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.

CASE NO. 14-1297-EL-SSO

FOURTH ENTRY ON REHEARING

Entered in the Journal on August 31, 2016

I. SUMMARY

{¶ 1} In this Fourth Entry on Rehearing, the Commission grants the application for rehearing filed by P3/EPSA on August 5, 2016, for further consideration of the matters specified in the application for rehearing.

II. DISCUSSION

- {¶ 2} Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, FirstEnergy or the Companies) are electric distribution utilities as defined in R.C. 4928.01(A)(6) and public utilities as defined in R.C. 4905.02, and, as such, are subject to the jurisdiction of this Commission.
- {¶ 3} R.C. 4928.141 provides that an electric distribution utility shall provide customers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including firm supply of electric generation services. The SSO may be either a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143.

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{¶ 4} On August 4, 2014, FirstEnergy filed an application pursuant to R.C. 4928.141 to provide for an SSO to provide generation pricing for the period of June 1, 2016, through May 31, 2019. The application is for an ESP, in accordance with R.C. 4928.143 (ESP IV).

- {¶ 5} On March 31, 2016, the Commission issued its Opinion and Order in this proceeding, approving FirstEnergy's application and the stipulations filed in this proceeding with several modifications (Opinion and Order).
- {¶ 6} On May 2, 2016, FirstEnergy filed an application for rehearing. In its application for rehearing, and as a recommended solution to three of its proffered assignments of error, FirstEnergy proposed a modified calculation for its retail rate stability rider (Rider RRS) as approved in the Opinion and Order (Modified Rider RRS Proposal).
- {¶ 7} On June 3, 2016, the attorney examiner issued an Entry establishing a procedural schedule for an additional hearing in this matter to begin on July 11, 2016 to discuss the Modified Rider RRS Proposal and any alternative proposals (Rehearing). Rehearing testimony began on July 11, 2016, as scheduled, and concluded on August 1, 2016.
- {¶8} On July 6, 2016, the Commission issued an Entry on Rehearing in which we, among other things, denied PJM Power Providers Group and The Electric Power Supply Association (collectively, P3/EPSA)'s application for interlocutory appeal filed on June 8, 2016, and affirmed the attorney examiner's June 3, 2016 Entry setting a hearing regarding the provisions of, and alternatives to, the Modified Rider RRS Proposal (Third Entry on Rehearing).
- {¶ 9} R.C. 4903.10 states that any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined in that proceeding, by filing an application within 30 days after the entry of the order upon the journal of the Commission.

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{¶ 10} On August 5, 2016, P3/EPSA filed an application for rehearing, asserting that the Commission's Third Entry on Rehearing is unreasonable and unlawful and raising three specific assignments of error. First, P3/EPSA argue that the Commission erred in finding that FirstEnergy's application for rehearing was comprised of three parts: the application for rehearing setting forth the assignments of error; a memorandum in support containing detailed arguments in support of the assignments of error and the Modified Rider RRS Proposal; and rehearing testimony in support of the Modified Rider RRS Proposal. Next, P3/EPSA assert that the Commission erred in finding that the sixth, seventh, and eighth assignments of error in the Companies' application for rehearing provided sufficient detail on which grounds the Companies claim that the Commission order was unreasonable and unlawful. Finally, P3/EPSA contend that the Commission erred in finding that it has jurisdiction to consider FirstEnergy's Modified Rider RRS Proposal pursuant to R.C. 4903.10.

- {¶ 11} Thereafter, on August 15, 2016, FirstEnergy filed a memorandum contra P3/EPSA's application for rehearing, claiming that P3/EPSA is merely reiterating arguments already addressed by the Commission in its Third Entry on Rehearing. FirstEnergy also contends that P3/EPSA has failed to raise any new facts or circumstances that would require additional review of these arguments by the Commission and, thus, P3/EPSA's August 5, 2016 application for rehearing should be denied.
- {¶ 12} Upon consideration of the arguments raised in P3/EPSA's application for rehearing, the Commission believes that sufficient reason has been set forth by the parties to warrant further consideration of the matters specified in the applications for rehearing. Accordingly, we find that the application for rehearing filed by P3/EPSA should be granted.

III. ORDER

 $\{\P 13\}$ It is, therefore,

{¶ 14} ORDERED, That the application for rehearing filed by P3/EPSA on August 5, 2016, be granted for further consideration of the matters specified in the application for rehearing. It is, further,

{¶ 15} ORDERED, That a copy of this Fourth Entry on Rehearing be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Asim Z. Haque, Chairman	
Lynn Slaby	M. Beth Trombold
Thomas W. Johnson	M. Howard Petricoff

MJA/sc

Entered in the Journal

AUG 3 1 2016

Barcy F. McNeal

Secretary