### THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATIONS OF THE OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND THE TOLEDO EDISON COMPANY TO INCLUDE TRANSMISSION AND DISTRIBUTION PROJECTS IN THEIR ENERGY EFFICIENCY AND PEAK-DEMAND REDUCTION PROGRAM PORTFOLIOS.

**CASE NO. 18-844-EL-EEC** 

**CASE NO. 18-845-EL-EEC** 

CASE NO. 18-846-EL-EEC

# FINDING AND ORDER

Entered in the Journal on January 3, 2019

### I. SUMMARY

{¶ 1} In this Finding and Order, the Commission approves the applications of the Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for approval to include certain transmission and distribution projects toward the Companies' energy efficiency and peak demand reduction benchmarks.

#### II. APPLICABLE LAW

- {¶ 2} R.C. 4928.66 has, since 2009, imposed certain annual energy efficiency and peak demand reduction (EEDR) requirements upon Ohio's electric distribution utilities. R.C. 4928.66(A)(2)(d) provides that programs implemented by a utility to meet the statutory reduction requirements may include transmission and distribution infrastructure improvements that reduce line losses. Ohio Adm.Code 4901:1-39-04 directs each electric utility to file, for Commission approval, a portfolio plan of energy efficiency and peak-demand reduction (EEDR) programs to achieve the statutory reductions in peak-demand improvements in energy efficiency.
- {¶ 3} Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, the Companies) are public utilities as defined in R.C. 4905.02 and, as such are subject to the jurisdiction of this Commission.

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{¶ 4} On May 15, 2018, the Companies submitted an application for Commission approval to include the efficiency gains resulting from certain transmission and distribution (T&D) projects completed during 2017, in partial compliance with EEDR benchmarks required by R.C. 4928.66. On September 17, 2018, the Companies submitted an amended application that claims energy savings claimed for the Companies' 2017 T&D projects showing a total annual contribution to energy efficiency requirements in 2017 of 4,299 megawatt hours (MWh), allocated as follows: 1,972 MWh for Ohio Edison Company; 1,914 MWh for The Cleveland Electric Illuminating Company; and, 413 MWh for The Toledo Electric Company.

- {¶ 5} On November 2, 2018, the Commission's Staff filed its recommendation that the application be approved. Staff agrees with the Companies that the projects enhanced the T&D system reliability in specific service areas of the Companies. Staff also notes that replacing old facilities with new facilities resulted in reduced system losses. In addition, Staff reviewed all necessary engineering studies and confirmed that the energy savings claimed by the Companies in their application were properly determined. Staff concludes that for distribution and transmission projects, the impact of these projects will result in reduced energy losses caused by anticipated future load growth and will result in these energy efficiency gains being sustained over time. Based upon its review, Staff believes that the T&D projects under consideration in this application meet the requirements for integration in the Companies' EEDR compliance plans.
  - **{¶ 6}** No party has intervened with objections to Staff's recommendation.
- {¶ 7} Upon review of the application and Staff's recommendations, the Commission finds that the applications should be granted, and the Companies should amend their EEDR program portfolio plans to include the additional programs.

## III. ORDER

- $\{\P 8\}$  It is, therefore,
- [¶ 9] ORDERED, That these applications be approved. It is, further,
- $\P$  10} ORDERED, That the Companies adjust their baselines, pursuant to R.C. 4928.66(A)(2)(c), and Ohio Adm.Code 4901:1-39-05. It is, further,
- {¶ 11} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

# THE PUBLIC UTILITIES COMMISSION OF OHIO

Asim Z. Haque, Chairman

M. Petth Monday

M. Beth Trombold

Thomas W. Johnson

Lawrence K. Friedeman

Daniel R. Conway

RMB/mef

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Tanowa M. Troupe Secretary