

FILE

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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Long Term Electric
Forecast Report of the FirstEnergy
Corporation and Related Matters.

: Case No. 08-504-EL-FOR
:
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STIPULATION AND RECOMMENDATION

1. Rule 4901-1-30, O.A.C., provides that any two or more parties to a proceeding may enter into a written or oral stipulation covering the issues presented in such proceeding. Pursuant to Rule 4901-1-10(C), O.A.C., the Staff is considered a party for purposes of entering into a stipulation. The purpose of this document is to set forth the agreement of the parties who have signed below (the Signatory Parties), and to recommend that the Public Utilities Commission of Ohio approve and adopt, as part of its Opinion and Order, this Stipulation and Recommendation (Stipulation) which resolves all of the issues in the above-styled case of Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, and American Transmission Systems, Incorporated (the "Companies"). This Stipulation is the product of lengthy, serious bargaining among the Signatory Parties and represents a compromise of their positions designed to achieve a mutually acceptable resolution of the above-styled cases. While the Stipulation is not binding on the Commission, it is entitled to careful consideration by the Commission, where, as here, it is sponsored by parties representing a wide range of interests and endorsed by the Staff. *In re Cincinnati Gas & Electric Co.*, Case No. 82-485-EL-AIR (Opinion and Order) (March 29, 1983).

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2. The parties to this Stipulation are the Companies and the Staff of the Public Utilities Commission of Ohio.

A. PROCEDURAL BACKGROUND

3. The Companies timely filed their Long Term Forecast Report with the Commission, and the filing was designated as Case No. 08-504-EL-FOR. A public hearing is scheduled in this proceeding in Columbus on September 8, 2008. The Companies and Staff have submitted this Stipulation in order to resolve all issues and close out this docket on the basis of the filed Long Term Forecast Report and the record made to date.

B. EVIDENTIARY RECORD

4. The Signatory Parties hereby agree and recommend that the Commission receive the following documents into evidence in support of the Stipulation:

- a) The Companies' 2008 Long Term Forecast Report.
- b) The FirstEnergy Operating Companies' Proof of Public Notice of the Public Hearing in Case No. 08-504-EL-FOR.
- c) Stipulation and Recommendation.

C. LONG TERM FORECAST REPORT

5. The Signatory Parties hereby agree and recommend that the Commission adopt the findings set forth below for the 2008 Companies' Long Term Forecast Report (LTFR) and approve the LTFR. Specifically, the Signatory Parties agree and recommend

to the Commission and specifically find that the Companies' LTFR meets the following criteria of Section 4935.04(F):


- (A) All information relating to current activities, facilities agreements, and published energy policies of the state has been completely and accurately represented;
- (B) The load requirements are based on substantially accurate historical information and adequate methodology;
- (C) The forecasting methods consider the relationships between price and energy consumption;
- (D) The report identifies and projects reductions in energy demands due to energy conservation measures in the industrial, commercial, residential, transportation, and energy production sectors in the service area;
- (E) The Companies' forecasts of load and resources are reasonable in relation to population growth estimates made by state and federal agencies, transportation, and economic development plans and forecasts, and make recommendations where possible for necessary and reasonable alternatives to meet forecasted electric power demand;
- (F) The report considers plans for expansion of the regional power grid and the planned facilities of other utilities in the state;

(G) All assumptions made in the forecast are reasonable and adequately documented.

D. MISCELLANEOUS MATTERS

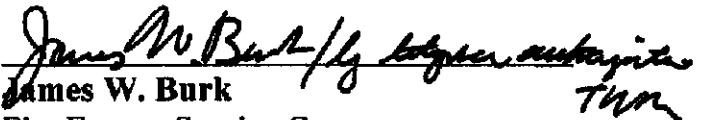
6. This Stipulation is submitted for purposes of this proceeding only, and is not deemed binding in any other proceeding, nor is it to be offered or relied upon in any other proceedings, except as necessary to enforce the terms of this Stipulation or to obtain permits, licenses, or other regulatory approvals in furtherance of the Long Term Forecast Report found reasonable herein. The agreement of the Signatory Parties reflected in this Stipulation is conditioned upon its acceptance in its entirety and without alteration by the Commission. In the event the Commission or any court of competent jurisdiction should reject all or any part of this Stipulation, or impose additional conditions or requirements upon the Signatory Parties, the assent of the Signatory Parties is deemed withdrawn and this Stipulation shall be null and void. In that event, any Party may reopen this proceeding, and present such testimony to pursue its rights as fully as if this Stipulation had not been executed. The Signatory Parties agree and recognize that this Stipulation has been entered into only for the purpose of this proceeding, and agree and intend to support the reasonableness of this Stipulation before the Commission, and in any appeal from the Commission's adoption or enforcement of this Stipulation.

IN WITNESS WHEREOF, this Stipulation has been agreed to as of this 8th day of September, 2008. The undersigned parties respectfully request the Commission to issue its Opinion and Order approving and adopting this Stipulation.



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**Attorneys for the Staff of
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**Attorney for Ohio Edison Company,
The Cleveland Electric Illuminating
Company, The Toledo Edison Company,
and American Transmission Systems,
Incorporated**

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing **Stipulation and Recommendation** was served via regular U.S. mail, postage prepaid, electronic messaging, or hand-delivered, upon James Burk, FirstEnergy Service Company, 76 South Main Street, Akron, Ohio, 44308, this 8th day of September, 2008



Thomas W. McNamee
Assistant Attorney General