Chief of Docketing The Public Utilities Commission of Ohio 180 East Broad Street Columbus, Ohio 43215-3793

August 30, 2007

SUBJECT: In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company For Approval of a Competitive Bidding Processfor Standard Service Offer Electric Generation Supply, Accounting Modifications Associated with Reconciliation mechanism and Phase In, And tariffs for Generation Service. Case No. 07-796-EL-ATA and Case No. 07-797-EL-AAM

#### Dear friends:

We are enclosing a Motion to Intervene for our clients, the Citizens Coalition. . .

We have already faxed this. Please file it today. We are mailing by overnight express the original and requisite copies. Other parties are being served. We have also enclosed an envelope addressed back to us. Please time-stamp one of the enclosed copies and return this to us.

Let us know of any problems.

Thank you.

truly yours

IEY AT

www.lasclev.org

Main Office

1223 West Sixth Street Cleveland, OH 44113

Phone: 216.687,1900 Fax: 216.687.0779

**Ashtabula County** 

121 East Walnut Street Jefferson, OH 44047

Phone: 866,873,9665 Fax: 440.576.3021

Lake & Geauga

8 North State St · Ste 300 Painesville, OH 44077

Phone: 888.808.2800 Fax: 440.352.0015

Lorain County

538 West Broad St - Ste 300 Elyria, OH 44035

Phone: 800,444,7348 Fax: 440.323.8526

Original

# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio	)	
Edison Company, The Cleveland Electric	)	
Illuminating Company, and The Toledo	)	Case No. 07-796-EL-ATA
Edison Company For Approval of a	)	Case No. 07-797-EL-AAM
Competitive Bidding Process for Standard	)	
Service Offer Electric Generation Supply,	)	
Accounting Modifications Associated with	)	
Reconciliation mechanism and Phase In,	)	
And tariffs for Generation Service	)	

# MOTION TO INTERVENE ON BEHALF OF THE NEIGHBORHOOD ENVIRONMENTAL COALITION, THE EMPOWERMENT CENTER OF GREATER CLEVELAND, CLEVELAND HOUSING NETWORK AND THE CONSUMERS FOR FAIR UTILITY RATES AND MEMORANDUM IN SUPPORT

Now comes The Neighborhood Environmental Coalition (hereinafter "Coalition"), The Consumers for Fair Utility Rates (hereinafter "Consumers"), The Cleveland Housing Network (hereinafter "Network"), and The Empowerment Center of Greater Cleveland (hereinafter "Center") who, through their counsel, hereby Move to Intervene in the above-captioned matters pursuant to Ohio Law, The Rules and Regulations pertaining to the Public Utilities Commission of Ohio, and the relevant case law. All four of the interveners are hereinafter referred to as "The Citizens Coalition."

The Citizens Coalition specifically seeks the full powers and rights granted by the Commission specifically, by statute and by the provisions of the Ohio Administrative Code to intervening parties.

The reasons for granting this Motion are contained in the Memorandum in Support attached hereto and hereby incorporated herein.

Respectfully submitted,

Joseph P. Meissner #0022766

The Legal And Society of Cleveland

1723 West 6 Street

Cleveland, OH 44113

Telephone: (216).687:1900, Ext. 5672

Email: jpmeissn@lasclev.org

Counsel for:

Neighborhood Environmental Coalition,

Consumers for Fair Utility Rates

Cleveland Housing Network

and

The Empowerment Center of Greater Cleveland

# BEFORE 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 a	)	Case No. 07-796-EL-ATA
Competitive Bidding Process for Standard	)	Case No. 07-797-EL-AAM
Service Offer Electric Generation Supply,	)	
Accounting Modifications Associated	)	
With Reconciliation mechanism and Phase	)	
In, and Tariffs for Generation Service	)	

#### MEMORANDUM IN SUPPORT OF MOTION TO INTERVENE

Coalition, Consumers, Network and Center should be permitted to intervene in these matters pursuant to CivR.24 and Rule 4901-1-11OHIO ADMINISTRATIVE CODE. All four groups specifically meet the criteria for intervention pursuant to OAC 4901-1-11(A)(2) and (B).

In support of its Motion to Intervene, the Citizens Coalition notes that they are citizens groups whose members and supporters are seriously affected by the PUCO's decisions regarding a competitive bidding process, any accounting modifications associated with the reconciliation mechanism and Phase in, and any tariff determinations for generation service. These groups include people who are customers of the involved utility companies. They include people who will be seriously impacted by any decisions of the PUCO regarding these issues, including any competitive bidding process and/or auction. Given the gravity of the current economic situation of the Greater Cleveland area and the adverse consequences any rate increases could have on poor as well as moderate income families, it is incumbent upon the PUCO to grant all four parties intervention in this matter.

The Coalition's distinguished history of serving low-income families warrants its involvement in this case. The Coalition has been in existence for over twenty-five years, working

especially in neighborhoods surrounding the industrial valley of Cuyahoga County. It is dedicated "to protecting the created environment." It is committed to helping low income families meet their energy, electrical, and heating needs in ways that will not harm the environment. The Coalition is quite concerned about any impact this case could have regarding any pollution produced by any of the operations of any of these companies as well as any pollution produced by any company which would generate electricity as a result of the competitive bidding process. The Coalition is also concerned by any decision in this case which would approve any kind of plan for these companies that would fail to include adequate funding for environmental programs and facilities, weatherization programs for customers, energy efficiency programs, conservation programs, and other similar programs that could lead to decreasing pollution.

The Coalition is concerned with Ohio Edison et al's application to establish a competitive bidding process for servicing retail load in their service areas commencing in 2009. This competitive bidding process has not always worked in the best interests of low and moderate income consumers of electricity, nor has it provided adequate protection for the environment. It has been reported in the press that electric rates in some areas where competitive bidding has been introduced have increased at higher levels than in situations where traditional methods have been used. The Coalition believes that the commission should take actions that are in the best interest of the citizens of Ohio, including their environment, and in order to do so it should avail itself of information and input from as many sources as possible, including the Coalition, before making any decisions about a competitive bidding process and the other issues in this proceeding.

In reaching any decision regarding rates and a justification for those rates the commission should have the most accurate information available to it and it should be presented in the clearest possible manner to the reviewers. The impact of the results of the commission's decisions upon all customers and especially the low and moderate income customers of Ohio Edison et al is important.

The Empowerment Center is comprised of low-income families and this organization (and its predecessor Welfare Rights organization) has intervened in matters before the PUCO since 1971. The Center has a history of contributing beneficially to decisions and outcomes that have been rendered by the PUCO. The Center is quite concerned about the present plight of low-income families who are burdened with already high electric rates. The Center urges the PUCO to reduce the current electric rates and to insure that any competitive bidding process will lead to lower electric rates for consumers. Unless such a result of lower rates is the outcome of the bidding process, the PUCO should reject the competitive bidding process and adopt other ways of establishing electric rates which will lead to lower rates for consumers.

The foremost reason that has motivated the Coalition, Consumers and Center to seek intervention in this matter is their commitment to helping low and moderate income families. Coalition, Consumers and Center are the only parties in this matter that are exclusively devoted to representing the low income segment of the population. Coalition, Consumers and Center are concerned with the fairness, reasonableness, legality, and justice of Ohio Edison et al's proposals including the proposed auction and/or competitive bidding process. The Cleveland Housing Network shares the concerns of the Coalition, Consumers, and Center. The Network has provided much assistance to low-income families in order to provide them with weatherization, energy efficiency, and conservation measures so that their energy bills can be reduced and these customers will be more able to pay these lower energy bills. Before the PUCO allows for any auction and/or competitive bidding process, the PUCO should insure that the utility companies will provide adequate funding for such measures and programs for weatherization, energy efficiency, and conservation measures as well as programs to help needy families pay the enormous rates charged by these utility companies.

Coalition, Consumers and Center as well as Housing Network must be heard in this matter in order to protect the interest of low income families and individuals. Regarding the auctions and/or competitive bidding process, the Citizens Coalition are concerned about the

possible terms for such a process, about the openness of the process to all possible bidders, about the number of years for supplying service included in this process, about how the customer bases of the utility companies are divided up, about the rules and guidelines used to establish who "wins" the bidding process, about the monopolistic power and practices of the utility companies which almost insure that the bidding process will not work, about the ongoing activities of the utility companies in charging us for generating plants already long ago paid for by the customers and the impact this has upon any competitive bidding process, about who will conduct the auction, about the possible failures of the PUCO to oversee, monitor, and supervise such a bidding process, and about the need to hire outside and objective personnel to be involved in this bidding process. As this proceeding evolves, there may be further issues concerning the auction and/or bidding process upon which the Citizens Coalition will seek to comment. The Coalition reserves the right to raise such issues in a timely manner.

The Citizens Coalition is already concerned that given the current monopolistic situation for these utilities companies as well as other circumstances including flaws in the bidding process, the auction and/or bidding process is doomed to fail. If so, then the Citizens Coalition is concerned that the utilities companies may try to propose further "rate plans" similar to the disastrous rates plans they have advocated and implemented in the past. Should this happen, the Citizens Coalition reserves the right to comment upon such plans, especially in light of the fact that electric rates of these utility companies must be substantially reduced.

The rules of the Ohio Administrative Code were established to provide the commission with best information needed to make decisions which are in the best interest of the citizens of Ohio. Coalition, Consumers, Network, and Center (The Citizens Coalition) will follow the Ohio Administrative Code and all the administrative rulings in this proceeding and their intervention will not unreasonably delay these proceedings. Nor will their intervention unduly burden any other parties in this proceeding, or the Commission itself.

Wherefore, Coalition, Consumers, Network, and Center (The Citizens Coalition) respectfully request that based on this Motion to Intervene and upon past precedents and Commission practices, the Citizens Coalition be recognized as a parties in this case.

Respectfully submitted

Joseph P. Mersner #00/2366

The Legal Aid Society of Cleveland

1/223 West 6th Street

Cleveland, OH-44TI3

Telephone: (216).682.1900, Ext. 5672

Email: jpmeissn@lasclev.org

Counsel for:

Neighborhood Environmental Coalition, Consumers for Fair Utility Rates, Cleveland Housing Network, and The Empowerment Center of Greater Cleveland

### **NOTICE OF SERVICE**

I hereby certify that a copy of the foregoing Motion and Memorandum were served upon the address of the parties listed below and other parties to this proceeding, by ordinary first class mail, postage prepaid, on this day of August, 2007.

sher #002

The Legal Aid Society of Cleveland 1223 West 6th Street

Cleveland, OH 4411

Telephone: (216).687

Email: jpmeissnælasclev.org

James W. Burk, Counsel of Record Senior Attorney Mark A. Hayden Attorney First Energy Service Company 76 South Main Street Akron, Ohio 44308 (333) 384-5861 Facsimile: (330) 384-3875 burki@firstenergycorp.com havdenm@firstenergycorp.com