

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 ) Case No. 14-1297-EL-SSO  
for a Standard Service Offer Pursuant to R.C. )  
4928.143 in the Form of an Electric Security )  
Plan )

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**THIRD SUPPLEMENTAL TESTIMONY OF**  
**EILEEN M. MIKKELSEN**  
**ON BEHALF OF**  
**OHIO EDISON COMPANY**  
**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY**  
**THE TOLEDO EDISON COMPANY**

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**JUNE 1, 2015**

1 **INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.**

3 A. My name is Eileen M. Mikkelsen. I am employed by FirstEnergy Service Company as  
4 the Director of Rates and Regulatory Affairs for the FirstEnergy Corp. Ohio utilities  
5 (Ohio Edison Company (“Ohio Edison”), The Cleveland Electric Illuminating Company  
6 (“CEI”) and The Toledo Edison Company (“Toledo Edison”) (collectively, the  
7 “Companies”)). My business address is 76 South Main Street, Akron, Ohio 44308.

8 **Q. ARE YOU THE SAME EILEEN MIKKELSEN WHO PREVIOUSLY PROVIDED**  
9 **TESTIMONY IN THIS PROCEEDING?**

10 A. Yes. I provided direct testimony on August 4, 2014, Supplemental Testimony on  
11 December 22, 2014, and Second Supplemental Testimony on May 4, 2015.

12 **Q. WHAT IS THE PURPOSE OF YOUR THIRD SUPPLEMENTAL TESTIMONY**  
13 **IN THIS PROCEEDING?**

14 A. The purpose of this testimony is to support the Supplemental Stipulation filed on May 28,  
15 2015, in this proceeding. The Supplemental Stipulation modifies the Stipulation and  
16 Recommendation (“Stipulation”) filed on December 22, 2014 in this proceeding. My  
17 Supplemental Testimony filed on December 22, 2014, provided an overview of the  
18 Stipulation and explained why the terms and conditions of the Stipulation are more  
19 favorable to customers in the aggregate than the expected results that would otherwise  
20 apply under a market rate offer (“MRO”). My Supplemental Testimony also explained  
21 how the Stipulation meets the criteria the Commission has used when reviewing  
22 stipulations. In this testimony, I will explain why the Stipulation, as modified by the  
23 Supplemental Stipulation, continues to satisfy these criteria.

1   **Q.   PLEASE SUMMARIZE THE TERMS OF THE SUPPLEMENTAL**  
2       **STIPULATION?**

3   A.   The Supplemental Stipulation makes two modifications to the Stipulation. First, the  
4       Supplemental Stipulation substitutes a new Section V.A.1(i)(1)-(3) of the Stipulation,  
5       with the revisions to the original language as shown on Attachment EMM-3.  
6       Second, a new Section V.A.2 is added to the Stipulation under which the Companies  
7       agree to deploy a small-scale pilot program providing an alternative means for customers  
8       to obtain and pay for services otherwise provided by or through the Non-Market-Based  
9       Services Rider (“Rider NMB”).

10   **Q.   WHY ARE THE SIGNATORY PARTIES RECOMMENDING THAT THESE**  
11       **TWO MODIFICATIONS BE MADE TO THE STIPULATION?**

12   A.   The Companies have agreed with the other Signatory Parties that these modifications  
13       improve the Stipulation by providing additional qualitative benefits to the Companies’  
14       customers. The revisions made to Section V.A.1(i)(1)-(3) will allow more customers to  
15       take service under Rider ELR during the term of ESP IV. The new Section V.A.2 will  
16       allow a group of the Companies’ customers to explore whether they could benefit from  
17       opting out of the Companies’ Rider NMB and obtaining all transmission and ancillary  
18       services either directly from PJM or indirectly through a CRES provider.

19   **Q.   DO THESE TWO MODIFICATIONS TO THE STIPULATION ALTER THE**  
20       **CONCLUSIONS MADE IN YOUR SUPPLEMENTAL TESTIMONY?**

21   A.   No. The terms and conditions of the Stipulation, as modified by the Supplemental  
22       Stipulation, continue to be more favorable to customers in the aggregate than the  
23       expected results that would otherwise apply under a MRO. In particular, these two

1 modifications to the Stipulation provide additional qualitative benefits to customers that  
2 would not otherwise be available under a MRO. In addition, the Stipulation, as modified  
3 by the Supplemental Stipulation, continues to meet the criteria the Commission utilizes  
4 when reviewing stipulations for the reasons stated in my Supplemental Testimony.

5 **CONCLUSION**

6 **Q. DOES THIS CONCLUDE YOUR THIRD SUPPLEMENTAL TESTIMONY?**

7 A. Yes. I reserve the right to supplement my testimony.

1       **A.     Rate Design**

2           1. The Signatory Parties agree to the Companies' proposed rate design with the  
3           following changes, which are intended to promote economic development and  
4           provide stability and certainty regarding retail electric service:

5           i) Rider ELR will renew for service rendered beginning June 1, 2016 and shall  
6           expire with service rendered May 31, 2019, subject to the following  
7           modifications:

8           (1) Participation is voluntary and limited to (i) customers taking service under  
9           Rider ELR during ESP III; and (ii) up to ~~75,000~~136,250 kW of additional  
10          Curtailable Load available on a first-come, first-serve basis for customers  
11          who historically have been eligible for Rider ELR, with no participant  
12          exceeding historical Curtailable Load cap.

13          (2) ~~If the~~The aggregate Curtailable Load ~~of new~~cap of new Rider ELR  
14          customers that ~~execute the~~have provided the Companies written notice of  
15          intent to participate in this Companies' standard Program contract  
16          ~~addendum prior to May 1, program on or before May 31, 2015 shall not~~  
17          exceed 136,250 kW. The Curtailable Load cap of new customers that have  
18          provided notice to participate on or before May 1, 2015 shall be approved.  
19          The Curtailable Load cap of new customers that provide notice to  
20          participate after May 1, exceeds 75,000 kW, the Curtailable Load of these  
21          ~~new customers~~2015 but on or before May 31, 2015 will be approved to  
22          participate in Rider ELR on a pro rata basis so that ~~their~~the aggregate total

1                   Curtailable Load ~~in the aggregate equals 75,000 kW of all~~ such new Rider  
2                   ELR customers does not exceed 136,250 kW.

- 3                   (3) The ~~Intenuptible~~Interruptible Credit ~~Provision~~ (Provisions ("Rider ELR"  
4                   and "Rider EDR (b))) will continue during ESP IV and expire on May 31,  
5                   2019. The Rider ELR credit will be \$5.00 per kW per month by unit of  
6                   Curtailable Load. This credit will be recovered through the DSE 1  
7                   component of Rider DSE. The Rider EDR (b) credit will be \$5.00 per kW  
8                   per month by unit of Curtailable Load as defined in Rider ELR. The Rider  
9                   EDR (b) credit will be recovered in Rider EDR (e), in the same manner as  
10                  was recovered in ESP III.

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Summary: Testimony (Third Supplemental) of Eileen M. Mikkelsen electronically filed by Mr. James F Lang on behalf of Ohio Edison Company and The Cleveland Electric Illuminating Company and The Toledo Edison Company