# FILE

## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

# Application NOT Involving an Increase in Rates, pursuant to Section 4909.18 Revised Code

In the Matter of the Application of The Cleveland Electric Illuminating Company For Approval of Line Extension Tariff Modifications	) Case No. 07EL-ATA
APPLICANT RESPECTFULLY PROPOSES	S: (Check applicable proposals)
New Service	Change in Rule or Regulation
New Classification	Reduction Rates
Change in Classification	Correction of Error
_X_ Other, not involving increase in rates	
Various related and unrelated textual re	vision, without change in intent
2. DESCRIPTION OF PROPOSAL: This applica Revised Code, seeking approval of modificatio expiration date for charging the monthly fee by	ons to Tariffs. The Company proposes to extend the
3. TARIFFS AFFECTED: (If more than 2, use ac	dditional sheets)
Tariff Sheet: Original Sheet No. 4, pgs. 9 and 1	0 of 24, Standard Rules and Regulations § VIII B
This is to certify that the imaccurate and complete reproduct document delivered in the regundent delivered in the regundent technician	lar course of business

**RECEIVED** 

MAY 7 2007

DOCKETING DIVISION
Public Utilities Commission of Ohio

Attache	nereto and made a part hereof are: (Check applicable Exhibits)
<u>X</u>	Exhibit A - existing schedule sheets (to be superseded) if applicable
<u>X</u>	Exhibit B - proposed schedule sheets
	Exhibit C-1
	a) if new service is proposed, describe; Description included on attached Exhibit C-1.
	b) if new equipment is involved, describe (preferably with a picture, brochure, etc.) and where appropriate, a statement distinguishing proposed service from existing services;
	<ul> <li>c) if proposed service results from customer requests, so state, giving if available, the number and type of customers requesting proposed service.</li> </ul>
	Exhibit C-2 - if a change of classification, rule or regulation is proposed, a statement explaining reason for change.
<u>_X</u> _	Exhibit C-3 - statement explaining reason for any proposal not covered in Exhibits C-1 or C-2.

- 5. This application will not result in an increase in any rate, joint rate, toll, classification, charge or rental.
- 6. Applicants respectfully request the Commission to approve the tariff sheets attached hereto, and authorize Ohio Edison Company to file same in final form, to become effective on the date, subsequent to filing, to be shown on the proposed schedules which will be filed with the Commission and to be in the form and content shown in Exhibit B.

Mark A. Hayden, Attorney

FirstEnergy

76 South Main Street

Akron, Ohio 44308

(330) 761-7735

On behalf of The Cleveland Electric Illuminating Company

#### Statement of Proposal

The Cleveland Electric Illuminating Company (the "Company") proposes to extend by one year the date through which the Company may charge a monthly line extension charge to customers taking service at a premise that received a line extension subsequent to February 3, 2003. The date though which such monthly charges could be billed to customers would change from December 31, 2007 to December 31, 2008 under the Company's proposal.

The proposed change would apply to both residential and general service customers. The proposed change would also apply to existing post February 3, 2003 line extension customers as well as to new line extension customers. The December 31, 2008 date would again closely align the end of the monthly line extension charge with the end of the Company's distribution rate freeze.

Therefore, the Company is hereby requesting authority to modify its tariff language to reflect the proposed December 31, 2008, expiration date for the monthly line extension charge.

#### **VERIFICATION**

State of Ohio	) ) ss:	
County of Summit	)	
		2/
HARVEY L. WAGNER		Clarry Z Tayme (and)
Name of Officer	<b>&gt;</b>	(President) (Vice President)
		4
TACOUTLANT S COORE	P	May Donas
Name of Officer	<u> </u>	(Secretary) (Treasurer)
		ASST. SECRETARY

The Cleveland Electric Illuminating Company, being first duly sworn hereby verify this application.

Sworn and subscribed before me this \_\_\_\_\_\_ day of May, 2007.

- Notary Public

STEPHEN N. HADICK, Attorney at Law Notary Public - State of Onio My Commission Has No Emperior Data See 14703 R.C. Exhibit A

Effective: August 21, 2003

### ELECTRIC SERVICE STANDARD RULES AND REGULATIONS

#### B. LINE EXTENSIONS

#### 1) Definitions:

General Service Installation - Any line extension requested by a commercial or industrial customer, builder, or developer, or any other line extension that is not a Residential Installation. Customers in a development may require their own General Service Installation in order to be connected to the Company's distribution system.

<u>Line Extension</u> - the provision of such facilities (poles, fixtures, wires and appurtenances) as are necessary for delivering electrical energy to one or more customers located such that they cannot be adequately supplied from a secondary system of the Company's existing distribution system.

<u>Multi-Family Installation</u> - Any line extension to a new residential dwelling that will have two or more dwelling units, where each unit has a separate account for electric service with the Company.

Non-Standard Single Family Installation - Any line extension to a new home (or home site) where the service connection requested is no more than 200 amp/single phase service, where the Company's cost to build the line extension is \$5,000 or greater, and where no premium service is requested. A home with a Non-Standard Single Family Installation will have one account for electric service with the Company.

<u>Residential Installation</u> - A Standard Single Family Installation, a Non-Standard Single Family Installation, or a Multi-Family Installation.

Standard Single Family Installation - Any line extension to a new home (or home site) where the service requested is no more than 200 amp/single phase service, where the Company's cost to build the line extension is less than \$5,000, and where no premium service has been requested. A home with a Standard Single Family Installation will have one account for electric service with the Company.

#### 2) Terms and Conditions:

#### a. Residential Installations:

i. A customer, developer, or builder requesting a Standard Single Family Installation shall make an up-front payment to the Company of \$300 per lot that the line extension is to serve. Through January 1, 2008, any customer taking electric service at a home that has had a Standard Single Family Installation for which such an up-front payment was made must pay the Company a monthly amount of \$8.

The \$300 up-front payment by a customer, developer, or builder shall be reduced to \$100 per lot if the home to be built has geothermal heating and cooling equipment.

- ii. A customer, developer, or builder requesting a Non-Standard Single Family Installation shall make an up-front payment to the Company of \$300 per lot that the line extension is to serve.

  Through January 1, 2008, any customer taking electric service at a home that has had a Non-Standard Single Family Installation for which such an up-front payment has been made must pay the Company a monthly adder equal to 2% of the line extension costs in excess of \$5,000, and additionally pay the Company a monthly amount of \$8.
- iii. A customer, developer, or builder requesting a Multi-Family Installation shall make an up-front payment to the Company of \$100 per unit that the line extension is to serve. Through January 1, 2008, any customer taking electric service at a dwelling that has had a Multi-Family Installation for which such an up-front payment has been made shall pay the Company a monthly amount of \$4.

#### b. General Service Installations:

#### i. Payments:

A customer, developer, or builder requesting a General Service Installation shall make an up-front payment to the Company equal to 40% of the Company's cost of the line extension, plus any amount that the Company is authorized to collect from the developer or builder under the Credit Back provisions below. The customer, developer, or builder shall not be required to pay a tax gross up on the 40% payment. Through January 1, 2008, any customer taking electric service at a facility that has had a General Service Installation for which such an up-front payment has been made shall pay the Company a monthly amount equal to one-half percent (0.5%) of that portion of the Company's cost of the line extension that has been allocated to the customer within the overall development. The line extension costs shall be allocated to the individual customers within a development based on the acreage of the parcel occupied by the customer as a percentage of the total acreage of all parcels to be occupied by customers in the development. The monthly payments for each customer shall begin with the first bill rendered after the customer's meter begins to register electric usage.

ii. If the requested General Service Installation consists of multiple segments (for example, a main trunk within a development and the lines connecting each customer to the trunk), the charges in paragraph i. above shall apply separately to each segment.

#### iii. Credit Back:

Credit Back is the process whereby the developer of a commercial or industrial development that benefits from a previous General Service Installation on adjacent property can be required to reimburse the initial developer for a portion of the initial developer's 40% up-front payment to the Company. Where the notice set forth below is provided, the Company is authorized to collect an amount, as determined below, from the subsequent developer and, upon collection, remit that amount to the original developer, provided that the application for electric service to the subsequent development is made within 48 months of the date on which payment was made to the Company by the initial developer. The Credit Back shall not apply to line extensions paid for by an initial developer where construction of such line extension begins after the effective date of rates set in the Company's next general distribution rate case. The initial developer is entitled to two Credit Back reimbursements, but the Company will consider requests for additional reimbursement from the subsequent developer where the initial developer can demonstrate to the Company that the amount of reimbursement would exceed \$1,000.

P.U.C.O. No. 13

In order to trigger the Credit Back process, the initial developer must give notice to the Company and to the subsequent developer of its intent to claim under this provision, no later than 30 days after the start of construction on the subsequent development. The notice to the subsequent developer shall state that a credit may be due the initial developer and may increase the up-front line extension cost for the subsequent developer. In the absence of such notice by the initial developer to either the Company or the subsequent developer, the Company shall have no obligation to implement the Credit Back process.

Initial developers may submit to the Company a Request for Notification of Potential Reimbursement ("RNPR"), which would identify a line extension for which the initial developer has made an up-front payment and identify any adjacent parcels on which future line extensions may be constructed. The Company will use its best efforts to notify the initial developer if a subsequent development on a parcel identified in an RNPR will use the line extension identified in the RNPR, so that the initial developer may make the notification described above. The Company shall not be subject to liability or penalty for errors in the maintenance or review of RNPRs. The Company will provide a standard form of the RNPR at the time it gives a developer a firm estimate for its line extension.

The amount collected from the subsequent developer and paid to the initial developer shall be a percentage of the initial developer's 40% up-front payment, based on the ratio of the acreage of the initial developer's dedicated lots to the total acreage of the dedicated lots in the initial and subsequent developments. In no case shall the initial developer receive reimbursements that total more than the amount of its up-front 40% payment minus its pro rata share of the 40% payment, based on the ratio of the total acreage of the initial developer's dedicated lots to the total acreage of the dedicated lots in the initial and subsequent developments.

#### ELECTRIC SERVICE

P.U.C.O. No. 13

#### STANDARD RULES AND REGULATIONS

#### c. Premium Service:

- i. For any residential project, where a customer, builder, or developer requests a line extension involving a premium service (the "Premium Installation"), the customer, builder, or developer shall make an up-front payment to FirstEnergy equal to the sum of 1) FirstEnergy's cost to provide the Premium Installation minus FirstEnergy's cost to install a line extension for 200 amp/single phase service for the project, and 2) the up-front payment that would have been due under subsection B.2.a.i, ii, or iii, whichever would have been applicable had the line extension not involved a premium service. In addition, the monthly payments that would have been due under subsection B.2.a.i, ii, or iii, whichever would have been applicable had the line extension not involved a premium service, shall be collected from the customer.
- ii. For any commercial or industrial project, where a customer, builder, or developer requests a line extension involving a premium service (the "Premium Installation"), the customer, builder, or developer shall make an up-front payment to FirstEnergy equal to the sum of 1) the cost of the Premium Installation minus FirstEnergy's least cost to install, in accordance with good utility practice, a standard line extension to the project, and 2) the up-front payment that would have been due under subsection B.2.b.i had the line extension not involved a premium service. In addition, the monthly payments that would have been due under subsection B.2.b.i had the line extension not involved a premium service shall be collected from the customer.
- iii. Premium service includes, but is not limited to, customer-requested oversizing of facilities and underground construction.
- (3) Line extensions on private property: Customers that require line extensions to be constructed on their private property shall in all cases provide, without cost to the Company, land clearance, trenching and backfilling (including excavation for and installation of vaults), and an easement for right-of-way in a form acceptable to the Company before construction is started. The expectation that property will be dedicated to the public use at the conclusion of construction shall not preclude such property from being deemed the customer's private property for purposes of this subsection 3. All line extensions shall be the property of and shall be operated and maintained by the Company. The Company shall have the right to use such line extension in furnishing service to any applicant located adjacent to such line extension and the further right to construct other extensions from the distribution facilities so constructed. Except as provided herein, no customer or third party installation of line extension facilities will be permitted on private property or public right-of-way.

- 4) Relocation for Residential, Commercial or Industrial Customer: A change in location of an overhead or underground service for the customer's convenience shall be made at the Customer's expense.
- 5) Relocation for Highway, Street or Public Works Project: A change in location of an overhead or underground service to provide space necessary for highway, street, or public works projects shall be made in accordance with the contractual agreement with the government entity involved.

#### 6) Other Items:

- a. The Company shall not be required to begin construction on any line extension until all required applications and up-front payments have been made by the customer, developer, or builder, as applicable.
- b. The Company shall not be required to install line extensions using rear lot line construction. The Company may elect, however, to use rear lot line construction at no additional cost to the customer.
- c. Line extension cost estimates should not include costs normally incurred by the utility to maintain, protect, or upgrade its distribution system. Nor should system improvements required for the general distribution system that serves multiple customers, which are driven by the customer's load addition, be factored into the line extension calculations.

#### IX. USE OF SERVICE

A. Increased loads: The customer shall notify the Company of any significant additions or modifications to the customer's installation that will affect the customer's load characteristics so that the Company may provide facilities ample to maintain adequate service.

#### B. Resale:

- 1. Electric service is provided for the sole use of the Customer, who shall not sell any of such service to any other person, or permit any other person to use the same, without the written consent of the Company.
- The above provision does not apply to service provided to a landlord for resale or redistribution to tenants
  where such resale or redistribution takes place only upon property owned by the landlord and where the
  landlord is not otherwise operating as a public utility.

Exhibit B

#### B. LINE EXTENSIONS

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Filed pursuant to Order dated	, in Case No.	before	
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Original Sheet No. 4 3rd Revised Page 9 of 24

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Issued by Anthony J. Alexander, President	Effective:

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Januard by Anthony I. Alayandar, President	Difference:	

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