energy ATSI Control Zone. The duration of this event is for 6 hours. This is a mandatory load curtailment event. You must reduce load to your firm service level prior to the start of this event.” (MSC Exhibit 3, Notice Dated September 11, 2013.) The beginning time 14:00 PM (EPT), or more commonly referred to as 2:00 PM Eastern Daylight Time (“EDT”).

27. Rider ELR requires “*** no less than two hour advance notification provided by the Company” before the customer ***must curtail all load above its Firm Load during an Emergency Curtailment Event consistent with the Company’s instructions***.” Those instructions were that PJM ordered a mandatory curtailment beginning at 2:00 PM (EDT) for September 11, 2013. (Emphasis Added) (MSC Exhibit 1, Rider ELR, D. pg. 3-4)

28. Toledo Edison, however, provided MSC Management with only a one hour and fifty-five minute notice to curtail for the ECE on September 11, 2013. TE sent its notice to MSC at 12:05 PM (EDT) for a mandatory curtailment beginning at 2:00 PM (EDT). TE failed to provide the not less than two hour notice required by Rider ELR for the 2:00 PM (EDT) start as instructed by PJM. Toledo Edison’s notice at 12:05 PM (EDT) administratively delayed start of that ECE until 2:05 (EDT) in non-compliance with Rider ELR noticing provisions, and with PJM instructions for a mandatory curtailment to begin at 2:00 PM (EDT). Toledo Edison likewise administratively ended the ECE on September 11, 2013 at 8:05 PM (EDT), even though PJM instructed the mandatory curtailment to end at 8:00 PM (EDT). (MSC Ex. 1, Rider ELR, and Ex. 4, Notice, Dated September 11, 2013)

29. Toledo Edison assessed penalties in violation of the clear and unambiguous language of Rider ELR that requires no less than two hour notice needed before the MSC Walbridge Facility “must curtail” to the contract Firm Load for the mandatory curtailment called by PJM beginning at 2:00 PM (EDT) on September 11, 2013. Toledo Edison has no authority to charge a penalty unless MSC Management failed to curtail after receiving that full notice. Toledo Edison failed to comply with the clear and unambiguous language of Rider ELR by giving less than the full notice required for the mandatory curtailment on September 11, 2013.

30. MSC Management complied in good faith with the mandatory curtailment without waiving in any manner its right to receive, and Toledo Edison to give, a no less than two hour advance notice under Rider ELR before MSC must curtail to contract Firm Load levels during the CEC that began by PJM instructions at 2:00 PM (EDT) on September 11, 2013.

31. Rider ELR's clear and unambiguous language requires no less than two hour advance notice before mandatory curtailment of Measured Load to contract Firm Load levels. Toledo ignored the clear wording of that language by giving less than two hour advance notice to MSC before the mandatory curtailment instructed by PJM was to begin at 2:00PM (EDT). Rider ELR prohibits Toledo Edison from assessing penalties as the "must curtail" requirements never applied to the MSC Facility on September 11, 2013.

32. Toledo Edison, without providing the required notice, acted unreasonably, unjustly, and unlawfully under Rider ELR by assessing penalties as forfeited credits in the amount of at least \$2,445,543.15 for past services received over twelve months under Rider ELR and EDR. Toledo Edison assessment of penalties against MSC in the form of forfeitures for past credits received under Rider ELR and EDR-b for ESP 2 service to MSC violates the clear and unambiguous provisions of Rider ELR.

33. Toledo Edison violates ORC 4905.22 by unreasonably and unlawfully assessing under Rider ELR \$2,445,543.15 in penalties through forfeiture of past credits for recovery over twelve months by using future billed credits to amortize that amount over time. During the next twelve months, the penalties assessed increase electric rates and charges paid for the MSC Walbridge Facility by at least \$2,445,543.15, a 100% to 150% increase, with electric costs rising to between 11.00 and 15.00 cents per kWh as a result of Toledo Edison's unreasonable and unlawful acts.

COUNT TWO
Violation of ORC 4905.22
Unjust, Unreasonable, and Unlawful Charges for Electric Services
TE Never Complied with Noticing Provisions before Assessing Penalties
Full Mitigation of Penalties Assessed under the Circumstances Encountered by MSC
Fairness Rationale Provides No Basis for TE to Impose Penalties under Rider ELR

34. MSC incorporates the preceding paragraphs 1 through 33 as if written herein in their entirety.

35. Rider ELR requires that MSC actually receive no less than two hour advance notification before the 2:00 PM (EDT) time to begin mandatory curtailment as PJM instructed before TE could evoke the remedies to disconnect a load consuming facility, or impose penalties through forfeitures of credits received for past services. The remedies never applied because TE failed to give the required notice. Toledo Edison unreasonably and unlawfully relies on its notice given less than two hours before the mandatory curtailment began at 2:00 as PJM as PJM instructed. TE violated Rider ELR when assessing penalties under its Penalty Letter against MSC. TE provided its notice to curtail at 12:05 (PM (EDT) for a mandatory curtailment to begin at 2:00 PM (EDT), and to end at 8:00 PM (EDT), as instructed by PJM. TE later provided a notice at 8:05 PM (EDT) for the 8:00 PM (EDT) end time set by PJM.

36. Circumstances encountered on September 11, 2013 by MSC Management require full mitigation of the penalties that resulted from the CEC that PJM instructed to begin at 2:00 PM (EDT). Toledo Edison mandatorily applied the remedies when Measured Load exceeded contract Firm Load by more than 110% during the CEC on September 11, 2013, an unreasonable and unlawful practice under the circumstances since MSC Management for that CEC used tested shutdown procedures to mandatorily curtail to contract Firm Load at the Facility; recognized then that unique operating characteristics existed at the Facility since production began ahead of

the mandatory curtailment using ovens to heat the product requiring under oven procedures that internal circulation fans remain on to sufficiently cool the ovens to protect the oven fan blades, and other internal mechanical equipment; encountered system failure of the plant design computer system to track usage in the Facility; and believed in good faith the Measured Load would remain below contract Firm Load with the incremental load from running the circulation fans. Further, the incremental power used for circulator fans likely cost around \$85.00, caused no harm to the integrity of the transmission infrastructure, nor to other TE customers.

37. On October 7, 2013, Toledo Edison in a meeting with MSC justified the assessment of penalties on a theory of equity, claiming that MSC must forfeit its past Rider ELR and EDR- b credits earned over the last twelve months since interruptible customers received lower interruptible rates for their commitment to interrupt load when called under Rider ELR, while other TE customers paid higher rates to subsidize those lower interruptible rates. TE's actions are inequitable because it failed to give the proper notice. TE's level of penalty is inequitable as it results in MSC paying far more than firm rates over the next twelve months for power.

38. TE relies on a fairness rationale for MSC to pay far more than firm rates over the next twelve months because of the forfeited credits. Rider ELR never implicitly or expressly provides for a fairness rationale upon which to impose forfeiture of the past credits earned by MSC. Customers benefit from interruptible service by reducing the risks of outages from wide-spread power outages. TE benefits operationally, and also complies with Ohio's energy policy requirements of ORC 4928.02 (A) and (N), as the Commission recognized in its ESP decisions. Rider ELR and EDR supplies adequate, reliable, and reasonably priced retail electric service to facilitate Ohio's effectiveness in the global market to maintain and grow the Ohio manufacturing base, and its associated jobs within those manufacturers, and their suppliers and vendors.

39. TE imposed Rider ELR and EDR-b penalties without giving the required notice, based on a fairness argument not implied or expressed by Rider ELR for imposing penalties, and under circumstances encountered by MSC on September 11, 2013 which require full mitigation of those penalties, which result in unreasonable, unjust and unlawful charges and service practices. Toledo Edison violates ORC 4905.22 by unreasonably and unlawfully assessing \$2,445,543.15 in penalties through forfeiture of past credits for recovery over twelve months by using future billed credits to amortize that amount over time. During the next twelve months, the electric bills paid by the MSC Walbridge Facility increases at least by \$2,445,543.15, a 100% to 150% increase, with electric costs increasing between 11.00 to 15.00 cents per kWh.

COUNT THREE
Violation of ORC 4905.22
Unjust, Unreasonable, and Unlawful Charges for Electric Services
TE Increased Summer 2013 Rates for MSC by 40%
MSC Lost \$6 Million after Credits by Buying Electricity from TE

40. MSC incorporates the preceding paragraphs 1 through 39 as if written herein in their entirety.

41. Recent ESP 2 rate increases by Toledo Edison to the Generation capacity and energy riders, the Non Market Based Rider (Transmission Charge), and the DESE rider, as authorized by the Commission, affected the total costs of MSC receiving GT service under the current ESP 2 which expires on May 31, 2014. Thereafter, ESP 3 continues in effect those riders through May 31, 2016 at currently unknown rate levels.

42. ESPs offer MSC Walbridge Facility and other large electric users with economic development and load response options to lower total, and per kWh, billed costs for service provided under standard rates and terms.

43. Toledo Edison recovers prudently incurred costs from those customer classes receiving the services. All customers of Toledo Edison pay the Non Market Based Rider (Transmission Charge), and the DESE Rider credit. MSC and other non-shopping customers pay the TE Generation rider charges. MSC and other qualifying customers receive rate discounts offered by the ELR Rider and EDR to lower generation rates below those rates paid by TE shopping customers buying generation from competitive suppliers. Shopping customers still pay the NMB Rider and DESE Rider.

44. Toledo Edison identified beginning June 1, 2013 four increases to MSC and other GT customers' rider rates, specifically: (1) an increase in generation energy charges from \$0.049868/kWh to \$0.060551/kWh, an increase in generation capacity charges from \$0.00075/kWh to \$0.001594/kWh for summer service June through August 2013; (2) an increase in transmission charges for non-market based costs under the NMB rider from \$1.6711/kVa to \$2.1249/kVa and (3) an increase, by decreasing, the DSE2 rider credit from (0.002586/kWh) to (\$0.000039/kWh) for July 1, 2013 until January 1, 2014, with changes thereafter unknown at this time.

45. These rate changes increase the Generation capacity charge by nearly 100%; the generation energy charges by 21%, the NMB rider by 27%; while the DSE2 credit decreases by nearly 98%. Rider NMB passes on to TE customers billed costs from PJM to improve by higher expenditures its transmission network. The NMB rider increased to \$2.1249/kVa for Toledo Edison's GT customers, based on a 33.83% allocation of costs to that class. By comparison, OE's GT

customers pay \$1.4032/kVa, with a 12.31% allocation, while CEI's GT customers pay \$1.1021/kVa, with a 7.37% allocation.

46. Historic electric rates for TE service to the MSC Walbridge Facility show briefly lower rates followed by systemically incremental increases before and after ESP 1 with ESP 2 and ESP 3 likely to follow. MSC pays 6.50 cents per kWh and higher for TE service, except briefly below 5.00 cents per kWh, because TE rates over time also trend upward putting manufacturers and manufacturing jobs constantly at risk.

		Average Cents/kWh
Historic Baseline	February 2002 to February 2003	4.00
	February 2003 to February 2004	4.70
	February 2004 to June 2005	5.70
	June 2005 to December 2007	7.20
	February 2007 to February 2008	7.77
	February 2008 to December 2008	12.00
Current Baseline	February 2009 to February 2010	8.08
	February 2010 to June 2011	5.41
	June 2011 to June 2012	6.94
	August 2012 to May 2013	4.581
	June 2013 to October 2013	6.40

(MSC Ex. 5, Electric Rate History)

47. Credits to MSC from TE for ESP 1 and 2 services approved by the Commission applied to five time periods in 2009 through 2013 beginning with February 2009. Ohio's energy policies intend for service under the ESPs to supply adequate, reliable, and reasonably priced retail electric service for Ohio's manufacturing sector to prosper and maintain jobs by effectively competing in the globally markets.

48. The recent 4.581 cents/kWh rate through May 31, 2013 brought expectations of a sustainable business plan based on MSC receiving stable 5.00 cents/kWh interruptible electric prices from Toledo Edison. The 40% increase between winter 2013 and summer 2013 rates dashed those expectations, now eclipsed by Toledo Edison assessing \$2,445,543.15 in penalties through forfeiture of past credits for future recovery which increases electric costs between September 2013 and August 2014 by 100% to 150%, with electric costs increasing by between 11.00 and 15.00 cents per kWh. If MSC electric rates go up by 200% in the next year, this will result in an unreasonable and unlawful level for a GT served manufacturer, because of these two increases.

49. TE rates paid by MSC between 2002 and 2013 totaled \$6,265,748 more, including the credits provided for ESP 1 and ESP 2 services, than for service charged at the 5.00 cents/kWh projected historic and current projected baselines, which if not lost through payments for TE electric would benefit the Ohio economy with more jobs, taxes, and greater output from the MSC Walbridge Facility leading to three times the energy supplied by TE. MSC continues to look for future opportunities at the Facility as described to Toledo Edison at the October 7, 2013 meeting. However, TE, as distribution utility without generation assets, appeared unimpressed by more energy sales without higher kVa peak demands even though its service territory benefits, and possibly FirstEnergy Solutions supply the generation.

50. A 40% increase in rates beginning June 2013 results in unjust, unreasonable, and unlawful rates and charges under ORC 4905.22, and violates the energy policies under ORC 4928.02 (A) and (N). More specifically, charges increased under the NMB rider to \$2.1249/kVa, based on a 33.83% allocation of costs to that GT class. By comparison, Ohio Edison GT customers pay \$1.4032/kVa, while CEI GT customers pay \$1.1021/kVa, under their NMB riders. Further,

Toledo Edison's practices affecting MSC services appear unjust and unreasonable as summer seasonal rate increases in 2013 appear systemically to eliminate benefits received under winter 2013 rates from the ESP negotiated settlement approved by the Commission in its ESP 3 decision. The incremental increase in the NMB rider now above \$2.00/kVa offsets the marginal decrease in rates from July 2012 through May 2013 from the discounted EDR kVa approved for MSC in the ESP 3 decision. This phenomenon of incremental increases in the NMB rider appears to be a recurring event; while the credits may temporarily reduce rates they also mitigate the level of increases over time.

CLAIMS FOR RELIEF

MSC respectfully requests the Commission to:

1. For COUNT ONE, Find that Toledo Edison under Rider ELR failed to provide MSC with not less than a two hour notice before the 2:00 PM (EDT) mandatory curtailment time as PJM instructed; Find that without the required notification under Rider ELR, Toledo Edison acted unreasonably, unjustly, and unlawfully by assessing penalties as forfeited credits in the amount of at least \$2,445,543.15 for past services to MSC received over twelve months under Rider ELR and EDR; Find that Toledo Edison violates ORC 4905.22 by unreasonably and unlawfully assessing \$2,445,543.15 in penalties through forfeiture of past credits under Rider ELR and EDR for recovery over twelve months using future billed credits to amortize that amount over time; Find that during the next twelve months, the electric bills paid for the MSC Walbridge Facility unreasonably and unlawfully increase by at least by \$2,445,543.15, with bills rising between 100% to 150%, and electric costs increasing by 11.00 to 15.00 cents per kWh, because of Toledo Edison's unreasonable and unlawful acts.

2. For COUNT TWO, Find that Rider ELR requires Toledo Edison to show compliance with the not less than two hour advance notice of the mandatory curtailment before assessing penalties; Find that circumstances encountered by MSC require full mitigation of the penalties imposed by Toledo Edison; Find that TE inappropriately used a fairness rationale when imposing penalties through forfeiture of credits on MSC; Find that Rider ELR penalties imposed by Toledo Edison result in unreasonable, unjust and unlawful charges and practices related to service; Find that Toledo Edison unreasonably and unlawfully assessed penalties in the form of forfeitures for past credits received under Rider ELR and EDR b. for ESP 2 service to MSC; Find that Toledo Edison violates ORC 4905.22 by unreasonably and unlawfully assessing \$2,445,543.15 in penalties through forfeiture of past credits for recovery over twelve months by using future billed credits to amortize that amount over time, upon which during the next twelve months, the electric bills paid for the MSC Walbridge Facility increases at least by \$2,445,543.15, a 100% to 150% increase, increasing electric costs to between 11.00 and 15.00 cents per kWh.


3. For COUNT THREE, Find that a 40% increase in billed amounts between winter 2013 and summer 2013 rates and charges for TE service; that Toledo Edison's practices affecting MSC's 2013 summer rate which appear systemically to eliminate benefits received under MSC's 2013 winter rates, specifically the incrementally higher NMB rider which off sets the discounted rate for the EDR kVa charge approved in the ESP 3 decision; Find that Toledo Edison, by assessing without providing required notice of the mandatory curtailment, or considering mitigating circumstances, unlawfully and unreasonably assessed \$2,445,543.15 in penalties through forfeiture of past credits for future recovery, separately and jointly violate ORC 4905.22 by charging unjust and unreasonable electric rates and charges to increase rates by 100% to 150%, rising rates up to between 11.00 to 15.00 cents per kWh, and the Ohio energy policies under

ORC 4928.02 (A) and (N); and Find that TE rates paid by MSC between 2002 and 2013 totaled \$6,265,748 more, including the credits provided for ESP 1 and ESP 2 services, than for service charged at the 5.00 cents/kWh projected historic and current projected baselines, which if not lost through payments for TE electric would benefit the Ohio economy with more jobs, taxes, and greater output from the MSC Walbridge Facility leading to three times the energy supplied by TE, a violation of ORC 4905.22 by charging unjust and unreasonable electric rates and charges over that time frame.

4. Order any other relief that the Commission deems appropriate, just and reasonable in law and equity.

5. Find that reasonable grounds exist to set the matter for hearing, direct Toledo Edison to answer this Complaint, and establish a hearing date in this matter.

Respectfully Submitted




Craig I. Smith (0019207)
Attorney at Law
15700 Van Aken Blvd, #26
Shaker Heights, Ohio 44120
216-561-9410
wttprmlc@aol.com

Attorney for Material Sciences Corporation

Certificate of Service

I hereby certify that a true copy of the foregoing complaint by Material Sciences Corporation was served upon James Burke, Managing Counsel, First Energy Service Company, 76 South Main Street, Akron, Ohio 44308, by first class mail, postage prepaid, this 30th day of October 2013.



Craig I. Smith

MSC 8x1

RIDER ELR
Economic Load Response Program Rider

APPLICABILITY:

This Economic Load Response Program Rider ("Program") is available to customers taking service from the Company at primary voltages or higher voltages provided that all of the following seven conditions are met at the time of initiation of service to the customer under this Rider and on a continuing basis thereafter: (i) the customer took service under the Company's interruptible tariffs set forth below as of February 1, 2008 or the customer took service under an interruptible contract with the Company as of February 1, 2008 that subsequently expired or was terminated; (ii) the customer can successfully demonstrate to the Company that it can reduce its instantaneous measured load to a pre-established contract Firm Load (as defined under Other Provisions, paragraph A., below) within two hours of notification provided by the Company without the need of a generator (A customer may intend to use a generator to reduce its usage to below its Firm Load, but if the generator does not operate, the customer must still reduce its usage to or below its Firm Load. Failure of a customer to reduce its usage to or below its Firm Load shall result in the consequences listed in the Emergency Curtailment Event Section herein.); (iii) the customer executes the Company's standard Program contract; (iv) the customer is taking generation service from the Company; (v) the customer is not participating in any other load curtailment or demand response program, including without limitation a demand response program offered by PJM Interconnection, L.L.C. ("PJM") or any other independent system operator; (vi) the customer commits its demand response capability to Company for integration into Company's R.C. § 4928.66 compliance programs; and, (vii) the Commission finds that the demand response capabilities of customers electing service under this rider shall count towards the Company's compliance with the peak demand reduction benchmarks set forth in R.C. § 4928.66 as applied by the Commission's applicable rules and regulations and shall be considered incremental to interruptible load on the Company's system that existed in 2008. Nothing herein shall preclude a customer from requesting and receiving an exemption from any mechanism designed to recover the cost of energy efficiency and peak demand reduction programs to the extent the exemption is requested to reasonably encourage the commitment of customer-sited capabilities to the Company.

Interruptible Power Rate "PV-46"

Original Sheet No. 63

RATES:

In addition to any other charges under any other rate schedules applicable to customer's service, customers participating in the Program shall also pay the charges and receive the credit set forth below:

Charges:

Program Administrative Charge: \$150.00 per month

EBT Charge:

During an Economic Buy Through Option Event (as defined under Other Provisions, paragraph E., below), the portion of the customer's actual measured load that exceeds its pre-established contract Firm Load for any and all hours during such event shall be assessed an EBT Charge, which is calculated for each hour of the event as follows:

$$\text{EBT Charge} = (\text{AL} \times \text{MPD}) \times (1 + \text{LAF}) \times ([1/(1 - \text{CAT})])$$

RIDER ELR
Economic Load Response Program Rider

Where:

AL = the customer's actual hourly load during an Economic Buy Through Option Event that exceeds the customer's pre-established contract Firm Load.

MPD = the market price differential, which shall be calculated by subtracting the applicable charges set forth in the Generation Service Rider (GEN) from the PJM LMP for the period in which the Economic Buy Through Option Event occurred for each hour that results in a MPD greater than zero.

PJM LMP is the final Day Ahead Locational Marginal Price as defined and specified by PJM at the appropriate pricing node during the applicable hour(s).

CAT = the Commercial Activity Tax rate as established in Section 5751.03 of the Ohio Revised Code.

LAF = Loss Adjustment Factor
3.0% for primary voltages
0.1% for subtransmission voltages
0.0% for transmission voltages

ECE Charge:

During an Emergency Curtailment Event (as defined under Other Provisions, paragraph D., below), the portion of the customer's actual measured load that exceeds its pre-established contract Firm Load for any and all hours during such event shall be assessed an ECE Charge which is calculated for each hour of the event as follows. Revenue collected by the Company as a result of any ECE Charge less amounts associated with the CAT (as defined above) shall be credited towards costs to be collected through the DSE1 charge of Rider DSE:

$$\text{ECE Charge} = (\text{AL} \times \text{PJM LMP} \times 300\%) \times (1 + \text{LAF}) \times ([1/(1-\text{CAT})])$$

Program Credit ("PC"):

Customers taking service under this Rider shall receive a monthly Program Credit which shall be calculated as follows:

$$\text{PC} = \text{CL} \times (\$5.00) / \text{kW/month}$$

Where:

CL is the Curtailable Load, which shall be calculated by the Company for each customer by subtracting the customer's contract Firm Load from its monthly highest thirty (30) minute integrated kW load occurring during the non-holiday weekday hours of 11 a.m. to 5 p.m. Eastern Standard Time (equivalent to noon to 6 p.m. EDT). In no circumstance can the CL be negative nor can the CL be in excess of a contract amount determined based upon the customers 12 month history as of February 1, 2008. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

RIDER ELR
Economic Load Response Program Rider

Minimum Bill:

The application of the Program Credit shall not produce a total monthly bill for any customer, after including the effects of all rate schedules and riders, that results in an average price per kWh less than two (2) cents per kWh.

OTHER PROVISIONS:

A. Firm Load

For purposes of this rider, "Firm Load" shall be that portion of a customer's electric load that is not subject to curtailment. A customer may request a reduction to its contract Firm Load no more than once in any twelve month period. The Firm Load may be reduced to the extent that such reduction is consistent with other terms and conditions set forth in this Rider. Any such change in Firm Load shall be applied beginning with the customer's January bill immediately following the year in which the change has been approved by the Company, provided that advance written request is provided to the Company no less than thirty (30) days prior to the effective billing month of the change. The Company may increase the Firm Load at any time if the Company, at its sole discretion, determines the Firm Load is at a level that the customer fails to demonstrate that they can reach. The Company shall promptly notify the customer of any such change.

B. Load Response Program Contract

Customers taking service under this optional Rider shall execute the Company's standard Program contract which, among other things, will establish the Customer's Firm Load and commit the Customer's demand response capability to Company for purposes of Company's compliance with the peak demand reduction benchmarks set forth in R.C. § 4928.66 as applied by the Commission's applicable rules and regulations.

C. Metering

The customer must arrange for interval metering consistent with the Company's Miscellaneous Charges, Tariff Sheet 75.

D. Emergency Curtailment Event

Upon no less than two hour advance notification provided by the Company, a customer taking service under this rider must curtail all load above its Firm Load during an Emergency Curtailment Event consistent with the Company's instructions. For purposes of this rider, an Emergency Curtailment Event shall be one in which the Company, a regional transmission organization and/or a transmission operator determines, in its respective sole discretion, that an emergency situation exists that may jeopardize the integrity of either the distribution or transmission system in the area. If the Emergency Curtailment Event is requested solely by the regional transmission organization, the maximum duration that load must be curtailed will be 6 hours and shall be limited to ten events per planning year as defined by PJM. Any interruptions requested by the regional transmission organization will only occur between 12:00 PM (Noon) to 8:00 PM (Eastern Prevailing Time) for the months of May through September and 2:00 PM to 10:00 PM for the months of October through April, on weekdays other than PJM Holidays.

RIDER ELR
Economic Load Response Program Rider

During the entire period of an Emergency Curtailment Event, the customer's actual measured load must remain at or below its Firm Load with such load being measured every clock half hour. A customer's actual measured load shall be determined using the greater of the customer's highest lagging kVA or highest kW during the Emergency Curtailment Event.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds its contract Firm Load, the Company may disconnect the customer from the transmission system for the duration of the Emergency Curtailment Event, at the customer's expense. The Company shall not be liable for any direct or indirect costs, losses, expenses, or other damages, special or otherwise, including, without limitation, lost profits that arise from such disconnection.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds 110% of its Firm Load, the customer shall be subject to all four (4) of the following: (i) forfeit its Program Credit for the month in which the Emergency Curtailment Event occurred; (ii) pay the ECE Charge set forth in the Rates section of this Rider; (iii) pay the sum of all Program Credits received by the customer under the Program during the immediately preceding twelve billing months which shall include credits from this Rider and the Economic Development Rider; and (iv) the Company's right, at its sole discretion, to remove the customer from the Program for a minimum of 12 months.

If at any time during the Emergency Curtailment Event a customer's actual measured load is greater than 100% and less than or equal to 110% of its Firm Load during the Emergency Curtailment Event, the customer shall forfeit its Program Credit for the month in which the Emergency Curtailment Event occurred and shall pay the ECE Charge set forth in the Rates section of this Rider.

In a calendar year when an Emergency Curtailment Event has not been requested of customers on this Rider between June 1 and August 15, the Company shall simultaneously interrupt all customers on this Rider by September 30 in order to meet the Company's PJM test obligations for Load Management Resources. The duration of this test will be one hour. The Company will schedule the test and Customers shall receive advance notification of the test. All provisions of this Rider shall apply to this test.

In the event of any conflict between the terms and conditions set forth in this Rider and other service reliability requirements and/or obligations of the Company, the latter shall prevail.

E. Economic Buy Through Option Event

Upon no less than a 90 minute advance notification provided to the customer, the Company shall call an Economic Buy Through Option Event ("EBT") when a "Market Premium Condition" exists. A Market Premium Condition is defined as a point in time that the PJM LMP exceeds the product of 1.5 times the wholesale price resulting from the Company's competitive bid process held for generation service commencing on June 1, 2011 and updated anytime there is a price change in generation service. The number of hours of EBT cannot exceed 10% of the hours in any twelve month period beginning in June of each calendar year.

RIDER ELR
Economic Load Response Program Rider

F. Notification

Customers served under this Rider shall be provided notification of Economic Buy Through Option Events and Emergency Curtailment Events by the Company. Customers shall be provided clock times of the beginning and ending of these events, except the Emergency Curtailment Event notification may be stated such that customers must curtail their actual measured load to its Firm Load in two hours from the time the notification is issued. Receipt of notifications set out in this paragraph shall be the sole responsibility of the customer.

Notification of an Economic Buy Through Option Event and Emergency Curtailment 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. Two-way information capability shall be incorporated by the Company and the customer in order to provide confirmation of receipt of notification messages. Operation, maintenance and functionality of such communication devices selected by the customer shall be the sole responsibility of the customer.

G. Term

This rider shall become effective for service rendered beginning June 1, 2011, and shall expire with service rendered through May 31, 2014.

A customer may terminate its participation in the Program upon no less than thirty six (36) months advance written notice to the Company. Except as otherwise provided in this Rider, a qualifying customer may return to the Program after a hiatus from the Program of at least one (1) year on the first day of the customer's billing cycle upon at least thirty days prior written notice of the customer's intent to return.

H. Conditions

Payment by the customer of all charges herein is a condition of service under this Economic Load Response Program Rider.

RIDER EDR
Economic Development Rider**a. Residential Non-Standard Credit Provision****APPLICABILITY:**

Applicable to residential customers taking service under the Company's rate schedule RS to which the Company's Residential Distribution Credit Rider (RDC) applies. This Residential Non-Standard Credit Provision is not applied to customers during the period the customer takes electric generation service from a certified supplier.

RATE:

The following Residential Non-Standard credits are effective for service rendered beginning September 1, 2009, for all kWhs per kWh in excess of 500 kWhs per month which are consumed by the customer during the winter billing periods as defined in the Electric Service Regulations:

Customer rate schedule as of December 31, 2008

Residential Rate "R-02" (Add-On Heat Pump)-Original Sheet No. 11	(1.9000)¢
Residential Rate "R-06" (Space Heating and Water Heating)-Original Sheet No. 13	(1.9000)¢
Residential Rate "R-06a" (Space Heating and Water Heating)-Original Sheet No. 14	(1.9000)¢
Residential Rate "R-04" (Water Heating)-Original Sheet No. 15	(0.5000)¢
Residential Rate "R-04a" (Water Heating)-Original Sheet No. 16	(0.5000)¢
Residential Rate "R-07" (Space Heating)-Original Sheet No. 17	(1.9000)¢
Residential Rate "R-07a" (Space Heating)-Original Sheet No. 18	(1.9000)¢
Residential Rate "R-09" (Apartment Rate)-Original Sheet No. 19	(1.9000)¢
Residential Rate "R-09a" (Apartment Rate)-Original Sheet No. 20	(1.9000)¢

b. Interruptible Credit Provision**APPLICABILITY:**

Applicable to all customers who took service under PUCO-approved contracts containing interruptible provisions as of February 1, 2008 and continue to take service based upon the Company's rate schedules GP, GSU, or GT in conjunction with the Company's Economic Load Response Program Rider (ELR). This Interruptible Credit Provision is not applied to customers during the period the customer takes electric generation service from a certified supplier.

RATE:

The following interruptible credits will apply, by rate schedule, effective for service rendered beginning June 1, 2011 by unit of Curtailable Load, as defined in Rider ELR:

GP (per kW)	\$ (5.000)
GSU (per kW)	\$ (5.000)
GT (per kW)	\$ (5.000)

RIDER EDR
Economic Development Rider

c. Non Residential Credit Provision

APPLICABILITY:

Applicable to any customer taking General Service - Transmission (GT), Street Lighting (STL), Traffic Lighting (TRF), and Private Outdoor Lighting (POL) service under the Company's rate schedules. This Non-Residential Credit Provision is not applied during the period a customer takes electric generation service from a certified supplier.

RATE:

The following credits will apply, by rate schedule, effective for service rendered beginning October 1, 2013, for all kWhs, per kWh:

GT	(0.0000)¢
STL	(1.1645)¢
TRF	(1.1848)¢
POL	(0.0000)¢

d. General Service - Transmission (Rate GT) Provision

APPLICABILITY:

Applicable to any customer taking service under the Company's General Service – Transmission (Rate GT). This provision is not avoidable for customers who take electric generation service from a certified supplier.

RATE:

The following charge will apply, effective for service rendered beginning June 1, 2009:

GT (per kVA of billing demand)	\$ 8.000
--------------------------------	----------

The following credit will apply, effective for service rendered beginning October 1, 2013:

GT (all kWhs, per kWh)	(1.8415)¢
------------------------	-----------

ADDITIONAL PROVISION:

The charges provided for by Section (d) of this Rider shall be applied to the greater of (i) the measured monthly on-peak demand, or (ii) 25% of the measured monthly off-peak demand. Monthly on-peak demand is defined as the highest thirty (30) minute integrated kVA between the hours of 6:00 a.m. to 10:00 p.m. EST (equivalent to 7:00 a.m. to 11:00 p.m. EDT), Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Monthly off-peak demand is defined as the highest thirty (30) minute integrated kVA for all other hours. This provision of Rider EDR is reconciled within this subpart (d) quarterly and is revenue neutral to the Companies.

RIDER EDR
Economic Development Rider

e. Standard Charge Provision

APPLICABILITY:

Applicable to any customer that takes electric service under the Company's rate schedules. This Standard Charge Provision is not avoidable for customers who take electric generation service from a certified supplier.

PURPOSE:

The charges provided for by Section (e) of this Rider recover the difference in revenues resulting from the application of rates in the otherwise applicable rate schedule, and the application of credits in sections (a), (b), (c), and (f), of this Rider.

RATE:

The following charges will apply, by rate schedule for all kWhs per kWh:

GS	0.1311¢
GP	0.5712¢

f. School Credit Provision

APPLICABILITY:

Applicable to any public school district building that either: 1) was served under the Company's Energy for Education II program on December 31, 2008, or 2) is a new public school district building in a school district served under the Company's Energy for Education II program on December 31, 2008 of which fifty-percent (50%) or more of the total square footage of such building is used for classroom-related purposes including any such building that is a mobile unit or temporary structure. This School Credit Provision is not applied to customers during the period the customer takes electric generation service from a certified supplier.

RATE:

All applicable charges specified in Company's Generation Service Rider (GEN) for General Service - Secondary ("Rate GS"), General Service Primary ("GP"), or General Service - Subtransmission ("GSU") rates, shall be reduced by 8.693 percent.

RIDER EDR
Economic Development Rider

g. Infrastructure Improvement Provision

APPLICABILITY:

Applicable to any customer that takes electric service under the Company's rate schedules with the exception of Street Lighting (STL), Traffic Lighting (TRF), and Private Outdoor Lighting (POL). This Infrastructure Improvement Provision is not avoidable for customers who take electric generation service from a certified supplier. Charges will be allocated in the same manner as the revenue was allocated in the Company's last distribution rate case, with the exception that no charges are allocated to the Street Lighting (STL), Traffic Lighting (TRF) and Private Outdoor Lighting (POL) schedules.

PURPOSE:

The charges provided for by Section (g) of this Rider recover costs associated with certain economic expansion and new employment in Ohio.

RATE:

The following charges will apply, by rate schedule for all kWhs per kWh:

RS	0.0477¢
GS	0.0324¢
GP	0.0120¢
GSU	0.0047¢
GT	0.0015¢

h. Automaker Credit Provision

APPLICABILITY:

Applicable to domestic automaker facilities with more than 45 million kilowatt-hours of consumption for the 12 monthly billing periods ended December 31, 2009 at a single site. This Automaker Credit Provision is available for customers who take electric generation service from a certified supplier.

RATE:

All credits included in Section (h) of this Rider are applied only to usage that exceeds the average of the customer's twelve (12) billing periods ended December 31, 2009 ("Baseline Usage").

First 20 percent of kWh's over Baseline Usage, per kWh	(1.0000)¢
All kWh's exceeding 20% over Baseline Usage, per kWh	(1.2000)¢

RIDER EDR
Economic Development Rider

i. Automaker Charge Provision

APPLICABILITY:

Applicable to any customer that takes electric service under the Company's rate schedules with the exception of General Service - Transmission (GT), Street Lighting (STL), Traffic Lighting (TRF), and Private Outdoor Lighting (POL). This Automaker Charge Provision is not avoidable for customers who take electric generation service from a certified supplier.

PURPOSE:

The charges provided for by Section (i) of this Rider recover costs associated with implementation of the Automaker Credit Provision.

RATE:

The following charge will apply effective for service rendered beginning October 1, 2013, for all kWhs per kWh:

Automaker Charge

0.0048¢

RIDER UPDATES:

The charges contained in this Rider shall be updated and reconciled on a quarterly basis. No later than December 1st, March 1st, June 1st and September 1st of each year, the Company will file with the PUCO a request for approval of the Rider charges which, unless otherwise ordered by the PUCO, shall become effective on a service rendered basis on January 1st, April 1st, July 1st and October 1st of each year, beginning October 1, 2011. After May 31, 2014, all provisions of this Rider, except for the Infrastructure Improvement Provision - Section (g), shall be used for reconciliation purposes only.



76 South Main St.
Akron, Ohio 44308

October 4, 2013

Mike Wilson
MSC Walbridge Coatings, Inc.
2200 E. Pratt Blvd
Elk Grove Village, IL 60007

Dear Mike Wilson:

MSC Walbridge Coatings, Inc. is currently an Economic Load Response Program Rider (Rider ELR) customer. In accordance with the requirements of Rider ELR a customer must curtail all load above its Firm Load during an Emergency Curtailment Event. An Emergency Curtailment Event can be called by the Company, a regional transmission organization, or a transmission operator when a situation exists that may jeopardize the integrity of the distribution or transmission system.

PJM Emergency Load Curtailment Events were called during the following dates and times:

- July 15, 2013 from 4:09 PM thru 6:20 PM Eastern Daylight Time
- July 16, 2013 from 1:35 PM thru 4:30 PM Eastern Daylight Time
- July 18, 2013 from 2:47 PM thru 6:00 PM Eastern Daylight Time
- September 10, 2013 from 4:18 PM thru 9:30 PM Eastern Daylight Time
- September 11, 2013 from 2:05 PM thru 8:00 PM Eastern Daylight Time

This letter is to inform you that MSC Walbridge Coatings, Inc. did not meet the provisions of Rider ELR. MSC Walbridge Coatings, Inc. has a Firm Load of 2,000 KW / KVA as set forth in their Rider ELR addendum. According to Rider ELR, during an Emergency Curtailment Event, Firm Load is measured "every clock half hour" and the actual measured load is determined using the highest lagging KVA or highest KW during the event. MSC Walbridge Coatings, Inc.'s lagging KVA and KW exceeded its contracted Firm Load by more than 110% during the above listed event that took place on September 11, 2013. MSC Walbridge Coatings, Inc.'s highest KW and maximum lagging KVA during this event were as follows:

- September 11, 2013 half hour ending 3:00 PM Eastern Daylight Time (2,583 KW / 3,041 KVA)
- September 11, 2013 half hour ending 3:30 PM Eastern Daylight Time (2,439 KW / 2,895 KVA)

The penalties required by the Rider ELR tariff to be applied to your bill associated with exceeding your Firm Load by more than 110% during an Emergency Curtailment Event are referenced below:

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds 110% of its Firm Load, the customer shall be subject to all four (4) of the following: (i) forfeit its Program Credit for the month in which the Emergency

Curtailment Event occurred; (ii) pay the ECE Charge set forth in the Rates section of this Rider; (iii) pay the sum of all Program Credits received by the customer under the Program during the immediately preceding twelve billing months which shall include credits from this Rider and the Economic Development Rider; and (iv) the Company's right, at its sole discretion, to remove the customer from the Program for a minimum of 12 months.

MSC Walbridge Coatings, Inc.'s total penalties equal \$2,445,543.15, broken down per the Rider ELR tariff as follows:

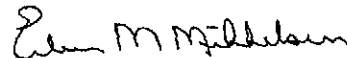
- (i) \$ 99,760.00 Forfeiture of current month's Rider ELR program credit
- (ii) \$ 162.15 Rider ELR Emergency Curtailment Event (ECE) Charge
- (iii) \$ 2,345,621.00 Forfeiture of Riders ELR and EDR-b credits for preceding 12 months

The loss of the credits from Riders ELR and EDR-b for the immediately preceding twelve billing months will be spread evenly over the next twelve billing months, beginning with the current month's invoice. The balance can be paid off at any time during those twelve months.

Rider ELR permits the Company to remove a customer from that tariff for failing to reduce its firm load based upon the circumstances described above. The Company, however, is exercising its discretion not to remove MSC Walbridge Coatings, Inc. from the Program in connection with the above-referenced Events; therefore MSC Walbridge Coatings, Inc. will remain in the Program pursuant to all of the terms and conditions contained therein.

If you have any further questions, you can contact your Account Manager Kathy Garcia, at (419) 249-6107.

Sincerely,



Eileen M. Mikkelsen
Director, Rates & Regulatory Affairs

cc: Kathy Garcia

From: Wilson, Mike <Mike.Wilson@matsci.com>
To: wtpm1c <wtpm1c@aol.com>
Subject: FW: PJM EMERGENCY Curtailment
Date: Wed, Oct 16, 2013 6:05 pm

fyi

Michael R. Wilson
VP Operations
Material Sciences Corporation
Cell 708-446-8591
Fax 847-718-8862

-----Original Message-----

From: Siffer, John
Sent: Wednesday, October 16, 2013 3:30 PM
To: Wilson, Mike
Subject: FW: PJM EMERGENCY Curtailment

The start of the 9/11 event.

John Siffer
Plant Manager - Walbridge
Material Sciences Corporation
Cell Phone: (419) 205 - 5695

-----Original Message-----

From: curtallmentadministrator@firstenergycorp.com [mailto:curtallmentadministrator@firstenergycorp.com]

Sent: Wednesday, September 11, 2013 12:05 PM
To: Siffer, John
Subject: PJM EMERGENCY Curtailment

Dear John Siffer,

PJM Interconnection has initiated an Emergency Load Curtailment event beginning on 09/11/2013 at 14:00 PM (Eastern Prevailing Time) for First Energy ATSI Control Zone. The duration of this event is for 6 hours. This is a mandatory load curtailment event. You must reduce load to your firm service level prior to the start of this event. If you have any questions, please contact your FirstEnergy Customer Support Representative.

MSC Ex. 4

From: Wilson, Mike <Mike.Wilson@matsci.com>

To: wtpmlc <wtpmlc@aol.com>

Subject: FW: PJMEMERGENCY Curtailment - Event Termination

Date: Wed, Oct 16, 2013 6:04 pm

fyi

Michael R. Wilson
VP Operations
Material Sciences Corporation
Cell 708-446-8591
Fax 847-718-8862

-----Original Message-----

From: Siffer, John
Sent: Wednesday, October 16, 2013 3:30 PM
To: Wilson, Mike
Subject: FW: PJM EMERGENCY Curtailment - Event Termination

The end of the 9/11 event.

John Siffer
Plant Manager - Walbridge
Material Sciences Corporation
Cell Phone: (419) 205 - 5695

-----Original Message-----

From: curtailmentadministrator@firstenergycorp.com [mailto:curtailmentadministrator@firstenergycorp.com]

Sent: Wednesday, September 11, 2013 8:05 PM
To: Siffer, John
Subject: PJM EMERGENCY Curtailment - Event Termination

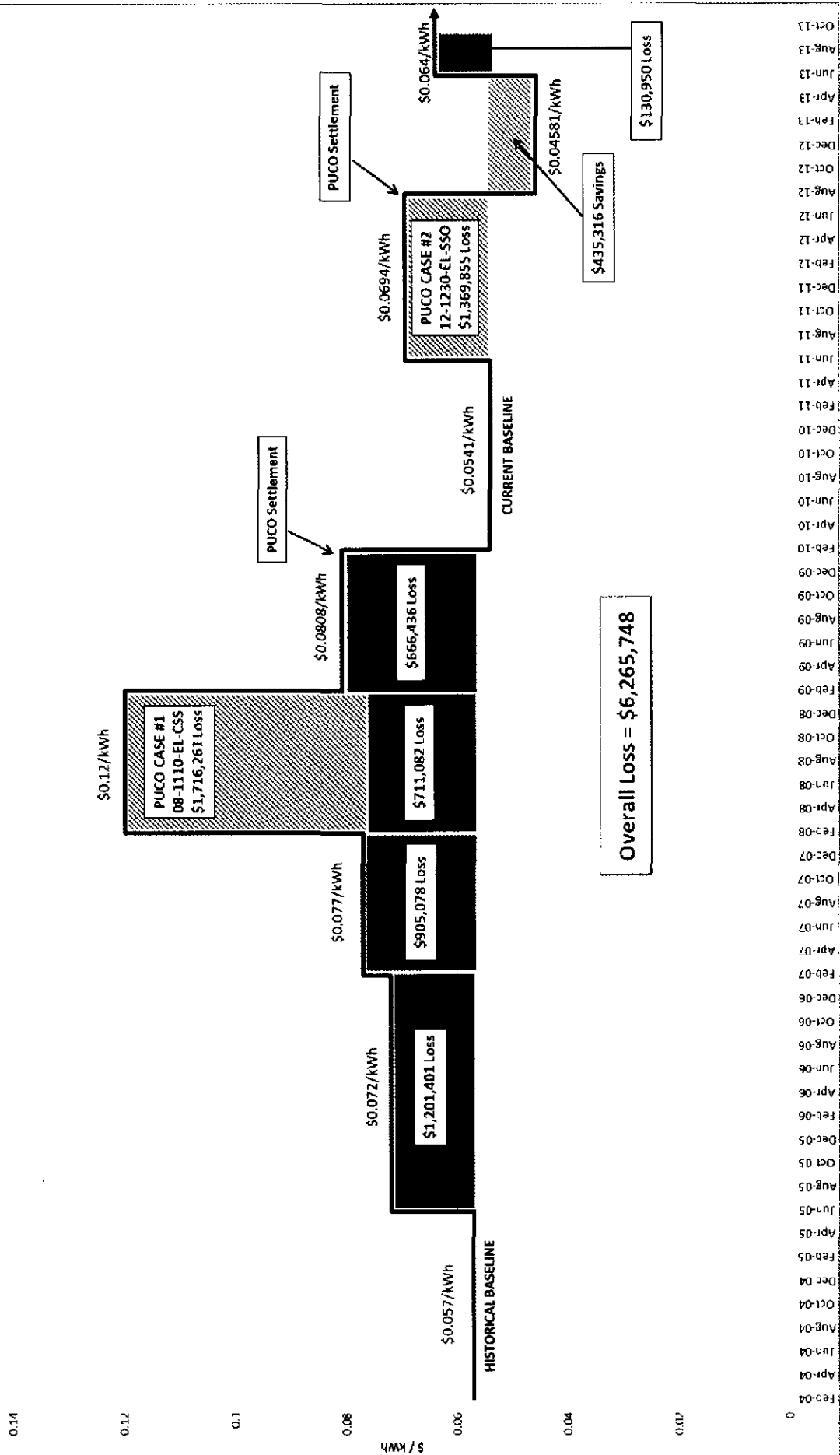
Dear John Siffer,

The FirstEnergy Mandatory Emergency Curtailment Event from 2:00 PM to 8:00 PM Eastern Daylight Time today September 11th has ended. All customers on Rider ELR can resume normal operation at this time. Please contact your Customer Support Representative if you have any questions.

MSC 25W 4

Electric Rate History

WALBRIDGE ELECTRIC RATE HISTORY



**Material Sciences
Corporation**

100

MSC Ex 5