

# 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 APPROVAL OF NEW  
TARIFF LANGUAGE.

CASE NO. 20-385-EL-ATA

## FINDING AND ORDER

Entered in the Journal on July 29, 2020

### I. SUMMARY

{¶ 1} In this Finding and Order, the Commission approves the application filed by Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company to modify their existing automated meter opt-out rider tariff, subject to certain recommendations proposed by Staff.

### II. DISCUSSION

{¶ 2} Ohio Edison Company (OE), The Cleveland Electric Illuminating Company (CEI) and The Toledo Edison Company (TE) (collectively, the Companies or FirstEnergy) are electric distribution utilities (EDUs) 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} Ohio Adm.Code 4901:1-10-5 requires EDUs to provide customers with the option to remove an installed advanced meter and replace it with a traditional meter, and the option to decline installation of an advanced meter and retain a traditional meter, including a cost-based, tariffed opt-out service. Ohio Adm.Code 4901:1-10-5(j)(1).

{¶ 4} On November 20, 2014, the Commission approved FirstEnergy's application proposing advanced meter opt-out service tariffs and an advanced meter opt-out rider (Rider AMO). FirstEnergy's tariffs provided any customer who has been notified that their traditional meter will be replaced with an advanced meter the option to retain their traditional meter, as well as provide any customer who currently has an advanced meter the option to have it replaced with a traditional meter. As proposed, the charge for Rider

AMO was set at zero. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 14-1657-EL-ATA, Finding and Order (Nov. 20, 2014) at 2. At that time, TE and OE had not installed advanced meters, and CEI only offered advanced meters through a pilot program. *Id.* at 1, citing *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case Nos. 14-1050-EL-WVR, Finding and Order (Aug. 20, 2014) at 1-2.

{¶ 5} On March 31, 2016, the Commission approved FirstEnergy's application for its fourth electric security plan (ESP). Among other provisions of the ESP, FirstEnergy committed to undertake grid modernization initiatives and to file a plan for investment in grid modernization. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co. for Authority to Provide for a Std. Serv. Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Elec. Security Plan*, Case No. 14-1297-EL-SSO, Opinion and Order (Mar. 31, 2016) at 22-23.

{¶ 6} Subsequently, on July 19, 2019, the Commission approved a stipulation in which, among other terms, the Companies committed to investments in grid modernization in their service territories, including the deployment of advanced metering infrastructure. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case Nos. 16-481-EL-UNC et al., Opinion and Order (Jul. 19, 2020) at ¶ 28.

{¶ 7} On February 18, 2020, the Companies filed an application in this proceeding to modify Rider AMO. Among other changes, the Companies propose an upfront charge of \$41.72 to remove an advanced meter and install a traditional meter and a monthly charge of \$28.29.

{¶ 8} On March 5, 2020, Staff filed its Review and Recommendations regarding the application. Staff determined that the modified charges were cost-based. Staff also determined, among other findings, that customers who opt out of an advanced meter, agree to Rider AMO and are having monthly manual meter readings should remain on the same meter read and bill cycle that they were on prior to opting out. Staff further recommended

the application should be approved subject to the following conditions: the Companies shall work with Staff regarding the format, wording, and timing of communications to customers regarding Rider AMO; and the Companies shall endeavor to address each customer's concerns regarding advanced metering and will attempt to ensure that the customer understands the costs associated with Rider AMO prior to allowing the customer to agree to opt out of an advanced meter.

{¶ 9} On April 29, 2020, the Companies filed comments regarding the Staff Review and Recommendation. In their comments, the Companies accept all of the findings and recommendations of Staff, except for the finding that customers who opt out of an advanced meter, agree to Rider AMO and are having monthly manual meter readings should remain on the same meter read and bill cycle that they were on prior to opting out. The Companies contend that they must be permitted to retain the flexibility that they currently have regarding meter reading routes and scheduling. This flexibility is essential to the Companies' business processes and allows the Companies to shift, adjust, and re-assign meter reads as necessary. Further, the Companies claim that proposed Rider AMO charges were calculated assuming this flexibility to achieve operational efficiencies and that the charges would need to be revisited without such flexibility.

### III. COMMISSION CONCLUSION

{¶ 10} The Commission finds that Staff's recommendations regarding Rider AMO should be adopted, except for the Staff's finding that customers who opt out of an advanced meter, agree to Rider AMO and are having monthly manual meter readings should remain on the same meter read and bill cycle that they were on prior to opting out. We find that the provisions of Ohio Adm.Code 4901:1-10-5 contain all of the necessary and appropriate consumer protections for customers who participate in Rider AMO. We also agree with FirstEnergy that the Companies should continue to have flexibility regarding meter reading and scheduling as the Companies invest in grid modernization pursuant to the stipulation adopted by the Commission in *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case Nos. 16-481-EL-UNC et al.

{¶ 11} Accordingly, upon review of the Companies' application and Staff's review and recommendation, the Commission finds that the application is consistent with Ohio Adm.Code 4901:1-10-5 and the stipulation adopted by the Commission in *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case Nos. 16-481-EL-UNC et al., does not appear to be unjust or unreasonable, and should be approved. Additionally, the Commission finds that it is unnecessary to hold a hearing in this matter.

{¶ 12} Further, we find that the final tariffs should be effective upon filing, subject to further review by the Commission.

#### IV. ORDER

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That the Companies' application to modify Rider AMO be approved, subject to Staff's recommendations. It is, further,

{¶ 15} ORDERED, That the Companies be authorized to file tariffs, in final form, consistent with this Finding and Order, subject to further review by the Commission. The Companies shall file one copy in this case docket and one copy in their respective TRF dockets. It is, further,

{¶ 16} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariffs are filed with the Commission. It is, further,

{¶ 17} ORDERED, That FirstEnergy shall notify all affected customers via a bill message or via a bill insert within 30 days of the effective date of the tariffs. A copy of the customer notice shall be submitted to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division, at least 10 days prior to its distribution to customers. It is, further,

{¶ 18} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

{¶ 19} ORDERED, That a copy of this Finding and Order be served upon all parties of record in this proceeding.

**COMMISSIONERS:**

*Approving:*

Sam Randazzo, Chairman  
M. Beth Trombold  
Lawrence K. Friedeman  
Daniel R. Conway  
Dennis P. Deters

GAP/hac

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**Case No(s). 20-0385-EL-ATA**

Summary: Finding & Order approving the application filed by Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company to modify their existing automated meter opt-out rider tariff, subject to certain recommendations proposed by Staff. electronically filed by Ms. Mary E Fischer on behalf of Public Utilities Commission of Ohio