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BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the :  
Complaints of S.G. Foods, :  
Inc.; Miles Management :  
Corp., et al.; Allianz :  
US Global Risk Insurance :  
Company, et al.; and :  
Lexington Insurance :  
Company, et al., :

Complainants, :

vs. :

The Cleveland Electric :  
Illuminating Company, :  
Ohio Edison Company, :  
Toledo Edison Company, :  
and American Transmission :  
Systems, Inc., :

Respondents. :

Case Nos. 04-28-EL-CSS  
05-803-EL-CSS  
05-1011-EL-CSS  
05-1012-EL-CSS

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PROCEEDINGS

before Ms. Jeanne Kingery and Ms. Christine Pirik,  
Hearing Examiners, at the Public Utilities Commission  
of Ohio, 180 East Broad Street, Columbus, Ohio,  
called at 10:00 a.m. on Tuesday, January 8, 2008.

ARMSTRONG & OKEY, INC.  
185 South Fifth Street, Suite 101  
Columbus, Ohio 43215-5201  
(614) 224-9481 - (800) 223-9481  
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APPEARANCES VIA SPEAKERPHONE:

Denenberg Tuffley, PLLC  
By Mr. Charles R. Tuffley  
21 East Long Lake Road, Suite 200  
Bloomfield Hills, Michigan 48304

On behalf of Complainants Allianz  
US Global Risk Insurance Company and  
Lexington Insurance Company.

Law Office of Edward Siegel  
By Mr. Edward Siegel  
27600 Chagrin Boulevard, Suite 340  
Cleveland, Ohio 44122

On behalf of Complainant S.G. Foods, Inc.

Mr. Francis E. Sweeney, Jr.  
By Mr. Edward Siegel  
323 Lakeside Avenue, NW, Suite 450  
Cleveland, Ohio 44113

On behalf of Complainant Miles Management  
Corp.

Jones Day  
By Mr. David A. Kutik  
901 Lakeside Avenue  
Cleveland, Ohio 44114

On behalf of the Respondents.

Mr. Gary D. Benz  
Associate General Counsel  
FirstEnergy Corp.  
By Mr. David A. Kutik  
76 South Main Street  
Akron, Ohio 44308

On behalf of Respondent FirstEnergy.

- - -

1 Tuesday Morning Session,  
2 January 8, 2008.

3 - - -

4 EXAMINER KINGERY: Let's go on the  
5 record. Good morning. The Public Utilities  
6 Commission of Ohio has called for hearing at this  
7 time and place case numbers 04-28-EL-CSS,  
8 05-803-EL-CSS, 05-1011-EL-CSS, and 05-1012-EL-CSS,  
9 being consolidated cases In the Matter of the  
10 Complaints of S.G. Foods, Inc., Miles Management  
11 Corp., Allianz US Global Risk Insurance Company, and  
12 Lexington Insurance Company, et al., versus the  
13 Cleveland Electric Illuminating Company, Ohio Edison  
14 Company, Toledo Edison Company, and American  
15 Transmission Systems, Inc.

16 My name is Jeanne Kingery. With me is  
17 Chris Pirik. We are the attorney-examiners assigned  
18 by the Commission to hear this proceeding.

19 At this point we will proceed with  
20 appearances of the parties starting with counsel for  
21 the insurance complainants.

22 MR. TUFFLEY: This is Charles Tuffley  
23 presenting the Allianz/Lexington complainants.

24 EXAMINER KINGERY: Can you give us your

1 business address as well?

2 MR. TUFFLEY: 21 East Long Lake Road,  
3 Bloomfield Hills, Michigan.

4 EXAMINER KINGERY: Thank you.

5 Counsel for S.G. Foods?

6 MR. SIEGEL: Edward Siegel, counsel for  
7 S.G. Foods. My address is 27600 Chagrin,  
8 C-h-a-g-r-i-n, Boulevard, Suite 340, Cleveland, Ohio  
9 44122.

10 EXAMINER KINGERY: Are you also empowered  
11 by counsel for Miles Management to make his  
12 appearance?

13 MR. SIEGEL: Thank you, Ms. Kingery, yes,  
14 I'm also empowered by Union House Bar & Restaurant,  
15 Miles Management, Francis Sweeney has given me  
16 authority to represent him and his clients in this  
17 matter.

18 EXAMINER KINGERY: Thank you.

19 And counsel for the respondents?

20 MR. KUTIK: On behalf of respondents  
21 David A. Kutik, K-u-t-i-k, the Jones Day firm, 901  
22 Lakeside Avenue, Columbus, Ohio 44114, and Gary D.  
23 Benz, B-e-n-z, associate general counsel,  
24 FirstEnergy, 76 South Main Street, Akron, Ohio 44308.

1 EXAMINER KINGERY: Thank you very much.

2 We understand at this time that there is  
3 a motion to be made.

4 MR. KUTIK: Yes, your Honor. This is  
5 David Kutik. Your Honor, the parties are working  
6 towards what we hope to be a successful resolution of  
7 this matter without a hearing. We anticipate that  
8 the complainants will be filing motions to dismiss  
9 with prejudice shortly, I don't think I can give you  
10 an exact time frame on that, and in light of those  
11 potentially pending motions we would move at this  
12 point on behalf of all parties to continue the  
13 hearing in this matter until such time as the  
14 Commission has a chance to rule on the motions that  
15 we anticipate the complainants will file.

16 EXAMINER KINGERY: Is there any response  
17 from other parties to this? Do you agree with this  
18 motion?

19 MR. TUFFLEY: Yes -- this is Charles  
20 Tuffley -- we join in the respondents' motion.

21 MR. SIEGEL: Edward Siegel on behalf of  
22 myself and Mr. Sweeney, and we also join in the  
23 motion, so there is no objection.

24 EXAMINER KINGERY: That being the case,

1 we will go ahead and grant your motion for a  
2 continuance until a subsequent date for the hearing  
3 which might be set by attorney-examiner entry. We  
4 would be expecting that whatever motions are to be  
5 filed resolving these cases would be filed by the end  
6 of January, if we have not seen anything by that  
7 time, we would expect to be establishing a new  
8 hearing date.

9 Does that timing look like it will work  
10 for you?

11 MR. TUFFLEY: Yes -- this is Charles  
12 Tuffley again -- I'm hopeful that we will be able  
13 to -- we will be filing the motion to dismiss either  
14 at the end of this week or at the beginning of next  
15 week.

16 EXAMINER KINGERY: Wonderful. Okay, that  
17 being the case, there is nothing else to come before  
18 us this morning, we are adjourned.

19 MR. TUFFLEY: Thank you.

20 (The hearing adjourned at 10:13 a.m.)

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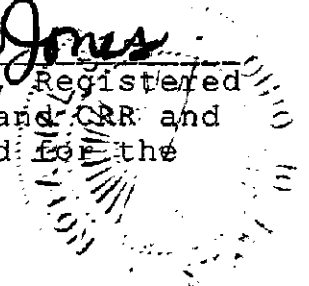
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CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Tuesday, January 8, 2008, and carefully compared with my original stenographic notes.

*Maria DiPaolo Jones*  
Maria DiPaolo Jones, Registered  
Diplomate Reporter and CRR and  
Notary Public in and for the  
State of Ohio.



My commission expires June 19, 2011.

(MDJ-3121)

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18  
19  
20  
21  
22  
23  
24

<p><b>A</b></p> <p>able 6:12 address 4:1, 7 adjourned 6:18 6:20 again 6:12 agree 5:17 ahead 6:1 Akron 2:20 4:24 all 1:4, 5, 6 3:12 Allianz 1:4 2:4 3:11 Allianz/Lexin... 3:23 American 1:11 3:14 anticipate 5:7 5:15 anything 6:6 appearance 4:12 appearances 2:1 3:20 ARMSTRONG 1:21 assigned 3:17 associate 2:18 4:23 attorney-exam... 6:3 attorney-exam... 3:17 authority 4:16 Avenue 2:11, 15 4:22 a.m 1:19 6:20</p>	<p>cases 3:9 6:5 CERTIFICATE 7:1 certify 7:2 Chagrin 2:7 4:7 chance 5:14 Charles 2:2 3:22 5:19 6:11 Chris 3:17 Christine 1:16 Cleveland 1:9 2:8, 11, 15 3:13 4:8 clients 4:16 Columbus 1:18, 22 4:22 come 6:17 commission 1:1 1:17 3:6, 18 5:14 7:10 Company 1:5, 6, 10 1:10, 11 2:5, 5 3:11, 12, 13, 14 3:14 compared 7:5 Complainant 2:9 2:12 complainants 1:7 2:4 3:21, 23 5:8, 15 Complaints 1:3 3:10 consolidated 3:9 continuance 6:2 continue 5:12 Corp 1:4 2:13, 19 3:11 correct 7:3 counsel 2:18 3:20 4:5, 6, 11 4:19, 23 CRR 7:8 C-h-a-g-r-i-n 4:8</p>	<p>Edison 1:10, 11 3:13, 14 Edward 2:6, 7, 10 4:6 5:21 either 6:13 Electric 1:9 3:13 empowered 4:10 4:14 end 6:5, 14 entry 6:3 establishing 6:7 et 1:4, 5, 6 3:12 exact 5:10 EXAMINER 3:4, 24 4:4, 10, 18 5:1 5:16, 24 6:16 Examiners 1:17 expect 6:7 expecting 6:4 expires 7:10</p>	<p>hope 5:6 hopeful 6:12 House 4:14</p> <p><b>I</b></p> <p>illuminating 1:10 3:13 Inc 1:4, 12, 21 2:9 3:10, 15 insurance 1:5, 6 2:5, 5 3:11, 12 3:21</p> <p><b>J</b></p> <p>January 1:19 3:2 6:6 7:4 Jeanne 1:16 3:16 join 5:20, 22 Jones 2:14 4:21 7:7 Jr 2:10 June 7:10</p> <p><b>K</b></p> <p>Kingery 1:16 3:4 3:16, 24 4:4, 10 4:13, 18 5:1, 16 5:24 6:16 Kutik 2:14, 19 4:20, 21 5:4, 5 K-u-t-i-k 4:21</p> <p><b>L</b></p> <p>Lake 2:3 4:2 Lakeside 2:11, 15 4:22 Law 2:6 Let's 3:4 Lexington 1:6 2:5 3:12 light 5:10 like 6:9 Long 2:3 4:2 look 6:9</p>	<p>Miles 1:4 2:12 3:10 4:11, 15 morning 3:1, 5 6:18 motion 5:3, 18, 20 5:23 6:1, 13 motions 5:8, 11 5:14 6:4 move 5:11 much 5:1 myself 5:22</p> <p><b>N</b></p> <p>name 3:16 new 6:7 next 6:14 Nos 1:8 Notary 7:8 notes 7:6 nothing 6:17 numbers 3:7 NW 2:11</p> <p><b>O</b></p> <p>objection 5:23 Office 2:6 Ohio 1:1, 10, 18 1:18, 22 2:8, 11 2:15, 20 3:6, 13 4:8, 22, 24 7:9 Okay 6:16 OKEY 1:21 original 7:5 other 5:17</p>
<p><b>B</b></p> <p>Bar 4:14 before 1:1, 16 6:17 beginning 6:14 behalf 2:4, 9, 12 2:17, 21 4:20 5:12, 21 being 3:9 5:24 6:17 Benz 2:18 4:23 Bloomfield 2:3 4:3 Boulevard 2:7 4:8 Broad 1:18 business 4:1 B-e-n-z 4:23</p>	<p><b>D</b></p> <p>D 2:18 4:22 date 6:2, 8 David 2:14, 19 4:21 5:5 Day 2:14 4:21 Denenberg 2:2 DiPaolo 7:7 Diplomate 7:8 dismiss 5:8 6:13</p>	<p><b>F</b></p> <p>Fax 1:23 Fifth 1:21 file 5:15 filed 6:5, 5 filing 5:8 6:13 firm 4:21 FirstEnergy 2:19 2:21 4:24 Foods 1:3 2:9 3:10 4:5, 7 foregoing 7:2 frame 5:10 Francis 2:10 4:15 from 5:17</p> <p><b>G</b></p> <p>Gary 2:18 4:22 general 2:18 4:23 give 3:24 5:9 given 4:15 Global 1:5 2:5 3:11 go 3:4 6:1 Good 3:5 grant 6:1</p>	<p><b>M</b></p> <p>made 5:3 Main 2:20 4:24 make 4:11 Management 1:4 2:12 3:10 4:11 4:15 Maria 7:7 matter 1:3 3:9 4:17 5:7, 13 7:4 MDJ-3121 7:11 Michigan 2:3 4:3 might 6:3</p>	<p><b>P</b></p> <p>parties 3:20 5:5 5:12, 17 pending 5:11 Pirak 1:16 3:17 place 3:7 PLLC 2:2 point 3:19 5:12 potentially 5:11 prejudice 5:9 presenting 3:23 proceed 3:19 proceeding 3:18 proceedings 1:15 7:3 Public 1:1, 17 3:5 7:8</p>
<p><b>C</b></p> <p>called 1:19 3:6 carefully 7:5 case 1:8 3:7 5:24 6:17</p>	<p><b>E</b></p> <p>E 2:10 East 1:18 2:3 4:2</p>	<p><b>H</b></p> <p>hear 3:18 hearing 1:17 3:6 5:7, 13 6:2, 8 6:20 Hills 2:3 4:3 him 4:16 Honor 5:4, 5</p>	<p><b>R</b></p> <p>R 2:2 record 3:5 Registered 7:7 Reporter 7:8 represent 4:16</p>	



resolution 5:6  
 resolving 6:5  
 Respondent 2:21  
 respondents 1:13  
 2:17 4:19,20  
 5:20  
 response 5:16  
 Restaurant 4:14  
 Risk 1:5 2:5  
 3:11  
 Road 2:3 4:2  
 rule 5:14

**S**

seen 6:6  
 Session 3:1  
 set 6:3  
 shortly 5:9  
 Siegel 2:6,7,10  
 4:6,6,13 5:21  
 5:21  
 South 1:21 2:20  
 4:24  
 SPEAKERPHONE 2:1  
 starting 3:20  
 State 7:9  
 stenographic 7:5  
 Street 1:18,21  
 2:20 4:24  
 subsequent 6:2  
 successful 5:6  
 Suite 1:21 2:3,7  
 2:11 4:8  
 Sweeney 2:10  
 4:15 5:22  
 Systems 1:12  
 3:15  
 S.G 1:3 2:9 3:10  
 4:5,7

**T**

taken 7:3  
 Thank 4:4,13,18  
 5:1 6:19  
 think 5:9  
 time 3:7 5:2,10  
 5:13 6:7  
 timing 6:9  
 Toledo 1:11 3:14  
 towards 5:6  
 transcript 7:3  
 Transmission  
 1:11 3:15  
 true 7:3  
 Tuesday 1:19 3:1  
 7:4  
 Tuffley 2:2,2  
 3:22,22 4:2  
 5:19,20 6:11

6:12,19

**U**

understand 5:2  
 Union 4:14  
 until 5:13 6:2  
 Utilities 1:1,17  
 3:5

**V**

versus 3:12  
 very 5:1  
 VIA 2:1  
 vs 1:8

**W**

week 6:14,15  
 well 4:1  
 Wonderful 6:16  
 work 6:9  
 working 5:5

**0**

04-28-EL-CSS 1:8  
 3:7  
 05-1011-EL-CSS  
 1:9 3:8  
 05-1012-EL-CSS  
 1:10 3:8  
 05-803-EL-CSS  
 1:9 3:8

**1**

10:00 1:19  
 10:13 6:20  
 101 1:21  
 180 1:18  
 185 1:21  
 19 7:10

**2**

200 2:3  
 2008 1:19 3:2  
 7:4  
 2011 7:10  
 21 2:3 4:2  
 223-9481 1:22  
 224-5724 1:23  
 224-9481 1:22  
 27600 2:7 4:7

**3**

323 2:11  
 340 2:7 4:8

**4**

43215-5201 1:22  
 44113 2:11  
 44114 2:15 4:22

44122 2:8 4:9  
 44308 2:20 4:24  
 450 2:11  
 48304 2:3

**6**

614 1:22,23

**7**

76 2:20 4:24

**8**

8 1:19 3:2 7:4  
 800 1:22

**9**

901 2:15 4:21