

6
RECEIVED-DOCKETING DIV
2008 JAN -3 PM 5:19

FILE

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

PUCO

In the Matter of the Application of Ohio)	Case No. 07-551-EL-AIR
Edison Company, The Cleveland Electric)	Case No. 07-552-EL-ATA
Illuminating Company, and The Toledo)	Case No. 07-553-EL-AAM
Edison Company for Authority to Increase)	Case No. 07-554-EL-UNC
Rates for Distribution Service, Modify Certain)	
Accounting Practices and for Tariff Approvals.)	

**OBJECTIONS TO THE STAFF REPORTS OF INVESTIGATION
AND SUMMARY OF MAJOR ISSUES
OF OHIO HOME BUILDERS ASSOCIATION**

Thomas L. Froehle, Trial Attorney
 Lisa G. McAlister
 McNEES, WALLACE & NURICK
 21 East State Street, 17th Floor
 Columbus, OH 43215-4228
 Telephone: (614) 469-8000
 Telecopier: (614) 469-4653
 tfroehle@mwncmh.com
 lmcAlister@mwncmh.com

January 3, 2008

**Attorneys for Ohio Home Builders
Association**

This is to certify that the images appearing are an
 accurate and complete reproduction of a case file
 document delivered in the regular course of business
 Technician SM Date Processed 1/4/08

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)	
Edison Company, The Cleveland Electric)	Case No. 07-551-EL-AIR
Illuminating Company, and The Toledo)	Case No. 07-552-EL-ATA
Edison Company for Authority to Increase)	Case No. 07-553-EL-AAM
Rates for Distribution Service, Modify Certain)	Case No. 07-554-EL-UNC
Accounting Practices and for Tariff Approvals.)	

**OBJECTIONS TO THE STAFF REPORTS OF INVESTIGATION
AND SUMMARY OF MAJOR ISSUES
OF OHIO HOME BUILDERS ASSOCIATION**

Pursuant to Section 4909.19, Revised Code, Rule 4901-1-28, Ohio Administrative Code, Ohio Home Builders Association ("OHBA") hereby files its Objections to the Staff Reports of Investigation ("Staff Reports") in the above-captioned matters. The Staff Reports were filed with the Public Utilities Commission of Ohio ("Commission") on December 4, 2007, setting forth Staff's findings regarding the Applications for authority to increase rates for distribution service filed by Ohio Edison Company ("OE"), The Cleveland Electric Illuminating Company ("CEI"), and The Toledo Edison Company ("TE") (collectively, "FirstEnergy") on June 7, 2007. In submitting the Objections listed below, OHBA specifically reserves the right to contest, through presentation of documentary evidence, testimony or cross-examination, issues on which Staff's position changes, or which are newly raised, between the issuance of the Staff Report and the closing of the record. Additionally, unless otherwise noted, the Objections listed below apply to each of the Staff Reports as they are substantially similar.

I. OBJECTIONS TO THE STAFF REPORTS

OHBA objects to the Staff Reports in the following particulars:

A. Line Extensions

OHBA objects to the Staff's recommended approval of FirstEnergy's request to maintain the upfront payment concept for line extensions. OE Staff Report at 20-21; TE Staff Report at 20-21; CEI Staff Report at 20-21. Although Staff proposed a lower upfront payment than requested by FirstEnergy, Staff recognized but disregarded the fact that the current cost recovery mechanism is the result of a series of Commission-approved stipulations in Case No. 01-2708-EL-COI and was intended to be a "stop-gap" measure to allow FirstEnergy a cost recovery mechanism while its distribution rates were frozen. As FirstEnergy's distribution rates will no longer be frozen beginning in 2009, when the rates will take effect, there should be no upfront payment and no monthly customer payment.

II. SUMMARY OF MAJOR ISSUES

A major issue in this case will be the appropriateness of an upfront cost recovery mechanism for line extensions.

Respectfully submitted,



Thomas L. Froehle, Trial Attorney

Lisa G. McAlister

MCNEES, WALLACE & NURICK

21 East State Street, 17th Floor

Columbus, OH 43215-4228

Telephone: (614) 469-8000

Telecopier: (614) 469-4653

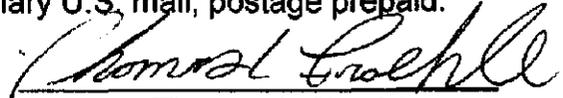
tfroehle@mwncmh.com

lmcAlister@mwncmh.com

**Attorneys for Ohio Home Builders
Association**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Objections to the Staff Reports of Investigation and Summary of Major Issues of Ohio Home Builders Association* was served upon the following parties of record this 3rd day of January 2008, via electronic transmission, hand-delivery, or ordinary U.S. mail, postage prepaid.



Thomas L. Froehle

Stephen L. Feld, Counsel of Record
Associate General Counsel
James W. Burk, Senior Attorney
Kathy J. Kolich, Senior Attorney
Arthur E. Korkosz, Senior Attorney
Mark A. Hayden, Attorney
Ebony L. Miller, Attorney
FirstEnergy Service Company
76 South Main Street
Akron, OH 44308

Mark A. Whitt
Jones Day
325 John H. McConnell Blvd., Suite 600
PO Box 165017
Columbus, OH 43216-5017

**ATTORNEYS FOR THE CLEVELAND ELECTRIC
ILLUMINATING COMPANY, OHIO EDISON COMPANY
AND THE TOLEDO EDISON COMPANY**

David F. Boehm
Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

**ATTORNEYS FOR OHIO ENERGY GROUP AND THE
KROGER CO.**

Sally W. Bloomfield
Thomas J. O'Brien
Bricker & Eckler
100 South Third Street
Columbus, Ohio 43215-4291

**ON BEHALF OF THE OHIO MANUFACTURERS'
ASSOCIATION**

Samuel C. Randazzo
Daniel J. Neilsen
Joseph M. Clark
McNees Wallace & Nurick
21 East State Street, 17th Floor
Columbus, OH 43215

**ATTORNEYS FOR INDUSTRIAL ENERGY USERS-
OHIO**

Janine L. Migden-Ostrander
Consumers' Counsel
Jeffrey L. Small, Counsel of Record
Richard C. Reese
Assistant Consumers' Counsel
Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, OH 43215-3485

**ATTORNEYS FOR OFFICE OF THE OHIO
CONSUMERS' COUNSEL**

David C. Rinebolt
Colleen L. Mooney
Ohio Partners for Affordable Energy
231 West Lima Street
PO Box 1793
Findlay, OH 45839-1793

**ATTORNEYS FOR OHIO PARTNERS FOR
AFFORDABLE ENERGY**

Leslie A. Kovacic
Kerry Bruce
Counsel for Toledo
420 Madison Avenue, Suite 100
Toledo, OH 43604-1219

Lance M. Keiffer
Counsel for Lucas County
711 Adams Street, 2nd Floor
Toledo, OH 43624-1680

Sheilah H. McAdams, Law Director
Counsel for Maumee
Marsh & McAdams
204 West Wayne Street
Maumee, OH 43537

Brian J. Ballenger, Law Director
Counsel for Northwood
Ballenger & Moore
3401 Woodville Road, Suite C
Northwood, OH 43619

Paul S. Goldberg, Law Director
Counsel for Oregon
5330 Seaman Road
Oregon, OH 43616

James E. Moan, Law Director
Counsel for Sylvania
4930 Holland-Sylvania Road
Sylvania, OH 43560

Peter D. Gwyn, Law Director
Counsel for Perrysburg
201 West Indiana Avenue
Perrysburg, OH 43551

Paul Skaff, Asst. Village Solicitor
Counsel for Holland
353 Elm Street
Perryburg, OH 43551

Phil Dombey
Dombey & Hart
Village of Holland
110 West Second Street
Perrysburg, OH 43551

Thomas R. Hays, Solicitor
Counsel for Lake Township
3315 Centennial Road, Suite A-2
Sylvania, OH 43560

**ATTORNEYS FOR NORTHWEST OHIO
AGGREGATION COALITION ("NOAC")**

Glenn S. Krassen
Bricker & Eckler LLP
1375 East Ninth Street, Suite 1500
Cleveland, Ohio 44114

ON BEHALF OF THE OHIO SCHOOLS COUNCIL

Garrett A. Stone
Counsel of Record
Michael K. Lavanga
Brickfield, Burchette, Ritts & Stone, P.C.
1025 Thomas Jefferson Street, NW
8th Floor, West Tower
Washington, DC 20007

ATTORNEYS FOR NUCOR STEEL MARION, INC.

Robert J. Triozzi, Director of Law
Harold A. Madorsky, Asst. Director of Law
City of Cleveland
Cleveland City Hall
601 Lakeside Avenue, Room 106
Cleveland, OH 44114-1077

John W. Bentine, Trial Counsel
Mark S. Yurick
Chester, Willcox & Saxbe LLP
65 East State Street, Suite 1000
Columbus, OH 43215-4213

ATTORNEYS FOR THE CITY OF CLEVELAND

M. Howard Petricoff
Stephen M. Howard
Vorys, Sater, Seymour and Pease, LLP
52 East Gay Street
PO Box 1008
Columbus, OH 43216-1008

Terry S. Harvill
Vice President & Director, Retail Energy Policy
Constellation Energy Resources
111 Market Place
Baltimore, MD 21202

David I. Fein
Vice President, Energy Policy-Midwest/MISO
Constellation Energy Group, Inc
550 West Washington Blvd., Suite 300
Chicago, IL 60601

Cynthia A. Fonner
Senior Counsel
Constellation Energy Group, Inc.
550 West Washington Blvd., Suite 300
Chicago, IL 60661

**ON BEHALF OF CONSTELLATION NEWENERGY,
INC.**

John Jones
Thomas McNamee
William Wright
Assistant Attorneys General
Public Utilities Section
180 East Broad Street
Columbus, OH 43215

**ATTORNEYS FOR THE PUBLIC UTILITIES
COMMISSION OF OHIO**

Joseph P. Meissner
The Legal Aid Society of Cleveland
1223 West 6th Street
Cleveland, OH 44113

ATTORNEY FOR THE CITIZENS COALITION

Kim Bojko
Janet Stoneking
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

ATTORNEY EXAMINERS