

August 29, 2016

Barcy F. McNeal, Secretary  
Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street, 11th Floor  
Columbus, Ohio 43215

**Re: 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, PUCO Case No. 14-1297-EL-SSO**

Dear Secretary McNeal:

On March 31, 2016, the Public Utilities Commission of Ohio ("Commission") issued an Opinion and Order adopting several Stipulation and Recommendations ("Stipulation") submitted by a diverse group of parties ("Signatory Parties") as part of a package deal to establish an Electric Security Plan ("ESP IV") for Ohio Edison Company, The Toledo Edison Company, and The Cleveland Electric Illuminating Company (the "Companies"). On May 2, 2016, after consulting with the signatory parties, in order to preserve the spirit of the Stipulation as required under section B(3)(c), the Companies filed an Application For Rehearing and Rehearing Testimony of Eileen M. Mikkelsen ("Mikkelsen Testimony") requesting certain modifications to the Commission Order, including modifications to Rider RRS. Although the Staff of the Commission ultimately did not support the Mikkelsen Testimony, it proposed a Distribution Modernization Rider ("DMR") Rider to, in its judgment, achieve the intent of the Stipulation.

Following a hearing on the Mikkelsen Testimony and DMR Rider, certain parties alleged that the Commission should determine that the proposal contained in the Mikkelsen Testimony violates the first prong of the Commission's review criteria related to stipulations because no formal stipulation was submitted by the parties. The signatory parties respectfully disagree with this claim. An additional stipulation is simply not required between the parties. The Companies' proposals follow the process contemplated in the Stipulation and the Signatory Parties were consulted in advance of the filings.

The Signatory Parties continue to support the Companies' proposals as a balanced resolution of the issues presented in this challenging case. Therefore, the Signatory

Parties recommend that the Commission issue an Entry on Rehearing modifying and approving an ESP for the Companies that fulfils the original intent of the Stipulation.<sup>1</sup>

Very truly yours,

**/s/ Joseph Olikier**

Joseph Olikier  
Interstate Gas Supply, Inc.  
6100 Emerald Parkway  
Dublin, OH 43016

**/s/ Devin Parram**

Devin D. Parram  
Kroger Co.  
Taft, Stettinius & Hollister LLP  
65 East State St, Suite 1000  
Columbus, OH 43215

**/s/Colleen L. Mooney**

Colleen L. Mooney  
Ohio Partners for Affordable Energy  
PO Box 12451  
Columbus, OH 43212-2451

---

<sup>1</sup> In conjunction with the Competitive Market Enhancement Agreement, Interstate Gas Supply, Inc. ("IGS") continues to support the Stipulation as a package as noted in footnote 7 of the Stipulation. As a balanced resolution of the issues presented in this challenging case, IGS and Kroger do not oppose the modified RRS and DMR Rider proposals such that their positions cannot be used as precedent in any other proceeding.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**8/29/2016 4:30:42 PM**

**in**

**Case No(s). 14-1297-EL-SSO**

Summary: Reply Correspondence electronically filed by Mr. Joseph E. Olikar on behalf of IGS Energy and Kroger and Ohio Partners for Affordable Energy