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To: Commissioners

From: Shari Weir, Ohio Citizen Action

Date: Nov. 26 2003

Re: Case No. 03-2144-EL-ATA

Pages to follow: 2

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November 26, 2003

Alan Schriber, Chairman
Ronda Fergus, Commissioner
Judy Jones, Commissioner
Donald Mason, Commissioner
Clarence Rogers, Commissioner
Public Utilities Commission
180 E. Broad Street
Columbus, OH 43215-3793

Dear Chairman Schriber and Commissioners Fergus, Jones, Mason and Rogers:

On behalf of our 100,000 dues-paying members, I am writing to ask the Public Utilities Commission to immediately halt the expedited review of FirstEnergy's application for a "rate stabilization plan" in Case No. 03-2144-EL-ATA and to order a full review based on the normal timelines (275 days) and processes established for rate cases. Yesterday's decision to extend the case for two months still does not allow sufficient time for the thorough analysis of the complex issues and billions of dollars on the line in this case.

Northern Ohioans, in particular, welcomed the promise offered by electric competition. With FirstEnergy was a regulated monopoly, our rates were 30 to 60 percent higher than rates charged by electric companies in central and southern Ohio. With the move to a competitive market in 2001, relief was in sight. Yes, we were stuck with paying nearly \$9 billion in stranded costs to FirstEnergy, with a hefty transition surcharge included on the monthly bills of shopping customers and those who stay with FirstEnergy. But the bulk of those charges were to end at the end of 2005, meaning that families and businesses in northern Ohio could finally reap the benefits of reasonably-priced power offered in a competitive market.

Clearly, electric competition has not developed as had been anticipated. FirstEnergy's rate stabilization request would both further undermine the emergence of competition and slap the northern Ohio economy with billions of dollars of unjustified charges on electric bills.

In 1995 when Cleveland Electric Illuminating and Toledo Edison (then the Centerior companies) filed for a \$119 million rate increase, the Commission undertook a full rate review, including time for parties to engage in discovery and file objections, production

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of a staff report, and hearings held at times more conducive for public participation. The Commission approved the rate increase, and our bills went up the next month.

Now FirstEnergy is pushing hard for speedy approval, even though rates wouldn't be affected for two years; the dollar amount to be paid by customers has grown from millions to billions; the rate filing is a mere skeleton, leaving the door open for various rate increases that are not quantified; FirstEnergy has provided no documentation supporting its plan to continue collecting inflated rates; and neither the company nor the commission knows or will say how much FirstEnergy has collected so far in stranded costs or how much will be collected by December 31, 2005.

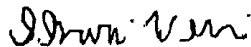
In addition, the FirstEnergy plan would only hinder competition with a rate structure and shopping credit that would favor FirstEnergy and discourage competitors. The plan would also undercut, and maybe kill, local government aggregation, the only thing that has worked so far for residents and small businesses in electric competition. It is no surprise that FirstEnergy is maneuvering to smother competition.

The Commission has a responsibility to carefully and thoroughly review FirstEnergy's rate plan. That means that questions need to be answered about how much rates could increase, how much the extension and increase in the regulatory transition charge will cost ratepayers, how any additional charges would be justified, how we can be assured that customers are not overpaying FirstEnergy, and what the Commission and the company will do to promote, rather than block, competition.

There's plenty of time to do the job right.

We look forward to hearing from you.

Sincerely,



Shari Weir
Cleveland Program Director