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**STATE OF OHIO
BEFORE THE
PUBLIC UTILITIES COMMISSION**

CASE NO. 08-936-EL-SSO

**IN THE MATTER OF THE APPLICATION OF
OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING
COMPANY, AND THE TOLEDO EDISON COMPANY FOR APPROVAL OF A
MARKET RATE OFFER TO CONDUCT A COMPETITIVE BIDDING PROCESS
FOR STANDARD SERVICE OFFER ELECTRIC GENERATION SUPPLY,
ACCOUNTING MODIFICATIONS ASSOCIATED WITH RECONCILIATION
MECHANISM, AND TARIFFS FOR GENERATION SERVICE**

**DIRECT TESTIMONY OF
DR. DENNIS W. GOINS
ON BEHALF OF NUCOR STEEL MARION, INC.**

September 9, 2008

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**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 MARKET	§	
RATE OFFER TO CONDUCT A COMPETITIVE BIDDING	§	CASE No. 08-936-EL-SSO
PROCESS FOR STANDARD SERVICE OFFER ELECTRIC	§	
GENERATION SUPPLY, ACCOUNTING MODIFICATIONS	§	
ASSOCIATED WITH RECONCILIATION MECHANISM, AND	§	
TARIFFS FOR GENERATION SERVICES	§	

**DIRECT TESTIMONY OF
DR. DENNIS W. GOINS
ON BEHALF OF
NUCOR STEEL MARION, INC.**

INTRODUCTION AND QUALIFICATIONS

1
2 **Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS**
3 **ADDRESS.**

4 **A.** My name is Dennis W. Goins. I operate Potomac Management Group, an
5 economics and management consulting firm. My business address is 5801
6 Westchester Street, Alexandria, Virginia 22310.

7 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND**
8 **PROFESSIONAL BACKGROUND.**

9 **A.** I received a Ph.D. degree in economics and a Master of Economics degree
10 from North Carolina State University. I also earned a B.A. degree with
11 honors in economics from Wake Forest University. From 1974 through
12 1977 I worked as a staff economist at the North Carolina Utilities
13 Commission. During my tenure at the Commission, I testified in
14 numerous cases involving electric, gas, and telephone utilities on such

1 issues as cost of service, rate design, intercorporate transactions, and load
2 forecasting.

3 Since 1978 I have worked as an economic and management consultant
4 to firms and organizations in the private and public sectors. My
5 assignments focus primarily on market structure, policy, planning, and
6 pricing issues involving firms that operate in energy markets. For
7 example, I have prepared analyses related to utility mergers, transmission
8 access and pricing, and the emergence of competitive markets; evaluated
9 and developed regulatory incentive mechanisms applicable to utility
10 operations; assisted clients in analyzing and negotiating interchange
11 agreements and power and fuel supply contracts; and conducted detailed
12 analyses of product pricing, cost of service, rate design, and interutility
13 planning, operations, and pricing. I have also assisted clients on electric
14 power market restructuring issues in Arkansas, New Jersey, New York,
15 South Carolina, Texas, and Virginia.

16 I have submitted testimony and affidavits and provided technical
17 assistance in more than 100 proceedings before state and federal agencies
18 as an expert in competitive market issues, regulatory policy, utility
19 planning and operating practices, cost of service, and rate design. These
20 agencies include the Federal Energy Regulatory Commission (FERC), the
21 Government Accountability Office, the First Judicial District Court of
22 Montana, the Circuit Court of Kanawha County, West Virginia, and
23 regulatory agencies in Alabama, Arizona, Arkansas, Colorado, Florida,
24 Georgia, Idaho, Illinois, Kentucky, Louisiana, Maine, Maryland,
25 Massachusetts, Minnesota, Mississippi, New Jersey, New York, North
26 Carolina, Ohio, Oklahoma, South Carolina, Texas, Utah, Vermont,
27 Virginia, and the District of Columbia. Additional details of my
28 educational and professional background are presented in the Appendix.

1 Q. ON WHOSE BEHALF ARE YOU APPEARING IN THIS
2 PROCEEDING?

3 A. I am appearing on behalf of Nucor Steel Marion, Inc., which is located in
4 Marion, Ohio. The Nucor facility—a large retail industrial consumer
5 served by Ohio Edison Company—produces steel by recycling steel scrap
6 in electric arc furnaces.

7 Q. WHAT ASSIGNMENT WERE YOU GIVEN WHEN YOU WERE
8 RETAINED?

9 A. I was asked to undertake two primary tasks:

- 10 1. Review and evaluate FirstEnergy Corp.'s proposed Market Rate
11 Offer (MRO) plan. As filed by FirstEnergy, the MRO consists of a
12 two principal elements: Competitive Bidding Process (CBP), under
13 which FirstEnergy will acquire power supply resources to serve
14 customers beginning January 1, 2009, and pricing mechanisms
15 under which FirstEnergy will recover the cost of its CBP
16 purchases. Given the limited time for review and analysis under
17 the procedural schedule in this case, I was asked to focus on the
18 rate elements in (or missing from) FirstEnergy's MRO pricing
19 mechanism. As a result, I do not address (or address only
20 indirectly) FirstEnergy's proposed CBP.¹
- 21 2. Identify any major deficiencies in FirstEnergy's MRO's pricing
22 mechanisms and suggest recommended changes.

23 Q. WHAT INFORMATION DID YOU REVIEW IN CONDUCTING
24 YOUR EVALUATION?

25 A. I reviewed the MRO filing, testimony, and exhibits presented in this case
26 by Ohio Edison, Toledo Edison, and Cleveland Electric Illuminating—

¹ My decision not to address FirstEnergy's CBP plan in detail should not be construed as my implicit endorsement of it.

1 utility operating companies in Ohio owned by FirstEnergy Corp. I also
2 reviewed responses to discovery in this case² and information available on
3 web sites operated by FirstEnergy and the Commission. In addition, I
4 reviewed FirstEnergy's 2007 competitive bidding proposal in Case No.
5 07-796-EL-ATA³ and FirstEnergy's Electric Security Plan (ESP) filing in
6 Case No. 08-935-EL-SSO.⁴

7 **Q. WHY DID YOU REVIEW THE 2007 COMPETITIVE BIDDING**
8 **PROPOSAL?**

9 **A.** I reviewed the 2007 case because I agree with FirstEnergy's statement that
10 its MRO proposal "is similar in structure and content to the Companies'
11 proposal in Case No. 07-796-EL-ATA, which should aid in the
12 Commission's consideration of the matter."⁵ Where differences exist
13 between its MRO plan and its 2007 competitive bidding proposal,
14 FirstEnergy should be required to explain in detail the reasons for these
15 differences.

16 **CONCLUSIONS**

17 **Q. WHAT CONCLUSIONS HAVE YOU REACHED?**

18 **A.** On the basis of my review and evaluation, I have concluded the following:
19 1. FirstEnergy's MRO combines a competitive bidding scheme to
20 acquire electric supply resources with a pricing mechanism
21 designed to recover the costs of those resources. The pricing
22 mechanism includes procedures for developing MRO rates. These
23 procedures and resulting rates are problematic because they:

² FirstEnergy's responses to selected Nucor discovery requests are included in Exhibit DWG-1.

³ Excerpts from FirstEnergy's filing in the 2007 case are presented in Exhibits DWG-2 through DWG-7.

⁴ Selected riders from the ESP case are presented in Exhibit DWG-8.

⁵ MRO Application at 4.

- 1 ■ Create interclass cost subsidies by not assigning costs
2 properly.
- 3 ■ Ignore customer rate impacts.
- 4 ■ Provide little incentive for customers to control peak demands
5 and energy use in high-cost peak periods.
- 6 2. According to FirstEnergy, large industrial customers served at
7 transmission voltages will likely see first-year price increases
8 exceeding 50 percent under its MRO. Despite these huge
9 increases, FirstEnergy's MRO provides no rate options that could
10 mitigate this rate shock—including options that encourage peak
11 demand reductions, encourage energy efficiency, and promote
12 economic development. For example, unlike its current rates, rate
13 options it has proposed in its current ESP case, and rate options it
14 proposed in its 2007 competitive bidding case, FirstEnergy's MRO
15 rates include no interruptible rates and riders, time-of-day rates, or
16 economic development riders.⁶
- 17 3. The non-availability of interruptible rates is particularly
18 problematic for current electricity-intensive interruptible customers
19 that will see huge rate increases under FirstEnergy's MRO
20 proposal. Moreover, by eliminating interruptible rates, FirstEnergy
21 has ignored the potential benefits of interruptible service in not
22 only reducing its customers' total costs for generation and
23 transmission services, but also enhancing system reliability.
- 24 4. FirstEnergy's MRO rates ignore recognized cost differences to
25 serve class-specific loads. Under FirstEnergy's proposal, all
26 classes are charged the same volumetric seasonal generation rate⁷
27 differentiated only by service voltage. The blended supply cost

⁶ FirstEnergy has proposed interruptible, time-of-day, and economic development rate options in its ESP filing. FirstEnergy also proposed an interruptible program and time-of-day rates in its market-based SSO filing in Case Nos. 07-796-EL-ATA.

⁷ This rate—Rider GEN—includes applicable transmission and ancillary service charges.

1 that serves as the basis for these prices is derived from the cost of
2 capacity and energy products purchased to meet system
3 requirements. Notwithstanding FirstEnergy's uniform MRO rates,
4 we can reasonably assume that the average cost of competitively
5 purchased capacity and energy products to meet class-specific
6 loads would be lower (*ceteris paribus*) for classes with higher load
7 factors. In fact, such cost and rate differences were implicitly
8 recognized in FirstEnergy's 2007 CBP proposal,⁸ and have
9 traditionally been recognized by this Commission in setting rates.
10 Yet by using a slice of the system bidding approach with uniform
11 MRO prices, FirstEnergy ignores class-specific cost differences
12 traditionally recognized in class cost allocations, and unfairly
13 penalizes higher load factor customers through the uniform
14 volumetric rates. As a result, FirstEnergy's MRO prices implicitly
15 allocate excessive supply costs to higher load factor classes—for
16 example, classes served at transmission voltages. Such interclass
17 subsidies can and should be removed from the MRO prices.

18 RECOMMENDATIONS

19 Q. WHAT DO YOU RECOMMEND ON THE BASIS OF THESE 20 CONCLUSIONS?

21 A. I recommend the following:

- 22 1. Reject FirstEnergy's MRO as filed, and require it to resubmit an
23 MRO that properly addresses the issues discussed in my testimony.
24 FirstEnergy's MRO plan will impose huge rate increases on
25 customers—particularly higher load factor transmission customers,
26 reduce incentives to control peak demands and use electricity

⁸ See Exhibits DWG-3 and DWG-4.

- 1 efficiently, hinder economic development, and create interclass
2 subsidies.
- 3 2. At a minimum, require FirstEnergy to modify its MRO to include
4 rate options proposed in its ESP filing, with improvements I
5 discuss in more detail later in my testimony. In particular,
6 FirstEnergy's MRO should include:
- 7 ■ Interruptible rate options that provide for both emergency and
8 economic interruptions.
 - 9 ■ Time-of-day rates similar to those proposed in FirstEnergy's
10 ESP filing.
 - 11 ■ Economic development rates.
- 12 3. In addition, require FirstEnergy to set Rider GEN such that the
13 MRO generation rates properly reflect class-specific cost
14 differences. I describe an approach to achieve this objective later
15 in my testimony.

16 **RATE IMPACTS**

17 **Q. DO THE PROPOSED MRO RATES DIFFER SIGNIFICANTLY**
18 **FROM CURRENT RATES?**

19 **A.** Yes. FirstEnergy's current rates include a variety of pricing and service
20 options designed to achieve multiple objectives. For example, current rate
21 options include declining block, time-of-day, interruptible, and economic
22 development rates. In contrast, FirstEnergy's proposed MRO rates
23 eliminate these pricing and service options and simply charge all classes
24 the same volumetric seasonal (summer and winter) generation rate
25 differentiated only by service voltage.

1 **Q. WILL THE PROPOSED MRO RATES IMPOSE SIGNIFICANT**
2 **RATE INCREASES ON CUSTOMERS?**

3 **A.** Yes. Because FirstEnergy has not yet procured energy supplies through
4 the CBP, we do not know the exact rate impacts that its MRO rates will
5 have on customers. However, based on forecast market prices submitted
6 in its ESP case, FirstEnergy has estimated potential rate increases for
7 major rate classes. As shown in Table 1 below for selected rate classes,
8 these increases are huge—particularly for transmission and street lighting
9 customers.

Table 1. Potential MRO Rate Increases (%): 2009

Class	FirstEnergy Company		
	OE	CEI	TE
RS	15.86	29.72	17.71
GS	9.49	32.50	(1.19)
GP	16.89	33.34	0.19
GT	50.18	60.95	71.36
STL	79.42	61.18	43.40
Total	19.22	32.70	23.71

10 Source: FirstEnergy MRO, Schedule 1A, Attachment - KLN-1

11 **Q. ARE THESE INCREASES UNDERSTATED FOR CERTAIN**
12 **CUSTOMERS?**

13 **A.** Yes. For example, increases for current interruptible transmission
14 customers similar to Nucor will certainly be much higher since
15 FirstEnergy's MRO rates do not include any interruptible service options.

16 **Q. DO THE MRO RATES INCLUDE ANY OPTIONS TO MITIGATE**
17 **THE HUGE PROJECTED RATE INCREASES?**

18 **A.** No. Despite the anticipated huge rate increases, FirstEnergy's MRO
19 proposal does nothing to provide customers rate options that could help

1 mitigate the rate shock. Such options might include time-of-day,
2 interruptible, and economic development rates—each of which
3 FirstEnergy has proposed in its ESP case. If such rates are good for
4 customers in FirstEnergy's ESP, then they should also be good for
5 customers in FirstEnergy's MRO.

6 **Q. WILL THE MRO RATE INCREASES HINDER ECONOMIC**
7 **DEVELOPMENT IN OHIO?**

8 **A.** Yes. I have not made an independent analysis of the likely impact the
9 MRO rate increases will have on economic development in Ohio.
10 Nonetheless, reasonable people can agree that huge rate increases will
11 impede economic development. Moreover, FirstEnergy obviously
12 believes that economic development rates are key to Ohio's economy since
13 its proposed ESP rates include economic development riders.

14 **Q. SHOULD THE MRO RATES INCLUDE ECONOMIC**
15 **DEVELOPMENT RATE OPTIONS?**

16 **A.** Yes. Such options would help mitigate the MRO rate impacts as well as
17 support the state's economic infrastructure. At a minimum, FirstEnergy's
18 MRO rates should include options similar to the following rates that
19 FirstEnergy has proposed in its ESP case:

- 20 ■ Rider EDR (Economic Development Rider), which has a
21 \$6.05 credit per kW of Realizable Curtailable Load.⁹
- 22 ■ Rider RAR (Reasonable Arrangements Rider), which provides
23 incentives for customers that meet specified criteria related to
24 energy use and efficiency.

25 While these options should be further improved, their inclusion would
26 enhance rate options available under the MRO.

⁹ In my later discussion of interruptible rates, I address the issue of how Realizable Curtailable Load should be measured.

INTERRUPTIBLE AND TIME-OF-DAY RATES

Q. DO THE MRO RATES ENCOURAGE CUSTOMERS TO CONTROL PEAK DEMANDS AND USE ELECTRICITY EFFICIENTLY?

A. No. In contrast to its current rates and proposed ESP rate options, FirstEnergy's MRO rates reduce incentives for customers to control peak demands and use electricity efficiently. An obvious example of the MRO's deficiency in these areas is the absence of interruptible and time-of-day rates in the proposed MRO.

Q. WHAT IS INTERRUPTIBLE OR NONFIRM SERVICE?

A. Interruptible service is a separately identifiable nonfirm utility product that allows a supplier to interrupt or curtail customer loads when reliability is impaired. Interruptible load enables a supplier to maximize the value of existing capacity resources and to avoid acquiring new capacity resources. The available supply of interruptible service depends on the relationship between available power supply resources and firm service demands. That is, if firm demands command all available power supply resources, the supply of interruptible service falls to zero. When firm demands are significantly less than available resources, the supply of interruptible service is significantly greater.

Q. DOES THE MRO PLAN INCLUDE ANY INTERRUPTIBLE RATES AVAILABLE TO CUSTOMERS ON JANUARY 1, 2009?

A. No. FirstEnergy's MRO proposal eliminates all existing interruptible rates and riders—for example, Ohio Edison's Rate 29 and Riders 73, 74, and 75.

1 **Q. WILL EXCLUDING INTERRUPTIBLE RATES FROM THE MRO**
2 **IMPOSE SIGNIFICANT FINANCIAL AND BUSINESS RISKS FOR**
3 **SUCH INTERRUPTIBLE CUSTOMERS AS NUCOR?**

4 **A.** Yes. By excluding interruptible rates from its MRO, FirstEnergy will
5 arbitrarily impose huge rate increases on customers that have demonstrated
6 a willingness to interrupt loads in exchange for lower electricity prices. In
7 addition, excluding interruptible rates from the MRO ignores the potential
8 benefits of interruptible service in not only reducing all customers' costs
9 for generation and transmission services, but also enhancing system
10 reliability.

11 **Q. DO INTERRUPTIBLE LOADS PROVIDE TANGIBLE BENEFITS?**

12 **A.** Yes. Interruptible load can and should be a significant element of any
13 utility's demand-response programs. Interruptible load has long been
14 recognized as a means to reduce generating and transmission capacity
15 requirements and a substitute for such ancillary services as spinning and
16 operating reserves. Interruptible load expands the range of resources
17 available to meet contingencies, lowers customer costs, and can even be
18 used to mitigate price volatility and curb potential market power problems.
19 In addition, interruptible load can create environmental benefits when used
20 to displace fossil generation during peak periods—thereby reducing
21 greenhouse gas emissions.

22 Interruptible load can also be used in wholesale markets to reduce
23 prices and price volatility. For example, market-clearing prices fell by
24 \$100-\$200/MWh on a peak day in August 2006 in the Midwest ISO when
25 interruptible load was used in response to a call for demand reductions.¹⁰
26 Various states have also initiated efforts to increase and expand demand-
27 response programs.

¹⁰ Federal Energy Regulatory Commission Staff Report, *2007 Assessment of Demand Response and Advanced Metering* at 6-7 (September 2007).

1 **Q. DOES THE MIDWEST ISO CURRENTLY OFFER TESTED AND**
2 **ROBUST DEMAND-RESPONSE PROGRAMS?**

3 **A. No.** The Midwest ISO's demand-response programs are neither well-
4 developed nor robust. More importantly, the Commission should not rely
5 on the Midwest ISO to fulfill the need for effective and robust demand-
6 response programs. For example, a recent national study supported the
7 need for retail demand-response programs to compete with and potentially
8 displace supply-side peaking resources.¹¹

9 **Q. SHOULD INTERRUPTIBLE RATES BE PART OF THE MRO**
10 **RATE OPTIONS?**

11 **A. Yes.** Interruptible rates are critical to meet the broad demand response
12 policy objectives outlined in SB 221, as well as the specific peak demand
13 reduction targets for utilities under Section 4928.66(A)(1)(b) of the
14 Revised Code. To promote these policy objectives and targets, the
15 Commission should require FirstEnergy to include in its MRO rates at
16 least two stand-alone interruptible rate options:

- 17 ■ Emergency or reliability rate under which a customer is
18 required to interrupt or curtail load during a system emergency
19 when service reliability to firm customers is endangered.
- 20 ■ Economic interruption rate under which a customer has the
21 option either to interrupt load, or not interrupt and pay market
22 prices for the nonfirm load that remains on line during the
23 hours of a called economic interruption.

24 Customers should be allowed to take service under either or both of these
25 interruptible rate options.

¹¹ Nicole Hopper, Charles Goldman, Ranjit Bharvirkar and Dan Engel, Lawrence Berkeley National Laboratory, *The Summer of 2006: A Milestone in the Ongoing Maturation of Demand Response* at 11 (May 2007).

1 **Q. COULD THESE RATES BE PATTERNED AFTER SIMILAR**
2 **RATES PROPOSED IN THE ESP CASE?**

3 **A.** Yes—but those ESP rates can and should be improved. In its ESP case,
4 FirstEnergy has proposed Rider OLR (Optional Load Response Rider),
5 which requires interruptions during an Emergency Curtailment Event.
6 FirstEnergy has also proposed Rider ELR (Economic Load Response
7 Program Rider), which requires both emergency and economic
8 interruptions with a buy-through during an Economic Buy Through Option
9 Event at a price that reflects the adjusted day-ahead MISO locational
10 marginal price (LMP). The proposed monthly credit for both interruptible
11 rates is \$1.95 per kW of predetermined Realizable Curtailable Load
12 (RCL).¹² FirstEnergy defines RCL, which is calculated annually, as the
13 difference between an interruptible customer's contract firm load and
14 average hourly demand (AHD) during selected hours in the preceding
15 months June-August.

16 **Q. DO YOU AGREE THAT A CUSTOMER'S MONTHLY**
17 **INTERRUPTIBLE CREDIT SHOULD BE BASED ON RCL AS**
18 **DEFINED IN THE ESP?**

19 **A.** No. A customer's RCL should reflect the difference between the
20 customer's monthly on-peak billing demand—not historical average
21 demand—and contract firm load. This approach is consistent with:

22 ■ Requiring an interruptible customer (for example, a customer
23 served under Rider OLR and/or Rider ELR) to reduce *actual*
24 (not average) demand down to contract firm load during a
25 called emergency event.

¹² See Exhibit DWG-8.

1 ■ Setting buy-through charges for a Rider ELR customer to
2 reflect the difference between *actual* (not average) load and
3 contract firm load during each hour of the buy-through event.

4 In addition, FirstEnergy's definition of RCL ignores its responsibility to
5 serve customer peak demands whenever they occur—not arbitrarily
6 defined average demands that understate the firm capacity and energy
7 requirements that FirstEnergy avoids with interruptible load.
8 FirstEnergy's definition mistakenly assumes that it achieves these avoided
9 cost savings only when interruptible load—maximum demand less firm
10 demand—is on-line and available for interruption. Because of its
11 obligation to serve maximum firm customer demands whenever they
12 occur, FirstEnergy realizes these savings even if interruptible load is not
13 on-line during all hours of its RCL-defined summer peak period. As a
14 result, the monthly credit paid to an interruptible customer should reflect
15 the customer's monthly on-peak billing demand—not historical average
16 demand—and contract firm load.

17 **Q. SHOULD THE INTERRUPTIBLE PROGRAM CREDITS BE**
18 **HIGHER THAN \$1.95 PER KW?**

19 **A.** Yes. Because of the limited time to prepare this testimony, I have not yet
20 developed program-specific estimates of appropriate credits for the
21 interruptible emergency and economic interruption rate options. However,
22 several factors indicate that the credits proposed in FirstEnergy's ESP
23 interruptible rates should be much higher.

24 With respect to the emergency program, the credit should generally
25 reflect the long-run marginal cost of peaking capacity (including reserves)
26 and incremental transmission capacity costs that can be avoided because of
27 the interruptible load. The ESP credit of \$1.95 per kW conservatively

1 implies a peaking capacity cost around \$150 per kW.¹³ This estimate is
2 well below the current cost of peaking capacity, which has risen
3 substantially in recent years.¹⁴ In addition, the ESP credit is less than the
4 \$2.40-\$3.40 per kW range for emergency curtailment credits that
5 FirstEnergy identified in 2007,¹⁵ and also well below the Department of
6 Energy's recent avoided cost estimate of more than \$6 per kW for peaking
7 capacity.¹⁶

8 With respect to the economic interruption program, this credit should,
9 at a minimum, reflect the expected avoided cost of energy displaced by
10 interruptible load (for example, day-ahead MISO LMPs).¹⁷ This value
11 should be converted to a per kW credit and applied to the customer's RCL.
12 In 2007 FirstEnergy indicated that the economic interruption credit value
13 should range between \$1.60-\$2.60 per kW.¹⁸ Because of the dramatic rise

¹³ This estimate assumes an annual cost of \$23.40 per kW (12 x \$1.95) divided by an assumed carrying charge of 15 percent. Avoided reserve, transmission, and fuel costs are not included in this estimate.

¹⁴ See, for example, Marc W. Chupka and Gregory Basheda, *Rising Utility Construction Costs: Sources and Impacts*, (2007). This report by the Brattle Group noted that:

Combustion turbine prices recently rose sharply after years of real price decreases, while significant increases in the cost of installed natural gas combined-cycle combustion capacity have emerged during the past several years. (report at 7)

Over the period of 2003 to 2006,...the cumulative increase in the installation cost of new combined-cycle units was almost 95 percent, with much of this increase occurring in 2006. (report at 8)

¹⁵ FirstEnergy Reply Comments, Case No. 07-796-EL-ATA, at 50 (October 12, 2007) (FirstEnergy Reply Comments).

¹⁶ U.S. Department of Energy, *Benefits of Demand Response in Electricity Markets and Recommendations for Achieving Them* at 74 (2006). The DOE report states:

Demand response programs designed to reduce capacity needs are valued according to the marginal cost of capacity. By convention, marginal capacity is assumed to be a "peaking unit," a generator specifically added to run in relatively few hours per year to meet system peak demand. Currently, peaking units are typically natural gas turbines with annualized capital costs on the order of \$75/kilowatt-year (kW-year). [\$75/12 = \$6.25 per kW-month]

¹⁷ Because of limited time, I do not address in this testimony such important issues as interruption notice, duration, frequency, and annual limits on hours of interruption. These issues would have to be addressed and resolved before implementing the MRO interruptible rates.

¹⁸ FirstEnergy Reply Comments at 50.

1 in fuel prices in 2008, one can safely assume that FirstEnergy's estimate
2 should be increased substantially to reflect current avoided energy costs.

3 **Q. SHOULD THE MRO RATES ALSO INCLUDE TIME-OF-DAY**
4 **OPTIONS?**

5 **A.** Yes. As I noted earlier, FirstEnergy's MRO rates reflect seasonal price
6 differentials. However, time-differentiated rates that reflect diurnal cost
7 variations provide much better price signals to which customers can
8 respond. Without time-of-day pricing, consumers see uniform prices each
9 hour despite the fact that the cost of electricity varies significantly by time
10 of day. Non-time-differentiated price signals lead to inefficient investment
11 and consumption decisions regarding electricity. In addition to promoting
12 efficient investment and consumption decisions, time-of-day rates would
13 significantly enhance the demand-response elements of FirstEnergy's
14 MRO rates. FirstEnergy has proposed time-of-day rates in its ESP case,
15 and also proposed time-of-day and hourly pricing rates in its 2007 CBP
16 case. Similar rates should be included as MRO rate options.¹⁹

17 **COST ASSIGNMENT**

18 **Q. HOW IS THE COST OF GENERATION SERVICE REFLECTED**
19 **IN THE MRO RATES?**

20 **A.** FirstEnergy will recover its cost of resources purchased in the CBP
21 primarily through Rider GEN (Generation Service Rider) and also Rider
22 CRT (Cost Recovery True-up Rider). Rider GEN is a uniform volumetric
23 seasonal generation rate differentiated only by service voltage.²⁰ It reflects
24 the blended supply cost derived from the cost of capacity and energy

¹⁹ Critical peak pricing should also be an integral component of FirstEnergy's time-of-day rates.

²⁰ Rider CRT is not differentiated by season or voltage. I recommend that cost recovery under Rider CRT be made consistent with cost recovery under Rider GEN.

1 products that FirstEnergy purchases under the CBP to meet system
2 requirements.

3 **Q. DOES RIDER GEN ACCURATELY REFLECT COST**
4 **DIFFERENCES TO SERVE CLASS-SPECIFIC LOADS?**

5 **A.** No. In general, FirstEnergy has proposed a slice of system CBP with
6 uniform MRO rates. As I noted earlier, FirstEnergy differentiates Rider
7 GEN only by season and voltage, and makes no effort to recognize cost
8 differences to serve specific classes with load characteristics (for example,
9 loads with large timing, duration, and load factor differences). By
10 implicitly assuming a uniform blended cost to serve all loads, FirstEnergy
11 has ignored market realities, Commission precedent, and its own CBP
12 pricing proposals in 2007. The result is a set of MRO rates that indirectly
13 create interclass subsidies.

14 **Q. IS IT REASONABLE TO ASSUME THAT MARKET PRICES TO**
15 **SERVE DIFFERENT LOADS SHOULD BE UNIFORM?**

16 **A.** No. We should reasonably expect that the average cost of competitively
17 purchased capacity and energy products to meet class-specific loads would
18 be lower (*ceteris paribus*) for classes with higher load factors. Since
19 FirstEnergy's MRO assumes a slice of system approach with a uniform
20 blended average cost recovery, the lower average cost to serve higher load
21 factor classes is simply ignored. Instead of setting MRO rates for higher
22 load factor classes to reflect the lower average cost of purchases to serve
23 them, FirstEnergy has proposed uniform MRO rates that ignore supplier
24 costs and market realities.

1 **Q. HAS THE COMMISSION TRADITIONALLY RECOGNIZED**
2 **LOAD FACTOR IN SETTING RATES?**

3 **A.** Yes. In setting rates, this Commission—as well as most regulatory
4 commissions with which I am familiar—has traditionally recognized the
5 lower average cost of generation and transmission to serve higher load
6 factor classes compared to lower load factor classes. This logical result
7 simply reflects recovery of fixed generation costs over more kWh for
8 higher load factor classes. In its MRO, FirstEnergy will be buying both
9 capacity and energy products. Even though capacity products may be
10 priced on a volumetric basis, they reflect costs that have traditionally been
11 classified as fixed or demand-related costs and allocated and recovered on
12 a demand basis. Recovering such costs on a volumetric basis is fair and
13 reasonable only if they are properly assigned to the class or classes
14 responsible for them. FirstEnergy's slice of system approach in its MRO
15 and uniform MRO rates do not even attempt to reflect such class-specific
16 cost responsibility, leading to MRO rates for higher load factor classes that
17 overstate their cost responsibility.

18 **Q. DID THE OPERATING COMPANIES REFLECT CLASS-**
19 **SPECIFIC COST DIFFERENCES IN RATES FILED IN THE 2007**
20 **CBP CASE?**

21 **A.** Yes. In the 2007 CBP case, FirstEnergy proposed two auction
22 alternatives: a load class approach and a slice-of-system approach. Under
23 the load class approach, FirstEnergy proposed class-specific rates to
24 recover generation costs to serve each rate class within a major load class.
25 (See Exhibit DWG-3.) Under the slice-of-system approach, FirstEnergy
26 proposed a pricing mechanism that indirectly reflected the Commission's
27 traditional recognition of the lower average cost of generation and
28 transmission to serve higher load factor classes. (See Exhibit DWG-4.)
29 That is, in both CBP approaches, FirstEnergy either directly or implicitly

1 recognized class-specific cost differences for generation services. Yet in
2 the current MRO case, FirstEnergy has abandoned its prior position and
3 opted instead to set uniform MRO rates for all classes differentiated only
4 by season and voltage. As a result, FirstEnergy's MRO prices implicitly
5 allocate excessive supply costs to higher load factor classes—for example,
6 classes served at transmission voltages. Unless FirstEnergy's MRO
7 pricing proposal is corrected, higher load factor classes will bear a
8 disproportionate and unfair share of the costs of FirstEnergy's CBP
9 purchases. Such interclass subsidies can and should be removed from the
10 MRO prices.

11 **Q. HOW SHOULD THE MRO RATES BE MODIFIED TO REFLECT**
12 **THESE CLASS-SPECIFIC COST DIFFERENCES?**

13 **A.** Because of time constraints, I have not independently developed
14 procedures to correct the mismatch between cost responsibility and cost
15 recovery in FirstEnergy's MRO rates. However, a reasonable and
16 straightforward method to correct this problem would be to use the
17 approach that FirstEnergy proposed for its slice-of-system CBP rates in
18 2007. (See Exhibit DWG-4.) FirstEnergy must have believed this
19 approach was reasonable when proposed last year. I do not see how
20 FirstEnergy can now credibly argue that the approach is unreasonable for
21 setting class-specific MRO rates. I recommend that the Commission
22 require FirstEnergy to use the approach shown in Exhibit DWG-4 to set its
23 class-specific MRO rates. Alternatively, the Commission could require
24 FirstEnergy to acquire energy supplies using the load class approach and
25 let the market determine appropriate class-specific cost differences.

26 **Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?**

27 **A.** Yes.

**STATE OF OHIO
BEFORE THE
PUBLIC UTILITIES COMMISSION**

CASE NO. 08-936-EL-SSO

**IN THE MATTER OF THE APPLICATION OF
OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING
COMPANY, AND THE TOLEDO EDISON COMPANY FOR APPROVAL OF A
MARKET RATE OFFER TO CONDUCT A COMPETITIVE BIDDING PROCESS
FOR STANDARD SERVICE OFFER ELECTRIC GENERATION SUPPLY,
ACCOUNTING MODIFICATIONS ASSOCIATED WITH RECONCILIATION
MECHANISM, AND TARIFFS FOR GENERATION SERVICE**

**EXHIBITS TO THE
DIRECT TESTIMONY OF
DR. DENNIS W. GOINS
ON BEHALF OF NUCOR STEEL MARION, INC.**

September 9, 2009

EXHIBIT DWG-1

FIRSTENERGY'S RESPONSES TO SELECTED NUCOR DISCOVERY REQUESTS

Nucor MRO Set 1
Witness: K. Warvell

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

- Nucor Set 1-3** Referring to proposed Rider GEN:
- (a) Will the Standard Service Offer Generation Charges include supplier capacity costs?
 - (b) Explain the answer to part (a) in detail.
 - (c) If the answer to part (a) is yes, provide an estimation of the capacity costs to be included in the generation charges (on both a per kW and per kWh basis). Identify and provide any workpapers and related documents showing how the quantification was developed.
 - (d) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-3.

- Response:**
- a) Yes
 - b) The product is designed to be a "full requirements" SSO Supply, which includes all energy and capacity, resource adequacy requirements (capacity associated with planning reserve requirement), transmission service and transmission ancillaries, provided for a specified term by the winning bidders.
 - c) Capacity costs will be determined by suppliers recognizing that they will be participating in a competitive bid process.
 - d) See the Companies' Application and testimony filed in this proceeding.

Nucor MRO Set 1
Witness: K. Norris

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-4 Referring to proposed Rider GEN:

- (a) In calculating the Standard Service Offer Generation Charges, do the Companies intend to use class allocation factors reflecting the different peak demands and load factors of the various customer classes?
- (b) If the answer to part (a) is no, explain in detail why not.
- (c) In calculating the Standard Service Offer Generation Charges, do the Companies intend to use class allocation factors reflecting the same factors (e.g., the ratio of the class historical average generation and transmission rates to the system) proposed in the Companies' slice of system competitive bid process rate template proposed last year in Case No. 07-796-EL-ATA?
- (d) If the answer to part (c) is no, explain in detail why not.
- (e) Explain in detail the Companies' view as to how to best address the differences in class demand and usage characteristics in establishing generation rates for the Companies' retail service.
- (f) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-4.

Response:

- a) No.
- b) Costs which are the basis of the SSOGC are a function of market energy prices, and not a function of the different peak demands and load factors of the various customer classes.
- c) No.
- d) Costs which are the basis for the SSOGC are a function of market energy prices, and not a function of the ratio of the class historical average generation and transmission rates.
- e) The Companies will utilize a wholesale to retail rate conversion process to convert the Blended Competitive Bid Price to a retail rate, reflecting among other things, a voltage based rate structure. The SSOGC for each rate class (SSO Rate Class Charge) will be calculated by dividing the Blended Competitive Bid Price by 1 minus the appropriate distribution loss factor, in percentage of power supply. The class specific result will then be adjusted to incorporate the Seasonal Application Factor (SAF) as well as the Commercial Activity Tax (CAT) to arrive at the SSOGC.
- f) None.

Nucor MRO Set 1
Witness: K. Warvell / K. Norris

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-5 Referring to proposed Rider GEN:

- (a) Did the Companies consider incorporating more seasonal/time differentiation into the proposed generation rates, such as time of use or critical peak period pricing?
- (b) Explain the answer to part (b) in detail, including the reasons for such decision.
- (c) Explain in detail why the Companies proposed time-of-day pricing in its ESP, but not in its MRO.
- (d) Explain in detail why the Companies proposed time-of-day pricing in its competitive bid process rate template proposed last year in Case No. 07-796-EL-ATA, but not in its MRO.
- (e) Identify and provide all evidence or support for not including time-of-use pricing in the MRO.
- (f) If time of use and/or a critical peak period pricing component were to be included in the Companies' proposed rates, explain in detail how the Companies would propose that it be designed.
- (g) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-5.

Response:

- a) No.
- b) In order to minimize reconciliation and to provide market based pricing to customers, the Companies' proposal matches the seasonality of the supplier's payments to the seasonality of rates to customers.
- c) The basis and justification for the Companies' proposal in both the ESP and MRO are provided in the Application and testimony for both proceedings.
- d) Please see c) immediately above.
- e) Please see c) immediately above.
- f) The Companies did not provide for time of use and/or a critical peak period pricing component in the MRO so therefore have no proposal for its design.
- g) None.

Nucor MRO Set 1
Witness: Warvell

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-6 Referring to proposed Rider GEN:

- (a) Identify and explain in detail all differences between the method used by the Companies in developing proposed Rider GEN in this case and the method(s) the Companies proposed last year in Case No. 07-796-EL-ATA to convert the Blended Competitive Bid Price into a retail rate. In particular, explain in detail why a different method is being proposed in the current case.
- (b) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-6.

Response:

- a) Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the objection, the method used by the Companies in developing proposed Rider GEN in this case and the method(s) the Companies proposed last year in Case No. 07-796-EL-ATA to convert the Blended Competitive Bid Price into a retail rate are discussed in detail in the Applications in both cases and testimony in the current proceeding.
- b) Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.

Nucor MRO Set 1
Witness: K. Warvell

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-7 Referring to proposed Rider GEN:

- (a) Identify and explain in detail all differences between the method used by the Companies in developing proposed Rider GEN in this case and the method the Companies used in the ESP to convert the generation price into a retail rate. In particular, explain in detail why a different method is being proposed in the current case.
- (b) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-7.

Response: Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the objection,

- a) The detail of all differences between the method used by the Companies in developing proposed Rider GEN in this case and the method the Companies used in the ESP to convert the generation price into a retail rate is contained in the Application and testimony for both cases.
- b) N/A

Nucor MRO Set 1
Witness: K. Warvell

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-8 Referring to proposed Companies' proposed slice of system approach:

- (a) Explain in detail why the Companies selected a slice of system approach rather than a bid process by load class (the other alternative proposed by the Companies last year in Case No. 07-796-EL-ATA).
- (b) Explain in detail the pros and cons of the slice-of-system approach versus a bid process by load class.
- (c) Explain in detail why the Commission is not being given both options (slice-of-system and load class) for acquiring electricity from the market in this case (as was proposed by the Companies last year in Case No. 07-796-EL-ATA).
- (d) Referring to the answer to part (c) of NUC-1-8, explain in detail what has changed since the Companies' proposal in Case No. 07-796-EL-ATA that would make the option of a bid process by load class not a reasonable option.
- (e) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-8.

Response:

- a) The Companies selected a slice of system approach rather than a bid process by load class in order to make more tranches available for the solicitation and to spread class shopping risk to all tranches.
- b) Please see a) immediately above.
- c) Comparisons of and differences between the Companies' current proposal and that which was proposed in Case No. 07-796-EL-ATA may be made by reviewing the applications in both cases, but such comparisons are irrelevant to this proceeding.
- d) Please see c) immediately above.
- e) Please see above.

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-9 Regarding the failure to include interruptible rates in the Companies' MRO proposal:

- (a) Explain in detail why the Companies did not include interruptible rates in its proposal, including an explanation of why interruptible rates are not included in the MRO when they were included both as part of the competitive bidding proposal submitted by the Companies last year in Case No. 07-796-EL-ATA, and in the Companies' ESP proposal in Case No. 08-935-EL-SSO.
- (b) In the application in Case No. 07-796-EL-ATA, the Companies stated that the interruptible credit contained in that proposal "effectively reduces the net cost of electricity and to the extent participants reduce their actual hourly demand, the wholesale market price will tend to be reduced, benefiting all customers." The Companies also stated that the proposed interruptible program "plays an important role in maintaining bulk power system reliability and results in better use of system capacity and in a more efficient use of the system" and that it "serves to incrementally stabilize and mitigate wholesale electricity markets by giving customers the opportunity to respond to market conditions." Do the Companies continue to believe that interruptible rates provide these benefits? If not, explain in detail why not.
- (c) If the Companies provide no interruptible rate through the MRO and the MRO is implemented as the Companies' SSO, will there any other way for SSO customers to obtain interruptible service? Explain the answer in detail.
- (d) Identify and provide, by rate class by utility and on a total Companies' system basis, the existing MW of interruptible load (both in terms of peak interruptible demand and "realizable curtailable demand").
- (e) Identify and provide, by rate class by utility and on a total Companies' system basis, projected potential MW of future interruptible load that is not presently interruptible (both in terms of peak interruptible demand and "realizable curtailable demand").
- (f) Explain in detail how the Companies will achieve the demand response goals established by the Legislature without interruptible rates.
- (g) Identify and provide the Companies' plans to achieve the demand response goals established by the Legislature and plans for interruptible load as a part of these plans.
- (h) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-9.

Response:

- a) Comparisons of and differences between the Companies' current proposal and that which was proposed in Case No. 07-796-EL-ATA as well as what was

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

- proposed in the Companies' ESP are irrelevant to this proceeding.
- b) See response to (a).
 - c) Yes. Some suppliers of customers who shop are willing to supply such service. Also, MISO has a voluntary emergency demand response program.
 - d) Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.
 - e) Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.
 - f) Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.
 - g) Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.
 - h) N/A

Nucor MRO Set 1
Witness: Warvell/Norris

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

- Nucor Set 1-10** Regarding the statement in the Application at page 4 that the MRO proposal "is similar in structure and content to the Companies' proposal in Case No. 07-796-EL-ATA, which should aid in the Commission's consideration of the matter":
- (a) Explain in detail the differences in the competitive bidding process proposed in this proceeding and the competitive bidding process proposed in Case No. 07-796-EL-ATA.
 - (b) Explain in detail the differences in the rate design proposed in this proceeding and the rate design proposed in Case No. 07-796-EL-ATA.
 - (c) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-10.

Response: The content of and similarities between the Companies' current proposal and the Companies' proposal in Case No. 07-796-EL-ATA can be found by reviewing the Application in each case.

Nucor MRO Set 1
Witness: K. Warvell

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-11 Explain in detail how the Companies propose to meet the requirements of Revised Code Section 4928.66(A)(1) under the MRO.

Response: Objection. The question seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the objection, plans for meeting targets pertaining to load reductions, and energy efficiency will be pursued and achieved through programs separate from this filing.

Nucor MRO Set 1
Witness: K. Warvell

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-14 Refer to page 16, lines 19-22 of Mr. Warvell's testimony:

- (a) Explain in detail why suppliers, and not the Companies, are responsible for NITS, congestion costs, ancillary services, and MISO/RTO charges.
- (b) What benefit to the ratepayers is there to the supplier, as opposed to the Companies, being responsible for these services? Explain your answer in detail.
- (c) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-14.

Response:

- a) Suppliers are responsible for the acquisition and scheduling of energy supply which has a direct impact on congestion and transmission losses. Therefore, it is suppliers that have the ability to control the process, cost and risk associated with such acquisition and scheduling. For example, suppliers can choose a lower energy cost supply with higher congestion and transmission loss costs, or vice versa. Such an allocation of risk and responsibility allows for a more efficient process.
- b) Please see a) immediately above.
- c) Not applicable.

Nucor MRO Set 1
Witness: K. Norris

Case No. 08-936-EL-SSO

Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-15 Referring to Rider CRT:

- (a) Explain in detail why Rider CRT is not bypassable when it is intended to recover costs related to the CBP, including CBP expenses not recovered through the tranche fees paid by SSO suppliers, a working capital adjustment to account for the lag between the incurrence of SSO supply costs and the collection of SSO customer revenues reflecting such increased rate, and uncollectible amounts associated with SSO generation service.
- (b) Would the Companies consider implementing a credit for customers that take generation supply from a competitive supplier to offset the costs related to the CBP included in Rider CRT? If not, explain in detail why not.

Response:

- a) The Companies' ability to provide Standard Service Offer ("SSO") supply is conditioned on the Companies' ability to recover expenses associated with providing such service, such as those proposed for collection under Rider CRT. Rider CRT reduces the risk to both the Companies and to potential suppliers in the competitive bidding process, thereby eliminating the need for potential suppliers to add risk premiums associated with supplying the service. In addition, all customers, including customers who choose an alternative supplier, have access to the service provided by the Companies, as such customers may choose to return from those alternative suppliers to the SSO. Therefore, all customers benefit from the Companies' SSO, and it is appropriate for all customers to be responsible for paying Rider CRT to assure these benefits are maintained for all customers.
- b) No. Please see response a) immediately above.

Nucor MRO Set 1
Witness: K. Norris

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-16 Referring to economic development:

- (a) Identify and explain in detail the economic development initiatives or programs the Companies intend to implement through the MRO.
- (b) Do the Companies anticipate spending a certain amount per year on economic development, as the Companies proposed in their ESP proposal? If so, what amount?
- (c) Explain in detail how the Companies plan to recover the costs associated economic development programs or initiatives under the MRO.
- (d) Identify and provide all documents in Companies' possession that refer or relate to the matters addressed in this request NUC-1-16.

Response:

- a) Delta revenues associated with reasonable arrangements approved by the PUCO will be recovered by the Companies via the Cost Reconciliation True-Up (CRT) Rider.
- b) No.
- c) Please see response a)
- d) There are no documents other than those included in the Application and Testimony associated with this filing.

Nucor MRO Set 1
Witness: Warvell / Reitzes

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-17 Referring to Companies' proposed auction method:

- (a) Identify and describe in detail all other options available to the Companies for acquiring the necessary generation and transmission-related services.
- (b) Identify and provide all documents in Companies' possession (or its consultants) that refer or relate to the matters addressed in part (a) of this request NUC-1-17.
- (c) Did the Companies consider other ways of procuring SSO supply aside from the descending-clock procurement format proposed, such as requests for proposals or some other form of auction?
- (d) If the answer to part (a) is yes:
 - i. explain in detail the other options considered; and
 - ii. provide all documents, reports, analyses, and calculations addressing these options; and
 - iii. explain in detail why the Companies concluded that the descending-clock procurement mechanism proposed in the application is the better than all the other options.
- (e) If the Companies did not consider other options, explain in detail why they did not.

Response:

- a) To the extent that other options may exist for acquiring the necessary generation and transmission-related services, the Companies believe the proposal provided in their Application is the best option.
- b) None
- c) The Companies also considered an RFP process (where participants submit "sealed bids" to supply power at a specific price). This process may lead to less efficient pricing in comparison to a descending clock bidding process.
Also, when multiple products are being procured at once, the RFP process does not allow participants to switch resources from one product to another in response to changes in their observed price differences. Instead, participants must choose which products to supply, and how much of each product to supply, with limited information on how much of those products are being supplied by other procurement participants (and the price levels they are requesting).
Thus, while an RFP process also may produce a successful procurement result, the descending clock process has potential advantages in this particular case.
- d) i) Please see response a) immediately above.
ii) None
iii) An explanation of the descending-clock procurement process and its benefits is provided in detail in the Companies' Application and testimony filed in this proceeding.
- e) Not applicable

Nucor MRO Set 1
Witness: Warvell

Case No. 08-936-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications Associated With Reconciliation Mechanism, and Tariffs for Generation Service.

RESPONSES TO REQUEST

Nucor Set 1-18 Referring to the bidding process:

- (a) How many bidders (and what amount of MW per bidder) do the Companies estimate will participate in the initial CBP?
- (b) Explain in detail how the Companies developed their estimate.
- (c) Identify and provide any assessment by the Companies (or their consultants) of potential market supply for their MRO.

Response:

- (a) The Companies have not estimated how many bidders will participate in the initial CBP, nor have they estimated the potential market supply for the CBP.
- (b) See (a).
- (c) See the Companies' filing in this proceeding and previous proceedings.

EXHIBIT DWG-2

EXCERPT FROM FIRSTENERGY CASE NO. 07-796-EL-ATA: APPLICATION

July 10, 2007

Ms. Renee J. Jenkins
Director, Administration Department
Secretary to the Commission
Docketing Division
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43266-5073

Re: Application to Establish a Competitive Bidding Process
Case No. 07-~~79~~6-EL-ATA, Case No. 07- -EL-AAM

RECEIVED-DOCKETING DIV
2007 JUL 10 PM 1:26
PUCO

Dear Ms. Jenkins:

Please file this letter, the Application and all of the attachments thereto as Ohio Edison Company's, The Cleveland Electric Illuminating Company's and The Toledo Edison Company's ("Companies") proposal to establish a competitive bidding process. This Application, if approved, establishes the processes and mechanisms necessary for the Companies to acquire generation through a competitive bidding process for the purpose of serving retail load in the Companies' service territories commencing in 2009.

Pursuant to O.A.C. 4901:1-35-04, a copy of this letter is being served upon all persons that were parties in the Companies' electric transition plan ("ETP") cases and upon all certified suppliers that are currently registered to provide competitive retail electric service in the Companies' service territories. A copy of the application and any waiver requests are available through the Commission's web site, available at the Companies' main office, available at the Commission's offices, and any other sites at which the Companies will maintain a copy of the application and any waiver requests. To obtain an electronic copy of the filing, please contact Ben Rich at brich@firstenergycorp.com.

Thank you for your assistance in this matter. Please contact me if you have any questions concerning this matter.

Very truly yours,

James W. Bush

Enc.

cc: Service List in Case No. 99-1212-EL-ETP et al.
Certified Retail Electric Service Providers

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 Am Date Processed 7/10/07

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 Competitive Bidding Process)
for 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
Case No. 07- _____ -EL-AAM

Application

James W. Burk, Counsel of Record
Senior Attorney
Mark A. Hayden
Attorney
FirstEnergy Service Company
76 South Main Street
Akron, OH 44308
(330) 384-5861
Fax: (330) 384-3875
Email: burkj@firstenergycorp.com
haydenm@firstenergycorp.com
On behalf of Ohio Edison Company,
The Cleveland Electric Illuminating Company,
and The Toledo Edison Company

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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 Competitive Bidding Process)
for Standard Service Offer Electric Generation)
Supply, Accounting Modifications Associated)
With Reconciliation Mechanism and Phase In,)
and Tariffs for Generation Service)

Case No. 07- _____ -EL-ATA
Case No. 07- _____ -EL-AAM

Application

Now come Ohio Edison Company ("Ohio Edison"), The Cleveland Electric Illuminating Company ("CEI") and The Toledo Edison Company ("Toledo Edison") (collectively, the "Companies"), by counsel, and in accordance with Revised Code 4928.14, and the Commission's regulations for "Market-based Standard Service Offer and Competitive Bidding Process for Electric Utilities" (OAC 4901:1-35) ("CBP Regulations"), hereby file for approval of a competitive bidding process ("CBP") designed to procure supply for the provision of Standard Service Offer electric generation service ("SSO Generation Service") to the Companies' retail electric customers (referred to herein as "SSO Customers") who do not purchase electric generation service from a competitive retail supplier beginning January 1, 2009. The Application also seeks approval of accounting modifications to implement the proposed reconciliation mechanism and tariffs for generation service.

of each load class' historical average SSO Generation and Transmission Rate, converted to a wholesale equivalent, to the average of all historical SSO Generation and Transmission Rates and then adjusted by the applicable distribution line loss factor. The rate so calculated will be adjusted by the load class seasonal factor, and the result grossed up for applicable taxes to determine the individual Standard Service Offer Generation Charge for each load class. Attached as Exhibit C2 is a Rate Template that illustrates the methodology the Companies will use to arrive at the Standard Service Offer Generation Charge for each load class if a slice of the system competitive bidding process is implemented. The slice of system approach provides greater flexibility to the Commission in establishing the specific generation rates for the different customer classes through application of the Rate Template. Such flexibility could be exercised to address customer impacts during the transition to generation prices derived from the competitive bidding process, particularly for customers that have historically been served under below average rates.

Rate Design

A. General Principles

30. The Companies' current generation tariffs and rates reflect the concepts prevalent in the industry, and the Companies' circumstances, prior to the competitive generation and the restructuring of the Ohio electric industry, which went into effect in 2001. Such tariffs do not reflect the current structure of the electric industry in Ohio and need to be revised to conform with the changes that resulted from restructuring.

31. As a general principle, the Companies' Standard Service Offer Generation Charges reflect the fact that the Companies no longer own generating plants and must

purchase all of the energy and capacity if they are to provide generation service to SSO Customers.

32. All Standard Service Offer Generation Charges will be seasonal, with the exception of street and traffic lighting rates. The seasonal factors will be fixed but based on load-weighted Locational Marginal Prices, where the hourly load values used will be derived from the usage profile data for customers in the load class. Additionally, all SSO Customers, with the exception of street and traffic lighting accounts, will have an optional, seasonal, time-of-day rate available to them.

33. To ensure that SSO Supply costs are fully recovered and so that the customers pay and Companies recover no more or less than the costs to procure power and implement the program, the Companies are proposing a quarterly reconciliation adjustment, which will adjust the retail price to account for differences between SSO Generation Service revenues and SSO Supply costs (i.e., amounts paid to the SSO Suppliers plus the Companies' additional costs incurred in the provision of SSO Generation Service) during the prior quarter. See paragraphs 38 - 41 below.

34. As stated above, in order to match the SSO Supply terms with MISO planning years, the different delivery periods for which SSO Supply is being procured during 2008 are designed ultimately to correspond with MISO planning years which run from June 1st to May 31st of the subsequent year.

B. Special Rates

35. For customers served under the Street Lighting (Rate STL) or Traffic Lighting (Rate TRF) schedules, the Standard Service Offer Generation Charge shall be the Standard Service Offer Generation Charge for Rate GS or 3.0¢ per kWh, whichever is less. Governmental entities who participate in or take generation service through opt-

out governmental aggregation for their governmental electric accounts are not eligible for this special pricing provision for Rate STL and Rate TRF.

36. Accordingly, with respect to traffic and street lighting customers, the Companies propose to recover any difference between the Standard Service Offer Generation Charge and the generation rate charged to such customers for SSO Generation Service through a non-bypassable charge paid by all other retail delivery customers via a separate rider – Revenue Variance Rider.

37. With respect to CEI's special contract customers remaining after January 1, 2009, the Companies propose to recover 50% of the difference between the Standard Service Offer Generation Charge and the generation portion of the special contract rate, consistent with past treatment, through a non-bypassable charge paid by all other CEI customers via a separate rider.

C. Reconciliation Mechanism

38. The Companies propose a quarterly reconciliation to recover, among other things, the difference between amounts paid to suppliers and amounts actually billed to customers (the "Reconciliation Charge"). Reconciliation Charges will be calculated for each calendar year quarter and, due to data availability, included in charges to SSO Customers approximately 60 days following the conclusion of the calendar year quarter.

39. If a competitive bidding process by load class is implemented, the Reconciliation Charge will be calculated separately for each load class. If a slice of system competitive bidding process is implemented, there will be a single Reconciliation Charge for all load classes. See Rate Templates and Reconciliation Mechanisms, Exhibits C1 and C2. All of the Companies' SSO Customers, except for street and traffic

lighting accounts and CEI's special contract customers whose contracts specify a fixed price, will pay the Reconciliation Charge. See Proposed Tariffs, Exhibits D1 and D2.

40. Additionally, the Companies propose to recover through the Reconciliation Mechanism certain categories of incremental expenses associated with the implementation of either of the proposed CBP alternatives: (a) competitive bidding process expenses not recovered through the tranche fees paid by SSO Suppliers; (b) a working capital adjustment to account for the lag between incurrence of increased SSO Supply costs and collection of SSO Customer revenues reflecting such increased rates; (c) incremental labor costs associated with employees who will handle the operational aspects of providing SSO Supply, such as, for example, day-ahead and real-time coordination with SSO Suppliers and MISO or implementation of the Companies' Contingency Plan; and (d) uncollectible amounts associated with SSO Generation Service.

41. The Reconciliation Mechanism is intended to allow the Companies to be made whole and to ensure that SSO Customers do not pay more than the expenses incurred through the CBP alternatives and the costs described above. In other words, both the Companies' and SSO Customers will be "made whole" via the Reconciliation Mechanism. However, the Companies reserve the right to apply to the Commission for a change to the Reconciliation Mechanism in the event that the level of the Reconciliation Charge becomes unduly burdensome for then-current SSO Customers.

D. Avoidable Charges

42. If a competitive bidding process by load class is implemented, the avoidable charge for each load class will be equal to the Standard Service Offer Generation Charge plus the Reconciliation Charge.

43. If a slice of the system competitive bidding process is implemented, the avoidable charge for each load class will be equal to the lower of the blended competitive bid price multiplied by the supplier seasonal billing factor adjusted for average distribution line losses and applicable taxes, or the customer's Standard Service Offer Generation Charge.

E. Tariff Filings

44. By December 1, 2008 the Companies will file conforming tariffs that incorporate the rate design methodologies set forth in this Application and the Standard Service Offer Generation Charges as approved by the Commission, expressed in cents/kWh, based on the results of the solicitations conducted during 2008. Forms of such tariffs are attached hereto as Exhibit D1 and D2.

45. Beginning in 2010, and on May 1st of each subsequent year, the Companies will file tariffs that incorporate the revised Standard Service Offer Generation Charges, expressed in cents/kWh, based on the results of the solicitations conducted during the preceding 12-month period blended with the previous solicitations from which Master SSO Supply Agreements remain in effect.

46. SSO Customers will be billed on a bills rendered basis beginning with the first billing portion for January 2009.

F. Economic and Emergency Load Response Program

47. The Companies propose an optional load response program ("LRP") for SSO Customers taking service under Rate Schedule GT which will provide customers with a credit ("Interruptible Service Credit"), determined by the amount of load the customer wishes to identify as curtailable. The Interruptible Service Credit effectively reduces the net cost of electricity and to the extent participants reduce their actual

hourly demand, the wholesale market price will tend to be reduced, benefiting all customers. The LRP plays an important role in maintaining bulk power system reliability and results in better use of system capacity and in more efficient use of the system. The LRP also serves to incrementally stabilize and mitigate wholesale electricity markets by giving customers the opportunity to respond to market conditions. A customer in the LRP must demonstrate that it has at least 1 MW of realizable curtailable load ("RCL") and that it can reduce its load on the system to the agreed upon firm load when called upon to do so.

(1) Economic Buy Through Event

48. SSO Customers in the LRP will be required to contractually establish a firm load, and demand in excess of this amount will be curtailable. The Companies can request Economic Buy Through Events (EBT) during non-emergency conditions, specifically when the day-ahead LMP is greater than 125% of the Blended Competitive Bid price for a minimum of three consecutive hours, but such events cannot exceed 1000 cumulative hours during any calendar year. When an EBT is invoked, the customer will have the option of curtailing, in total or in part, its hourly demand or paying a price based on the hourly pricing observed in the MISO administered energy market for the portion of the customer's curtailable load that is not curtailed during the curtailment period.

49. The RCL option will be closed to new participants once the total RCL for all customers served under the LRP in the Companies' service territories reaches 400,000 kW.

50. SSO Suppliers will remain obligated to provide the energy requirements for participants in the LRP, including the energy needed when a customer chooses to

buy energy during an EBT and pay a price based on the hourly LMPs. Since the Companies will pay SSO Suppliers based on the clearing price but collect revenue from participating customers based on higher hourly LMPs, the Companies will have revenues in excess of expenses. The 'excess revenues' will be passed back to all customers to offset the cost of the Interruptible Service Credit received by participants in the LRP. Depending on the level of hourly LMPs and the decisions by participating customers as to whether to curtail their consumption, the LRP can potentially be self funding or even provide a net credit to all other customers.

(2) Emergency Interruption

51. When the Companies, a regional transmission organization, or transmission system operator determines that the operation of the electrical system requires curtailment of a customer's interruptible load, the Companies will call for an emergency interruption and the customer is required to interrupt its RCL on or before the time specified by the Companies. The Companies will endeavor to alert customers as soon as possible of such an emergency interruption.

52. The customer must stay at or below its firm load during an emergency interruption request. Failure to reduce load down to its firm load level and to keep its load at or below the firm load level may result in the customer losing eligibility to participate in the Load Response Program and incurring other significant costs, and may include physical disconnection of the customer's facilities to preserve system integrity.

53. A detailed description of the LRP and the form of the associated tariff is attached as Exhibit E.

G. Hourly Pricing Program

54. The Companies propose, beginning January 1, 2009, an optional Generation Hourly Pricing Rider that would provide SSO Customers the opportunity to access, by proxy, an established hourly energy market to purchase generation service. Participating SSO Customers would have the ability to manage electric costs by shifting load from higher to lower price periods, reducing load during higher priced periods, or by adding new load during lower price periods.

55. The Generation Hourly Pricing Rider would be available to customers taking SSO Generation Service that had appropriate interval metering and communication capabilities. Energy prices would be obtained from the MISO administered day ahead energy market, currently viewable to customers directly from the existing MISO web site. All costs to the Companies associated with procuring hourly generation service for SSO Customers on the Rider and administering the program under the Rider would be charged to the customer. For the load being served under the Hourly Pricing Rider, the Companies will, for all MISO purposes, be the load serving entity and this load will not be a responsibility of the winning bidders in the competitive bidding process.

56. In addition, a reconciliation mechanism, specific to this program, is proposed to ensure cost recovery by the Companies that does not exceed or fall short of actual costs. Interval metering would be required and provided by the Companies at the customer's expense, and customers would be required to provide and pay for the installation and monthly cost of a dedicated telephone line to the meter location.

57. A detailed description of the hourly pricing program and the form of the associated tariff is attached as Exhibit F.

EXHIBIT DWG-3

EXCERPT FROM FIRSTENERGY CASE NO. 07-796-EL-ATA: EXHIBIT C1

**Competitive Bid Process by Load Class
Rate Template and Reconciliation Mechanism**

Exhibit C1
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Introduction

This document provides a description of the manner in which the Blended Competitive Bid Price of a load class is converted into a retail rate (Rate Template) and the methodology for determining a Reconciliation Mechanism. The methodologies described are generally applicable to each load class at each of the three Ohio operating companies, Ohio Edison (OE), Toledo Edison (TE) and Cleveland Electric Illuminating (CEI), except, as further discussed below. A Rate Template unique to CEI is necessary for the period January 1, 2009 until the time there is full recovery of Regulatory Transition Charges.

OE, TE and CEI will implement retail tariffs, developed through the Rate Template, that will recover the Standard Service Offer (SSO) Revenue Requirements. SSO Revenue Requirements are equal to the payments to SSO suppliers for purchased power plus the Companies' costs for providing SSO Generation Service.

A reconciliation rider will be implemented to ensure that the Companies recover the amount of the Companies' SSO Revenue Requirements. Under the terms of the reconciliation rider, revenues received by OE, TE and CEI to cover SSO Revenue Requirements will be reconciled quarterly to recover or refund the difference, including appropriate interest, between the Companies' SSO Revenue Requirements and revenues received from SSO customers during the quarterly reconciliation period.¹

A subgroup of customers will be handled separately under this alternative, which introduces the need for an additional rider. Details related to this are included in the Revenue Variance section of Exhibit C-1.

Tariffs associated with the Competitive Bid Process by Load Class Rate Templates and Reconciliation Mechanisms are contained in Exhibit D-1.

Rate Template - General

The Rate Template is used to convert the Blended Competitive Bid Price to a retail rate, which will be referred to as the Standard Service Offer Generation Charge (SSOGC). The solicitations in the Competitive Bid Process for generation supply will result in nine different clearing prices for the Residential and General Service - Small load classes and six different clearing prices for the General Service - Large load class. For each class, the clearing prices will be averaged using the number of tranches purchased at each price as weights to obtain a Blended Competitive Bid Price. The SSOGC for each load class (SSO Load Class Charge) will be determined by dividing each class' Blended Competitive Bid Price by 1 minus the load class specific distribution loss factor, expressed as a percentage of the power supply. The class specific result will then be adjusted to incorporate the Seasonal Application Factor (SAF), and in addition, if appropriate, the Time-Of-Day Application Factor (TAF), as well as the Commercial Activity Tax (CAT) to arrive at the SSOGC. There is a temporary modification to this process for CEI which is described in the Rate Template - CEI section below.

¹ SSO Revenues, also referred to as SSO Generation Services revenues, include revenues from the SSOGC as well as the reconciliation rider, Rider GEN-R, and will be adjusted to exclude revenues for the Commercial Activity Tax (CAT) and interest.

**Competitive Bid Process by Load Class
Rate Template and Reconciliation Mechanism**

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The SAF for each load class is as follows:

	<u>Seasonal Application Factor</u>	
	<u>Summer</u>	<u>Winter</u>
RS	1.328	0.885
GS, POL	1.251	0.908
GP, GSU, GT	1.219	0.919

For qualifying customers, there will be a Time-of-Day option available. Customers served under this option will have an SSOGC that, in addition to the SAF, incorporates a Time-of-Day Application Factor (TAF). The TAF for each class is as follows:

	<u>Time-Of-Day Application Factor</u>			
	<u>On-Peak</u>		<u>Off-Peak</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
RS	1.316	1.281	0.659	0.731
GS, POL	1.282	1.237	0.612	0.688
GP, GSU, GT	1.344	1.285	0.638	0.704

On-Peak time shall be 6:00 a.m. to 10:00 p.m. EST, Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours.

Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.I.

Rate Template - CEI for the period January 1, 2009 to May 31, 2009 (est.)

For the period January 1, 2009 until approximately May 31, 2009, the SSOGC for CEI will be calculated by individual rate block. This modification is necessary because CEI's current tariffs will extend until all Regulatory Transition Costs are recovered¹. The individual current tariff generation, rate stabilization, and transmission charges for each rate block will be summed. The results will be multiplied by the ratio of the Adjusted Competitive Bid Price, adjusted for Seasonal Application Factors and Commercial Activity Tax (CAT), to the overall average generation and Rate Stabilization Charge (RSC), by season, in cents per kWh.

¹ This recovery is expected to be complete by May 31, 2009. Refer to paragraph 5 of the Companies' Application filed September 9, 2005 in Case No. 05-1125-EL-ATA.

**Competitive Bid Process by Load Class
Rate Template and Reconciliation Mechanism**

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Rate Template – Formula

Below are Rate Template Formulas used to develop the SSOGC:

$$SSOGC_i = \{[AP_i / (1 - DL_i)] \times SAF\} \times [1 / (1 - CAT)], \text{ rounded to the fifth decimal place.}$$

where i is Residential, General Service - Small, or General Service - Large

- SSOGC_i = Standard Service Offer Generation Charge for Class i
- AP_i = Blended Competitive Bid Price for Class i
- DL_i = Distribution Losses for Class i, in percentage of power supply
- SAF = Seasonal Application Factor
- CAT = Commercial Activity Tax, in percentage

Rate Template – CEI Formula for period January 1, 2009 to May 31, 2009 (est.)

$$SSOGC_n = [SSOGC_i / (g + RSC + T)_i] \times (g + RSC + T)_n$$

where i is Residential, General Service - Small, or General Service - Large

- SSOGC_n = Standard Service Offer Generation Charge for Rate Block n
- SSOGC_i = Standard Service Offer Generation Charge for Class i
- (g + RSC + T)_i = Overall average generation, RSC, and transmission charge for Class i
- (g + RSC + T)_n = Generation, RSC, and transmission for rate block n

**Competitive Bid Process by Load Class
Rate Template and Reconciliation Mechanism**

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Rate Template - Calculation Examples

Residential Load Class

Assume:

Blended Competitive Bid price	\$60.00 / MWh
Distribution loss percentage	6.28%
CAT rate	0.156%
Winter seasonal application factor	0.885

then,

$60.00 / (1 - .0628) = \$64.02$ Adjusted Competitive Bid Price
times 0.885 Incorporate SAF
times $(1 / (1 - .00156))$ Incorporate CAT
\$ 58.75 per mWh or 5.875¢ per kWh Standard Service Offer Generation Charge (SSOGC)

General Service -Small Load Class

Assume:

Blended Competitive Bid price	\$60.00 / MWh
Distribution loss percentage	6.28%
CAT rate	0.156%
Winter seasonal application factor	0.906

then,

$60.00 / (1 - .0628) = \$64.02$ Adjusted Competitive Bid Price
times 0.906 Incorporate SAF
times $(1 / (1 - .00156))$ Incorporate CAT
\$ 58.09 per mWh or 5.809¢ per kWh Standard Service Offer Generation Charge (SSOGC)

General Service - Large Load Class

Assume:

Blended Competitive Bid price	\$60.00 / MWh
Distribution loss percentage	0.68%
CAT rate	0.156%
Winter seasonal application factor	0.919

then,

$60.00 / (1 - .0068) = \$60.41$ Adjusted Competitive Bid Price
times 0.919 Incorporate SAF
times $(1 / (1 - .00156))$ Incorporate CAT
\$ 55.80 per mWh or 5.580¢ per kWh Standard Service Offer Generation Charge (SSOGC)

**Competitive Bid Process by Load Class
Rate Template and Reconciliation Mechanism**

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Standard Service Offer Generation Charge Reconciliation Mechanism

The Companies, by load class, will recover from customers the total amount of SSO Supply costs, which will be referred to as Standard Service Offer (SSO) Revenue Requirements. The SSO Revenue Requirements are equal to payments to SSO Suppliers for purchased power plus the Companies' costs for providing SSO Generation Service. Costs for providing SSO Generation Service will include: (1) actual expenses necessary to conduct the competitive solicitation less any recovery of these costs in the tranche fees; (2) a working capital adjustment accounting for the fact that revenues received by the Companies for SSO Supply expenses lag the actual payment by the Companies to the SSO Suppliers for such power supply requirements¹; (3) labor and benefit costs for employees managing the Companies' power supply activities and (4) actual uncollectible expense amounts related to SSO Generation Service. SSO Revenues will be reconciled quarterly to recover or refund the difference between SSO Revenue Requirements and the revenues (excluding revenues related to recovery of the Commercial Activity Tax and interest) from SSO customers. The over/under recovery, calculated on a load class basis, will be collected or refunded two months later through a Standard Service Offer Generation Charge (SSOGC) Reconciliation Rider, Rider GEN-R.

The reconciliation will be done on a quarterly basis by load class and the first reconciliation amount will be based on the first three months of 2009. The reconciliation amount will be billed to SSO customers via Rider GEN-R beginning sixty days after the end of the quarter. The difference between SSO Revenue Requirements and the SSO Revenues received, plus interest calculated at the embedded cost of debt, is not determinable for a given quarter until the subsequent month, therefore the SSOGC Reconciliation Charge on Rider GEN-R will be on a two month lag. As a result, the SSOGC Reconciliation Charge will be zero for the period January 1, 2009 through May 31, 2009. The SSOGC Reconciliation Charge will be calculated each quarter in the following manner:

1. Sum the amounts paid to SSO Suppliers² with the Company's costs to provide SSO Generation Service to determine the SSO Revenue Requirement.
2. Sum the SSOGC revenues billed during the revenue month (Billed SSO Revenues).³
3. Calculate applicable Commercial Activity Tax Revenues associated with the SSOGC Revenues.
4. Calculate the interest recovery component of the SSO Revenues.
5. Calculate a preliminary Over/Under Recovery by subtracting the SSO Revenue Requirement from the Billed SSO Revenues (less the Commercial Activity Tax and interest recovery).
6. If there is a phase-in of residential generation rates, the attendant deferred expense and related revenues will be subtracted from the preliminary Over/Under Recovery to calculate the final Over/Under Recovery.
7. On a monthly basis throughout the quarter, calculate the balance subject to interest by adding the previous month's balance (which is equal to the final over/under

¹ If the conversion from current tariff charges for generation service to the SSOGC is implemented on a service rendered basis there will be an additional working capital component consisting of the interest on the difference between the cash outlay for purchased power for January 2009 and the cash received from customers for service rendered in January 2009.

² Payments to SSO Suppliers will exclude the portion of the payment that relates to Street and Traffic Lighting customers as well as special contract accounts.

³ Billed SSO Revenues include only SSO load served by successful competitive solicitation bidders and includes SSOGC revenues as well as any billed GEN-R rider revenues. The billed SSO Revenues would exclude SSOGC revenues from Street and Traffic Lighting customers as well as any generation related revenue for special contract accounts.

**Competitive Bid Process by Load Class
Rate Template and Reconciliation Mechanism**

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- recovery balance plus the interest balance) amount to one half the current month's final over/under recovery.
8. Calculate the applicable interest by multiplying the balance subject to interest by the interest rate divided by 12.
 9. Determine the current month's reconciliation amount by adding the interest to the final over/under recovery for the month.
 10. For each calendar quarter, calculate the reconciliation charge by dividing the current reconciliation amount for the quarter by the forecasted SSO retail kWh excluding street, traffic lighting and special contracts for the quarter for which the reconciliation charge will be in effect and dividing this result by 1 minus the CAT.

The SSOGC Reconciliation Charge calculated in the preceding steps may be a positive or negative value and will be applied to SSO customer kWh usage (excluding street, traffic lighting and special contracts) beginning sixty days after the end of the quarter.

See Table 1 for an example of the SSOGC reconciliation mechanism.

Revenue Variance:

Certain customers will be billed for generation service at a rate different than the SSOGC for their load class which results in the Companies' SSO Generation Service revenue being less than the SSO Revenue Requirements. This includes customers on rate schedules STL and TRF, customers participating in the Optional Load Response Program ("OLRP"), special contract customers, and residential customers if there is a phase-in of residential generation rates. The Companies will recover this difference between revenue and expenses (referred to as revenue variance) from all customers, excluding STL, TRF and special contract customers ("RVR Rider customers"), through Rider RVR.

Rider RVR will recover the revenue variance for customers on rate schedules STL and TRF and the revenue variance for customers participating in the Optional Load Response Program. Rider RVR will also recover 50% of the difference between the revenue received from special contract customers for generation service and the expense incurred in purchasing the electricity. Each company's RVR Rider charge is calculated in two steps. The first step results in the same value for each company and is equal to the aggregated revenue variance (excluding the special contract variance) of the three companies divided by the estimated aggregated retail kWh of RVR Rider customers. The second step adds a component that is equal to an individual company's special contract variance divided by the estimated retail kWh of the individual company's RVR Rider customers. If there is a residential phase-in, there will be a third component of the RVR Rider charge to recover the deferred amounts and applicable interest.

This rider will be updated annually, to be effective each June 1 and will include a reconciliation component. This reconciliation is for the sole purpose of reconciling recovery under the estimated Rider RVR value and the actual revenue variance.

**Competitive Bid Process by Load Class
Rate Template and Reconciliation Mechanism**

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An example of the calculation of Rider RVR is shown below¹:

RVR Sample Calculation (Illustrative)

STL & TRF Revenue Variance

Retail mWh	CEI	170,325
	OE	150,091
	TE	<u>52,367</u>
	Total	372,783

Total mWh	372,783
Estimated Price (\$/mWh)	<u>\$ 30.00</u> ²
STL & TRF Revenue	\$ 11,183,489
SSOGC Equivalent Price	\$ 64.12 ²
SSOGC Equivalent Revenue	\$ 23,902,844
STL & TRF Revenue Variance	\$ 12,719,355

**Retail mWh paying for the STL & TRF
Revenue Variance**

53,558,103	mWh
\$ 0.24	RVR Factor per mWh (STL & TRF Component)

Optional Load Response Program Revenue Variance:

**Retail mWh paying for the OLRP
Revenue Variance**

53,558,103	mWh
OLRP Revenue Variance	≈ \$ 10,000,000
\$ 0.19	RVR Factor per mWh (OLRP Component)

CEI Contracts Revenue Variance in Total:

CEI Extended Contracts Rev.	\$ 83,293,444
SSOGC Equivalent Revenue	\$ 173,858,202
CEI Ext. Contracts Rev. Variance	\$ 90,564,758
50% of Contract Rev. Variance	\$ 45,282,379

**Retail mWh for CEI RVR Rider
customers**

16,891,139	mWh
\$ 2.68	RVR Factor per mWh (CEI Special Contract Component)

¹ The example is illustrative only. While not specifically shown in the example, Rider RVR will include a reconciliation component which recovers or refunds the difference between actual revenue recovery for the revenue variance and the actual revenue variance.

² As indicated in Rider GEN, there is no seasonal component for the \$30/mWh charge. For illustrative purposes therefore, no seasonal component is built into this illustrative example.

TABLE 1

ILLUSTRATIVE EXAMPLE
Competitive Bid Process by Load Class
Reconciliation Mechanism
Sample Residential Calculation of Reconciliation Rider

	Jan-09	Feb-09	Mar-09	Reconciliation 1	Apr-09	May-09	Jun-09	Reconciliation 2
1 Projected \$50 Revenue Month kWh (Excluding STL, TRF, Special Contracts, and HPS rider customers)	1,753,000,000	1,527,000,000	1,463,000,000	4,743,000,000	1,248,000,000	1,214,000,000	1,470,000,000	3,941,000,000
2 Actual \$50 Month kWh (Excluding STL, TRF, Special Contracts, and HPS rider customers)	1,753,000,000	1,527,000,000	1,463,000,000	4,743,000,000	1,248,000,000	1,214,000,000	1,470,000,000	3,941,000,000
3 Payment to Supplier From Invoice	\$101,356,469	\$88,281,923	\$84,585,310	\$274,263,701	\$72,125,495	\$70,204,552	\$119,881,452	\$282,281,500
4 Program Costs	\$10,000	\$10,000	\$10,000	\$30,000	\$10,000	\$10,000	\$10,000	\$30,000
5 Total \$50 Revenue Requirements	\$101,366,469	\$88,291,923	\$84,595,310	\$274,293,701	\$72,135,495	\$70,214,552	\$119,891,452	\$282,311,500
6 Billed SSCOC Revenue from Report of Electric Sales (Excl RVR Rider)	\$88,401,283	\$88,657,336	\$83,038,366	\$283,157,180	\$70,788,223	\$68,912,630	\$125,922,931	\$285,633,834
7 GEN-R Rider Revenue	\$3	\$3	\$3	\$3	\$3	\$3	\$1,720,989	\$1,720,989
8 Commercial Activity Tax	\$165,208	\$136,186	\$128,540	\$419,932	\$110,446	\$107,504	\$199,125	\$417,074
9 Interest Recovery	\$3	\$3	\$3	\$3	\$3	\$3	\$13,344	\$13,344
10 SSCOC Recovery	\$89,336,074	\$88,522,150	\$82,908,024	\$288,767,248	\$70,687,778	\$68,265,126	\$127,431,502	\$288,824,406
11 Preliminary Over (Under) Recovery	(\$2,030,385)	(\$1,769,773)	(\$1,606,285)	(\$5,498,453)	(\$1,447,718)	(\$1,409,426)	\$7,470,858	\$4,812,507
12 Residential Deferral	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
13 Final Over (Under) Recovery	(\$2,030,385)	(\$1,769,773)	(\$1,606,285)	(\$5,498,453)	(\$1,447,718)	(\$1,409,426)	\$7,470,858	\$4,812,507
14 Cumulative Final Over (Under) Recovery	(\$2,030,385)	(\$3,800,157)	(\$5,406,453)	(\$5,406,453)	(\$6,854,170)	(\$8,263,596)	(\$833,548)	\$4,812,507
15 Balance Subject to Interest	(\$1,015,197)	(\$2,820,357)	(\$4,667,988)	(\$8,603,542)	(\$9,263,329)	(\$7,723,216)	(\$4,731,522)	(\$8,718,068)
16 Interest	\$4,076	\$14,602	\$28,540	\$43,018	\$31,317	\$38,676	\$23,558	\$99,590
17 Cumulative Interest	\$4,076	\$19,678	\$48,218	\$91,236	\$122,553	\$161,229	\$184,787	\$284,377
18 Current Month's Reconciliation Amount	(\$2,030,471)	(\$1,784,374)	(\$1,719,529)	(\$5,533,470)	(\$1,479,034)	(\$1,441,545)	\$7,446,333	\$4,812,516
19 SSCOC Reconciliation Charge on Rider GEN-R				\$0,001,164				(\$8,001,155)
20 Interest Charge (Included in Reconciliation Charge)				\$0,000,009				\$0,000,004
21 Embedded Cost of Debt								
22 Commercial Activity Tax Rate								
23								
24								
25								
26								
27								
28								
29								
30								
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32								
33								
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35								

TABLE 1

ILLUSTRATIVE EXAMPLE
Competitive Bid Process by Load Class
Reconciliation Mechanism
Sample Residential Calculation of Reconciliation Rider

	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Reconciliation 4
1 Projected SSO Revenue Month kWh (Excluding STL, TRF, Special Contracts, and HPS rider customers)	1,708,000,000	1,680,000,000	1,245,000,000	1,285,000,000	1,394,000,000	1,688,000,000	4,387,000,000
2							
3							
4							
5 Actual SSO Month kWh (Excluding STL, TRF, Special Contracts, and HPS rider customers)	1,709,479,000	1,579,490,870	1,244,980,950	1,284,381,710	1,383,623,190	1,697,609,680	4,365,494,580
6							
7							
8 Payment to Supplier From Invoice	\$138,632,605	\$128,118,754	\$71,972,970	\$74,243,811	\$79,987,945	\$98,130,663	\$252,321,422
9 Program Costs	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$30,000
10 Total SSO Revenue Requirements	\$138,672,605	\$128,128,754	\$71,982,970	\$74,253,811	\$79,997,945	\$98,140,663	\$252,401,422
11							
12 Billed SSO/C Revenue from Report of Electric Sales (Excl. ROR Rider)	\$145,985,600	\$134,496,879	\$70,048,505	\$72,877,557	\$78,515,985	\$98,333,671	\$247,721,217
13 GEN-R Rider Revenue	\$1,988,621	\$1,838,515	\$91,438,790	\$51,486,040	\$51,690,589	\$54,966,144	\$7,672,731
14 Commercial Activity Tax	\$230,185	\$212,583	\$107,866	\$111,371	\$119,989	\$143,128	\$374,489
15 Interest Recovery	\$15,513	\$14,283	\$29,770	\$30,727	\$33,094	\$40,502	\$104,422
16 SSO Cost Recovery	\$147,308,648	\$136,108,431	\$69,070,979	\$71,249,411	\$76,762,368	\$91,563,788	\$238,578,576
17							
18 Preliminary Over (Under) Recovery	\$8,636,042	\$7,978,968	(\$2,911,952)	\$13,703,743	(\$3,235,579)	(\$8,365,864)	(\$12,875,844)
19 Residential Deferral	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20 Final Over (Under) Recovery	\$8,636,042	\$7,978,968	(\$2,911,952)	\$13,703,743	(\$3,235,579)	(\$8,365,864)	(\$12,875,844)
21 Cumulative Final Over (Under) Recovery	\$7,762,497	\$15,742,194	\$12,820,263	\$9,815,808	\$6,580,229	(\$5,841)	
22							
23 Balance Subject to Interest	\$3,297,967	\$11,699,248	\$14,065,155	\$11,038,633	\$7,861,460	\$2,911,431	\$21,209,626
24 Interest	\$14,489	\$57,948	\$70,326	\$55,183	\$29,387	\$14,957	\$109,043
25 Cumulative Interest	\$163,097	\$211,044	\$281,269	\$336,553	\$375,940	\$390,417	
26							
27 Current Month's Reconciliation Amount	\$3,619,353	\$7,921,762	(\$2,862,317)	(\$3,059,583)	(\$3,274,987)	(\$6,000,421)	(\$12,861,391)
28 SSO/C Reconciliation Charge on Rider GEN-R							\$0.000000
29 Interest Charge (Included in Reconciliation Charge)							\$0.000000
30							
31							
32							
33							
34							
35							

Embedded Cost of Debt
Commercial Activity Tax Rate

6.00%
0.199%

EXHIBIT DWG-4

EXCERPT FROM FIRSTENERGY CASE NO. 07-796-EL-ATA: EXHIBIT C2

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 1 of 11

Introduction

This document provides a description of the manner in which the Blended Competitive Bid Price is converted into a retail rate (Rate Template) and the methodology for determining a Reconciliation Mechanism. The methodologies described are generally applicable to each of the three Ohio operating companies, Ohio Edison (OE), Toledo Edison (TE) and Cleveland Electric Illuminating (CEI), except, as further discussed below. A Rate Template unique to CEI is necessary for the period January 1, 2009 until the time there is full recovery of Regulatory Transition Charges.

OE, TE and CEI will implement retail tariffs, developed through the Rate Template, that will recover the Standard Service Offer (SSO) Revenue Requirements. SSO Revenue Requirements are equal to the payments to SSO suppliers for purchased power plus the Companies' costs for providing SSO Generation Service.

A reconciliation rider will be implemented to ensure that the Companies recover the amount of the Companies' SSO Revenue Requirements. Under the terms of the reconciliation rider, revenues received by OE, TE and CEI to cover SSO Revenue Requirements will be reconciled quarterly to recover or refund the difference, including appropriate interest, between the Companies' SSO Revenue Requirements and revenues received from SSO customers during the quarterly reconciliation period.¹

A subgroup of customers will be handled separately under this alternative, which introduces the need for an additional rider. Details related to this are included in the Revenue Variance section of Exhibit C-2.

Tariffs associated with the Slice of System Competitive Bid Process Rate Templates and Reconciliation Mechanisms are contained in Exhibit D-2.

Rate Template - General

The Rate Template is used to convert the Blended Competitive Bid Price to a retail rate, which will be referred to as the Standard Service Offer Generation Charge (SSOGC). The solicitations in the Competitive Bid Process for generation supply will result in twelve different clearing prices. The clearing prices will be averaged using the number of tranches purchased at each price as weights to obtain a Blended Competitive Bid Price. The SSOGC for each load class (SSO Load Class Charge) will be determined by multiplying the Blended Competitive Bid Price by a factor based on the ratio of each load class' historical average SSO Generation and Transmission Rate to the average of all historical SSO Generation and Transmission Rates, with all rates converted to a wholesale equivalent. These load class results will be referred to as the Class Allocation Factors (CAF) which are shown below.

RS	=	1.000
GS	=	1.252
GP	=	0.900
GSU	=	0.800
GT	=	0.769

¹ SSO Revenues, also referred to as SSO Generation Service revenues, include revenues from the SSOGC as well as the reconciliation rider, Rider GEN-R, and will be adjusted to exclude revenues for the Commercial Activity Tax (CAT) and interest.

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 2 of 11

After the application of the CAF, the results are adjusted to account for distribution losses by dividing by 1 minus the appropriate distribution loss factor, in percentage of power supply. The class specific result will then be adjusted to incorporate the Seasonal Application Factor (SAF), and in addition, if appropriate, the Time-Of-Day Application Factor (TAF), as well as the Commercial Activity Tax (CAT) to arrive at the SSOGC. There is a temporary modification to this process for CEI which is described in the Rate Template - CEI section below.

The SAF for each load class is as follows:

	<u>Seasonal Application Factor</u>	
	<u>Summer</u>	<u>Winter</u>
RS	1.328	0.885
GS, POL	1.251	0.906
GP	1.231	0.917
GSU	1.230	0.909
GT	1.208	0.925

For qualifying customers, there will be a Time-of-Day option available. Customers served under this option will have an SSOGC that, in addition to the SAF, incorporates a Time-of-Day Application Factor (TAF). The TAF for each class is as follows:

	<u>Time-Of-Day Application Factor</u>			
	<u>On-Peak</u>		<u>Off-Peak</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
RS	1.316	1.281	0.659	0.731
GS, POL	1.282	1.237	0.612	0.688
GP	1.321	1.266	0.624	0.694
GSU	1.331	1.273	0.627	0.700
GT	1.358	1.298	0.650	0.710

On-Peak time shall be 6:00 a.m. to 10:00 p.m. EST, Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours.

Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.I.

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 3 of 11

Rate Template - CEI for the period January 1, 2009 to May 31, 2009 (est.)

For the period January 1, 2009 until approximately May 31, 2009, the SSOGC for CEI will be calculated by individual rate block. This modification is necessary because CEI's current tariffs will extend until all Regulatory Transition Costs are recovered¹. The individual current tariff generation, rate stabilization, and transmission charges for each rate block will be summed. The results will be multiplied by the ratio of the Adjusted Competitive Bid Price, adjusted for Seasonal Application Factors and Commercial Activity Tax (CAT), to the overall average generation and Rate Stabilization Charge (RSC), by season, in cents per kWh.

Rate Template - Formula:

Below are Rate Template Formulas used to develop the SSOGC:

$SSOGC_i = \{[(AP \times CAF_i) / (1 - DL_i)] \times SAF\} \times [1 / (1 - CAT)]$, rounded to the fifth decimal place.

SSOGC _i	=	Standard Service Offer Generation Charge for Class i
AP	=	Blended Competitive Bid Price
DL _i	=	Distribution Losses for Class i, in percentage of power supply
CAF _i	=	Class Allocation Factor for Class i
SAF	=	Seasonal Application Factor for Class i
CAT	=	Commercial Activity Tax, in percentage, for Class i

Rate Template – CEI Formula for period January 1, 2009 to May 31, 2009 (est.)

$SSOGC_n = [SSOGC_i / (g + RSC + T)_i] \times (g + RSC + T)_n$

SSOGC _n	=	Standard Service Offer Generation Charge for Rate Block n
SSOGC _i	=	Standard Service Offer Generation Charge for Class i
$(g + RSC + T)_i$	=	Overall average generation, RSC, and transmission charge for Class i
$(g + RSC + T)_n$	=	Generation, RSC, and transmission for rate block n

¹ This recovery is expected to be complete by May 31, 2009. Refer to paragraph 5 of the Companies' Application filed September 9, 2005 in Case No. 05-1125-EL-ATA.

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 4 of 11

Rate Template - Calculation Examples

RS Load Class

Assume:

Blended Competitive Bid price	\$60.00 / MWh
CAF	1.000
Distribution loss percentage	6.28%
CAT rate	0.156%
Winter seasonal application factor	0.885

then,

$[(60.00 \times 1.000) / (1 - 0.0628)] = \64.02 Adjusted Competitive Bid Price
times 0.885 Incorporate SAF
times $(1 / (1 - 0.00156))$ Incorporate CAT
\$56.75 per mWh or 5.675¢ per kWh Standard Service Offer Generation Charge (SSOGC)

GS, POL Load Classes

Assume:

Blended Competitive Bid price	\$60.00 / mWh
CAF	1.252
Distribution loss percentage	6.28%
CAT rate	0.156%
Winter seasonal application factor	0.906

then,

$[(60.00 \times 1.252) / (1 - 0.0628)] = \80.15 Adjusted Competitive Bid Price
times 0.906 Incorporate SAF
times $(1 / (1 - 0.00156))$ Incorporate CAT
\$72.73 per mWh or 7.273¢ per kWh Standard Service Offer Generation Charge (SSOGC)

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 5 of 11

Rate Template - Calculation Examples (Cont'd)

GP Load Class

Assume:

Blended Competitive Bid price	\$60.00 / mWh
CAF	0.900
Distribution loss percentage	2.91%
CAT rate	0.156%
Winter seasonal application factor	0.917

then,

$[(60.00 \times 0.900) / (1 - 0.0291)] = \55.62 Adjusted Competitive Bid Price
times 0.917 Incorporate SAF
times $(1 / (1 - 0.00156))$ Incorporate CAT
\$51.08 per mWh or 5.108¢ per kWh Standard Service Offer Generation Charge (SSOGC)

GSU Load Class

Assume:

Blended Competitive Bid price	\$60.00 / mWh
CAF	0.800
Distribution loss percentage	0.10%
CAT rate	0.156%
Winter seasonal application factor	0.909

then,

$[(60.00 \times 0.800) / (1 - 0.0010)] = \48.05 Adjusted Competitive Bid Price
times 0.909 Incorporate SAF
times $(1 / (1 - 0.00156))$ Incorporate CAT
\$43.74 per mWh or 4.374¢ per kWh Standard Service Offer Generation Charge (SSOGC)

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 6 of 11

Rate Template - Calculation Examples (Cont'd)

GT Load Class

Assume:

Blended Competitive Bid price	\$60.00 / mWh
CAF	0.769
Distribution loss percentage	0.00%
CAT rate	0.156%
Winter seasonal application factor	0.925

then,

$[(60.00 \times 0.769) / (1 - 0.000)] = \46.14 Adjusted Competitive Bid Price
times 0.925 Incorporate SAF
times $(1 / (1 - 0.00156))$ Incorporate CAT
\$42.75 per mWh or 4.275¢ per kWh Standard Service Offer Generation Charge (SSOGC)

Standard Service Offer Generation Charge Reconciliation Mechanism

The Companies, in aggregate, will recover from customers the total amount of SSO Supply costs which will be referred to as Standard Service Offer (SSO) Revenue Requirements. The SSO Revenue Requirements are equal to payments to SSO Suppliers for purchased power plus the Companies' costs for providing SSO Generation Service. Costs for providing SSO Generation Service will include: (1) actual expenses necessary to conduct the competitive solicitation less any recovery of these costs in the tranche fees; (2) a working capital adjustment accounting for the fact that revenues received by the Companies for SSO Supply expenses lag the actual payment by the Companies to the SSO Suppliers for such power supply requirements¹; (3) labor and benefit costs for employees managing the Companies' power supply activities and (4) actual uncollectible expense amounts related to SSO Generation Service. SSO Revenues will be reconciled quarterly to recover or refund the difference between SSO Revenue Requirements and the revenues (excluding revenues related to recovery of the Commercial Activity Tax and interest) from SSO customers. The over/under recovery will be collected or refunded two months later through a Standard Service Offer Generation Charge (SSOGC) Reconciliation Rider, Rider GEN-R.

The reconciliation will be done on a quarterly basis and the first reconciliation amount will be based on the first three months of 2009. The reconciliation amount will be billed to SSO customers via Rider GEN-R beginning sixty days after the end of the quarter. The difference between SSO Revenue Requirements and the SSO Revenues received, plus interest calculated at the embedded cost of debt, is not determinable for a given quarter until the subsequent month, therefore the SSOGC Reconciliation Charge on Rider GEN-R will be on a two month lag. As a result, the SSOGC Reconciliation Charge will be zero for the period January 1, 2009

¹ If the conversion from current tariff charges for generation service to the SSOGC is implemented on a service rendered basis there will be an additional working capital component consisting of the interest on the difference between the cash outlay for purchased power for January 2009 and the cash received from customers for service rendered in January 2009.

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 7 of 11

through May 31, 2009. The SSOGC Reconciliation Charge will be calculated each quarter in the following manner:

1. Sum the amounts paid to SSO Suppliers¹ with the Company's costs to provide SSO Generation Service to determine the SSO Revenue Requirement.
2. Sum the SSOGC revenues billed during the revenue month (Billed SSO Revenues).²
3. Calculate applicable Commercial Activity Tax Revenues associated with the SSOGC Revenues.
4. Calculate the interest recovery component of the SSO Revenues.
5. Calculate a preliminary Over/Under Recovery by subtracting the SSO Revenue Requirement from the Billed SSO Revenues (less the Commercial Activity Tax and interest recovery).
6. If there is a phase-in of residential generation rates, the attendant deferred expense and related revenues will be subtracted from the preliminary Over/Under Recovery to calculate the final Over/Under Recovery.
7. On a monthly basis throughout the quarter, calculate the balance subject to interest by adding the previous month's balance (which is equal to the final over/under recovery balance plus the interest balance) amount to one half the current month's final over/under recovery.
8. Calculate the applicable interest by multiplying the balance subject to interest by the interest rate divided by 12.
9. Determine the current month's reconciliation amount by adding the interest to the final over/under recovery for the month.
10. For each calendar quarter, calculate the reconciliation charge by dividing the current reconciliation amount for the quarter by the forecasted SSO retail kWh excluding street, traffic lighting and special contracts for the quarter for which the reconciliation charge will be in effect and dividing this result by 1 minus the CAT.

The SSOGC Reconciliation Charge calculated in the preceding steps may be a positive or negative value and will be applied to SSO customer kWh usage (excluding street, traffic lighting and special contracts) beginning sixty days after the end of the quarter.

See Table 1 for an example of the SSOGC reconciliation mechanism.

¹ Payments to SSO Suppliers will exclude the portion of the payment that relates to Street and Traffic Lighting customers as well as special contract accounts.

² Billed SSO Revenues include only SSO load served by successful competitive solicitation bidders and includes SSOGC revenues as well as any billed GEN-R rider revenues. The billed SSO Revenues would exclude SSOGC revenues from Street and Traffic Lighting customers as well as any generation related revenue for special contract accounts.

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 8 of 11

Revenue Variance

Certain customers will be billed for generation service at a rate different than the SSOGC for their load class which results in the Companies' SSO Generation Service revenue being less than the SSO Revenue Requirements. This includes customers on rate schedules STL and TRF, customers participating in the Optional Load Response Program ("OLRP"), special contract customers, and residential customers if there is a phase-in of residential generation rates. The Companies will recover this difference between revenue and expenses (referred to as revenue variance) from all customers, excluding STL, TRF and special contract customers ("RVR Rider customers"), through Rider RVR.

Rider RVR will recover the revenue variance for customers on rate schedules STL and TRF and the revenue variance for customers participating in the Optional Load Response Program. Rider RVR will also recover 50% of the difference between the revenue received from special contract customers for generation service and the expense incurred in purchasing the electricity. Each company's RVR Rider charge is calculated in two steps. The first step results in the same value for each company and is equal to the aggregated revenue variance (excluding any special contract variance) of the three companies divided by the estimated aggregated retail kWh of RVR Rider customers. The second step adds a component that is equal to an individual company's special contract variance divided by the estimated retail kWh of the individual company's RVR Rider customers. If there is a residential phase-in, there will be a third component of the RVR Rider charge to recover the deferred amounts and applicable interest.

This rider will be updated annually, to be effective each June 1 and will include a reconciliation component. This reconciliation is for the sole purpose of reconciling recovery under the estimated Rider RVR value and the actual revenue variance.

**Slice Of System Competitive Bid Process
Rate Template and Reconciliation Mechanism**

Exhibit C2
Page 9 of 11

An example of the calculation of Rider RVR is shown below¹:

RVR Sample Calculation (Illustrative)

STL & TRF Revenue Variance

Retail mWh	CEI	170,325
	OE	150,091
	TE	<u>52,367</u>
	Total	372,783

Total mWh	372,783
Estimated Price (\$/mWh)	<u>\$ 30.00</u> ²
STL & TRF Revenue	\$ 11,183,489

SSOGC Equivalent Price	\$ 80.28 ²
SSOGC Equivalent Revenue	\$ 29,927,017
STL & TRF Revenue Variance	\$ 18,743,528

**Retail mWh paying for the STL & TRF
Revenue Variance**

53,556,103	mWh
\$ 0.35	RVR Factor per mWh (STL & TRF Component)

Optional Load Response Program Revenue Variance:

**Retail mWh paying for the Revenue
Variance**

53,556,103	mWh
OLRP Revenue Variance	≈ \$ 10,000,000
\$ 0.19	RVR Factor per mWh (OLRP Component)

CEI Contracts Revenue Variance in Total:

CEI Extended Contracts Rev.	\$ 83,293,444
SSOGC Equivalent Revenue	\$ 136,950,480
CEI Ext. Contracts Rev. Variance	\$ 53,657,036
50% of Contract Rev. Variance	\$ 26,828,518

**Retail mWh for CEI RVR Rider
customers**

16,891,139	mWh
\$ 1.59	RVR Factor per mWh (CEI Special Contract Component)

¹ The example is illustrative only. While not specifically shown in the example, Rider RVR will include a reconciliation component which recovers or refunds the difference between actual revenue recovery for the revenue variance and the actual revenue variance.

² As indicated in Rider GEN, there is no seasonal component for the \$30/mWh charge. For illustrative purposes therefore, no seasonal component is built into this illustrative example.

ILLUSTRATIVE EXAMPLE
Slice Of System Competitive Bid Process
Reconciliation Mechanism

TABLE 1

	Jan-09	Feb-09	Mar-09	Reconciliation 1	Apr-09	May-09	Jun-09	Reconciliation 2
1 Projected SSO Revenue Month with (Excluding STL, TRF, Special Contracts, and HPS rider customers)	3,673,000,000	3,365,000,000	3,654,000,000	10,682,000,000	3,608,000,000	3,534,000,000	3,753,300,000	10,698,000,000
2								
3								
4								
5 Actual SSO Month with (Excluding STL, TRF, Special Contracts, and HPS rider customers)	3,672,836,240	3,365,118,630	3,654,488,900	10,682,443,770	3,509,479,860	3,633,900,960	3,752,874,460	10,696,259,270
6								
7								
8 Payments to Supplier From Invoice	\$208,598,060	\$199,250,388	\$205,324,217	\$801,330,634	\$198,129,651	\$205,154,063	\$237,275,843	\$700,556,577
9 Program Costs	\$10,000	\$10,000	\$10,000	\$30,000	\$10,000	\$10,000	\$10,000	\$30,000
10 Total SSO Revenue Requirements	\$208,598,060	\$199,260,388	\$205,334,217	\$801,360,634	\$198,139,651	\$205,164,063	\$237,285,843	\$700,586,577
11								
12 Billed SSOCC Revenue from Report of Electric Sales (Excl RVR Rider)	\$207,806,566	\$199,215,619	\$208,572,470	\$804,387,536	\$198,376,735	\$205,408,863	\$237,645,072	\$701,426,700
13 GEN-R Rids: Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 Commercial Activity Tax	\$323,871	\$298,738	\$322,253	\$942,860	\$309,466	\$323,436	\$363,997	\$663,992
15 Interest Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16 SSO Cost Recovery	\$207,285,695	\$199,218,863	\$208,250,217	\$803,454,796	\$198,066,270	\$205,098,456	\$236,463,015	\$699,647,738
17								
18 Preliminary Over (Under) Recovery	\$719,646	\$668,514	\$716,001	\$2,094,161	\$79,861	\$75,628	\$782,828	\$941,838
19 Residential Deferral	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20 Final Over (Under) Recovery	\$719,646	\$668,514	\$716,001	\$2,094,161	\$79,861	\$75,628	\$782,828	\$941,838
21 Cumulative Final Over (Under) Recovery	\$719,646	\$1,378,160	\$2,094,161		\$2,030,790	\$1,946,161	\$1,162,323	
22								
23 Balance Subject to Interest	\$359,823	\$1,050,792	\$1,743,213	\$3,163,736	\$2,073,239	\$2,009,100	\$1,594,918	\$5,667,257
24 Interest	(\$1,799)	(\$5,254)	(\$3,716)	(\$16,769)	(\$10,366)	(\$19,046)	(\$7,965)	(\$28,336)
25 Cumulative Interest	(\$1,799)	(\$7,053)	(\$15,769)		(\$26,135)	(\$35,180)	(\$44,105)	
26								
27 Current Month's Reconciliation Amount	\$721,445	\$663,758	\$724,717	\$2,109,930	(\$63,015)	(\$85,583)	(\$784,904)	(\$913,302)
28 SSOCC Reconciliation Charge on Rider GEN-R				(\$0,000,000)				\$0,000,000
29 Interest Charge (Included in Reconciliation Charge)				(\$0,000,000)				\$0,000,000
30								
31								
32								
33								
34								
35								

Embedded Cost of Debt 6.00%
Commercial Activity Tax Rate 0.156%

EXHIBIT DWG-5

EXCERPT FROM FIRSTENERGY CASE NO. 07-796-EL-ATA: SELECTED RIDERS

Slice Of System Competitive Bid Process

Exhibit D-2

Ohio Edison Company

Original Sheet 88

Akron, Ohio

P.U.C.O. No. 11

Page 1 of 1

RIDER GEN Generation Rider

APPLICABILITY:

Applicable to any customer that takes electric service under the Company's Rate Schedules RS, GS, STL, TRF, GP, GSU or GT from the Company. The following Standard Service Offer Generation Charges (SSOGC) by rate schedule, will apply, effective for bills rendered with the first billing portion in January 2009, for all kWhs per kWh:

	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢
GS, POL, STL, TRF	x.xxx ¢	x.xxx ¢
GP	x.xxx ¢	x.xxx ¢
GSU	x.xxx ¢	x.xxx ¢
GT	x.xxx ¢	x.xxx ¢

Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.I.

TIME-OF-DAY OPTION:

For customers with the appropriate qualifying metering and who elect to be served under the Time-Of-Day Option, the SSOGC by rate schedule, will be as shown below, for all kWhs, per kWh:

	<u>On-Peak</u>		<u>Off-Peak</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GS, POL	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GP	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GSU	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GT	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢

On-Peak time shall be 6:00 a.m. to 10:00 p.m. EST, Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours. Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.I.

LIGHTING PROVISION:

For customers served under the Street Lighting (Rate STL) or Traffic Lighting (Rate TRF) schedules, the SSOGC shall be the SSOGC or 3.000 ¢, whichever is less, per kWh, for all kWhs. The STL and TRF accounts of customers who are members of an opt-out governmental aggregation program are not eligible for this special pricing provision.

Avoidable Charges:

Customers who receive generation service from a competitive retail electric service provider shall avoid the lesser of (i) charges otherwise applicable under this Rider or (ii) the following table for all kWh, per kWh:

	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢
GS, POL, STL, TRF	x.xxx ¢	x.xxx ¢
GP, GSU, GT	x.xxx ¢	x.xxx ¢

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Exhibit D-2

The Toledo Edison Company

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Toledo, Ohio

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RIDER GEN Generation Rider

APPLICABILITY:

Applicable to any customer that takes electric service under the Company's Rate Schedules RS, GS, STL, TRF, GP, GSU or GT from the Company. The following Standard Service Offer Generation Charges (SSOGC) by rate schedule, will apply, effective for bills rendered with the first billing portion in January 2009, for all kWhs per kWh:

	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢
GS, POL, STL, TRF	x.xxx ¢	x.xxx ¢
GP	x.xxx ¢	x.xxx ¢
GSU	x.xxx ¢	x.xxx ¢
GT	x.xxx ¢	x.xxx ¢

Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.1.

TIME-OF-DAY OPTION:

For customers with the appropriate qualifying metering and who elect to be served under the Time-Of-Day Option, the SSOGC by rate schedule, will be as shown below, for all kWhs, per kWh:

	<u>On-Peak</u>		<u>Off-Peak</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GS, POL	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GP	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GSU	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GT	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢

On-Peak time shall be 6:00 a.m. to 10:00 p.m. EST, Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours. Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.1.

LIGHTING PROVISION:

For customers served under the Street Lighting (Rate STL) or Traffic Lighting (Rate TRF) schedules, the SSOGC shall be the SSOGC or 3.000 ¢, whichever is less, per kWh, for all kWhs. The STL and TRF accounts of customers who are members of an opt-out governmental aggregation program are not eligible for this special pricing provision.

Avoidable Charges:

Customers who receive generation service from a competitive retail electric service provider shall avoid the lesser of (i) charges otherwise applicable under this Rider or (ii) the following table for all kWh, per kWh:

	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢
GS, POL, STL, TRF	x.xxx ¢	x.xxx ¢
GP, GSU, GT	x.xxx ¢	x.xxx ¢

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

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Exhibit D-2

The Cleveland Electric Illuminating Company
Cleveland, Ohio

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RIDER GEN Generation Rider

APPLICABILITY:

Applicable to any customer that takes electric service under the Company's Rate Schedules RS, GS STL, TRF, GP, GSU or GT from the Company. The following Standard Service Offer Generation Charges (SSOGC) by rate schedule, will apply, effective for bills rendered after all Regulatory Transition Costs have been recovered, (approximately May, 2009) with the first billing portion thereafter, for all kWhs per kWh:

	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢
GS, POL, STL, TRF	x.xxx ¢	x.xxx ¢
GP	x.xxx ¢	x.xxx ¢
GSU	x.xxx ¢	x.xxx ¢
GT	x.xxx ¢	x.xxx ¢

Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.I.

TIME-OF-DAY OPTION:

For customers with the appropriate qualifying metering and who elect to be served under the Time-Of-Day Option, the SSOGC by rate schedule, will be as shown below, for all kWhs, per kWh:

	<u>On-Peak</u>		<u>Off-Peak</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GS, POL	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GP	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GSU	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢
GT	x.xxx ¢	x.xxx ¢	x.xxx ¢	x.xxx ¢

On-Peak time shall be 6:00 a.m. to 10:00 p.m. EST, Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours. Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.I.

LIGHTING PROVISION:

For customers served under the Street Lighting (Rate STL) or Traffic Lighting (Rate TRF) schedules, the SSOGC shall be the SSOGC or 3.000 ¢, whichever is less, per kWh, for all kWhs. The STL and TRF accounts of customers who are members of an opt-out governmental aggregation program are not eligible for this special pricing provision.

Avoidable Charges:

Customers who receive generation service from a competitive retail electric service provider shall avoid the lesser of (i) charges otherwise applicable under this Rider or (ii) the following table for all kWh, per kWh:

	<u>Summer</u>	<u>Winter</u>
RS	x.xxx ¢	x.xxx ¢
GS, POL, STL, TRF	x.xxx ¢	x.xxx ¢
GP, GSU, GT	x.xxx ¢	x.xxx ¢

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Exhibit D-2

The Cleveland Electric Illuminating Company
Cleveland, Ohio

P.U.C.O. No. 13

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RIDER GEN Generation Rider

APPLICABILITY:

Applicable to any customer that takes electric service from the Company under the Rate Schedules listed below. The following Standard Service Offer Generation Charges (SSOGC) by rate schedule, by rate block, will apply, effective for bills rendered with the first billing portion in January 2009, for all kWhs per kWh, and will remain in effect until all Regulatory Transition Costs have been recovered, (approximately May, 2009):

	(A)	(B)
Residential Apt. With Water Heating Schedule	SSOGC	
<u>Energy Charges</u>		
<i>Winter</i>		
First 300 kWh	x.xxx ¢	x.xxx ¢
Next 300 kWh	x.xxx ¢	x.xxx ¢
Next 1400 kWh	x.xxx ¢	x.xxx ¢
Next 300 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 300 kWh	x.xxx ¢	x.xxx ¢
Next 300 kWh	x.xxx ¢	x.xxx ¢
Next 1400 kWh	x.xxx ¢	x.xxx ¢
Next 300 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Residential Apt. Excluding Water Heating Schedule	SSOGC	
<u>Energy Charges</u>		
<i>Winter</i>		
First 300 kWh	x.xxx ¢	x.xxx ¢
Next 300 kWh	x.xxx ¢	x.xxx ¢
Next 1400 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 300 kWh	x.xxx ¢	x.xxx ¢
Next 300 kWh	x.xxx ¢	x.xxx ¢
Next 1400 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢

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RIDER GEN Generation Rider

	(A) SSOGC	(B)
Residential Schedule		
<u>Energy Charges</u>		
<i>Winter</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 500 kWh	x.xxx ¢	x.xxx ¢
Over 1000 kWh	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 500 kWh	x.xxx ¢	x.xxx ¢
Over 1000 kWh	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢
Residential Water Heating Schedule	SSOGC	
<u>Energy Charges</u>		
<i>Winter</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 500 kWh	x.xxx ¢	x.xxx ¢
Over 1000 kWh	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 500 kWh	x.xxx ¢	x.xxx ¢
Over 1000 kWh	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢
Residential Space and Water Heating Schedule	SSOGC	
<u>Energy Charges</u>		
<i>Winter</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 100 kWh	x.xxx ¢	x.xxx ¢
Next 400 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 100 kWh	x.xxx ¢	x.xxx ¢
Next 400 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢

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RIDER GEN Generation Rider

	(A) SSOGC	(B)
Residential Space Heating Schedule		
<u>Energy Charges</u>		
<i>Winter</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 500 kWh	x.xxx ¢	x.xxx ¢
Over 1000 kWh	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 500 kWh	x.xxx ¢	x.xxx ¢
Over 1000 kWh	x.xxx ¢	x.xxx ¢
All use in excess of 125 kWh per kW (Load Mgmt)	x.xxx ¢	x.xxx ¢
Add-On Heat Pump	SSOGC	
<u>Energy Charges</u>		
<i>Winter</i>		
All kWhs	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
All kWhs	x.xxx ¢	x.xxx ¢
General Commercial Schedule	SSOGC	
<u>Energy Charges</u>		
<i>Winter</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 7000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 7000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Electric Space Conditioning Schedule	SSOGC	
<i>Winter</i>		
All kWhs	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
All kWhs	x.xxx ¢	x.xxx ¢

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RIDER GEN Generation Rider

	(A) SSOGC	(B)
General Service Schedule		
<u>Energy Charges</u>		
<i>Winter</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 4,500 kWh	x.xxx ¢	x.xxx ¢
Next 5,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 500 kWh	x.xxx ¢	x.xxx ¢
Next 4,500 kWh	x.xxx ¢	x.xxx ¢
Next 5,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Small School Schedule	SSOGC	
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 150 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 150 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 150 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 150 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢

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RIDER GEN Generation Rider

	(A) SSOGC	(B)
Large Commercial Schedule		
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 60,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 60,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Small General Service Schedule	SSOGC	
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢

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RIDER GEN **Generation Rider**

	(A)	(B)
All Electric Large General Service Schedule	SSOGC	
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 60,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 60,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Large School Schedule	SSOGC	
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 200 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 200 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 300 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 300 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Outdoor Lighting Schedule	SSOGC	
<u>Energy Charges</u>		
All kWhs	x.xxx ¢	x.xxx ¢

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RIDER GEN Generation Rider

	(A)	(B)
Outdoor Night Lighting Schedule	SSOGC	
<u>Energy Charges</u>		
All kWhs	x.xxx ¢	x.xxx ¢
Street Lighting Schedule		
<u>Energy Charges</u>		
All kWhs	x.xxx ¢	x.xxx ¢
Traffic Lighting Schedule		
<u>Energy Charges</u>		
All kWhs	x.xxx ¢	x.xxx ¢
Process Heating Schedule	SSOGC	
<u>Energy Charges</u>		
<i>Winter</i>		
First 140 kWh per kW of billing demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 140 kWh per kW of billing demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Industrial Schedule	SSOGC	
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 80,000 kWh	x.xxx ¢	x.xxx ¢
Next 200 kWh per kWd, not less than 400,000 kWh	x.xxx ¢	x.xxx ¢
Next 200 kWh per kWd	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 80,000 kWh	x.xxx ¢	x.xxx ¢
Next 200 kWh per kWd, not less than 400,000 kWh	x.xxx ¢	x.xxx ¢
Next 200 kWh per kWd	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢

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RIDER GEN Generation Rider

	(A)	(B)
Medium General Service Schedule	SSOGC	
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 200 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 200 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 200 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Low Load Factor Schedule	SSOGC	
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 50 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
MIN Customer Demand (Year Round)	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 60,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 40,000 kWh	x.xxx ¢	x.xxx ¢
Next 60,000 kWh	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
MIN Customers KWH (Year Round)	x.xxx ¢	x.xxx ¢
MAX Charge KWH (Year Round)	x.xxx ¢	x.xxx ¢

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	(A) SSOGC	(B)
Large Industrial Schedule		
<u>Kilowatt Demand Billing Charge</u>		
<i>Winter</i>		
First 5000 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<i>Summer</i>		
First 5000 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Winter</i>		
First 115 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 305 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 130 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
<i>Summer</i>		
First 115 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 305 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 130 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢
Large General Service Schedule	SSOGC	
<u>Demand Charges</u>		
<i>Year Round</i>		
First 500 kWd	\$ x.xxx	\$ x.xxx
Next 500 kWd	\$ x.xxx	\$ x.xxx
Excess	\$ x.xxx	\$ x.xxx
<u>Energy Charges</u>		
<i>Year Round</i>		
First 150 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 150 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Next 150 kWh per kW of demand	x.xxx ¢	x.xxx ¢
Excess	x.xxx ¢	x.xxx ¢

Avoidable Charges:

Customers who receive generation service from a competitive retail electric service provider shall avoid the lesser of (i) charges otherwise applicable under this Rider (Column A) or (ii) the amounts set forth for the applicable tariff in column B above for all kWh, per kWh.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Slice Of System Competitive Bid Process

Exhibit D-2

The Cleveland Electric Illuminating Company

Original Sheet 87

Cleveland, Ohio

P.U.C.O. No. 13

Page 1 of 1

RIDER GEN-R

Standard Service Offer Generation Charge (SSOGC) Reconciliation Rider

For customers taking the Standard Service Offer (SSO), there shall be a SSOGC Reconciliation Charge for all kWhs, per kWh that will be updated quarterly.

GEN-R Charge:

RS, GS, POL, GP, GSU, GT

x.xxx¢ per kWh

The SSOGC Reconciliation Charge shall be filed with the Public Utilities Commission of Ohio (Commission) by May 1, 2009 and each August 1, November 1, February 1 and May 1 of each year thereafter. This charge shall become effective for bills rendered on June 1, 2009 and every September 1, December 1, March 1 and June 1 thereafter, unless otherwise ordered by the Commission.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: May __, 2009

Slice Of System Competitive Bid Process

Exhibit D-2

Ohio Edison Company

Original Sheet 87

Akron, Ohio

P.U.C.O. No. 11

Page 1 of 1

RIDER GEN-R

Standard Service Offer Generation Charge (SSOGC) Reconciliation Rider

For customers taking the Standard Service Offer (SSO), there shall be a SSOGC Reconciliation Charge for all kWhs, per kWh that will be updated quarterly.

GEN-R Charge:

RS, GS, POL, GP, GSU, GT

x.xxx¢ per kWh

The SSOGC Reconciliation Charge shall be filed with the Public Utilities Commission of Ohio (Commission) by May 1, 2009 and each August 1, November 1, February 1 and May 1 of each year thereafter. This charge shall become effective for bills rendered on June 1, 2009 and every September 1, December 1, March 1 and June 1 thereafter, unless otherwise ordered by the Commission.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Slice Of System Competitive Bid Process

Exhibit D-2

The Toledo Edison Company

Original Sheet 87

Toledo, Ohio

P.U.C.O. No. 8

Page 1 of 1

RIDER GEN-R

Standard Service Offer Generation Charge (SSOGC) Reconciliation Rider

For customers taking the Standard Service Offer (SSO), there shall be a SSOGC Reconciliation Charge for all kWhs, per kWh that will be updated quarterly.

GEN-R Charge:

RS, GS, POL, GP, GSU, GT

x.xxx¢ per kWh

The SSOGC Reconciliation Charge shall be filed with the Public Utilities Commission of Ohio (Commission) by May 1, 2009 and each August 1, November 1, February 15 and May 1 of each year thereafter. This charge shall become effective for bills rendered on June 1, 2009 and every September 1, December 1, March 1 and June 1 thereafter, unless otherwise ordered by the Commission.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

The Public Utilities Commission of Ohio

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Slice Of System Competitive Bid Process

Exhibit D-2

The Cleveland Electric Illuminating Company
Cleveland, Ohio

P.U.C.O. No. 13

Original Sheet 85

Page 1 of 1

RIDER RVR
Revenue Variance Rider

Customers on the Company's rate schedules (except those on rate schedules STL and TRF) shall pay a Revenue Variance Charge as shown below, for all kWh. The purpose of this charge is to recover the revenue variance created by providing certain generation and transmission related service to rate schedules STL and TRF, customers on the Optional Load Response Program, and special contract accounts. The charge is also intended to recover any deferrals plus authorized carrying charges resulting from a phase-in of generation rates (Schedule RS only).

RVR Charge:

RS	x.xxx¢ per kWh
GS, POL	x.xxx¢ per kWh
GP, GSU, GT	x.xxx¢ per kWh

The Revenue Variance Charge shall be filed with the Public Utilities Commission of Ohio (Commission) by December 1, 2008 and by May 1 of each year thereafter. This charge shall become effective for bills rendered on January 1, 2009 and every June 1 thereafter, unless otherwise ordered by the Commission.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Slice Of System Competitive Bid Process

Exhibit D-2

Ohio Edison Company

Original Sheet 86

Akron, Ohio

P.U.C.O. No. 11

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RIDER RVR Revenue Variance Rider

Customers on the Company's rate schedules (except those on rate schedules STL and TRF) shall pay a Revenue Variance charge as shown below, for all kWh. The purpose of this charge is to recover the revenue variance created by providing certain generation and transmission related service to rate schedules STL and TRF, customers on the Optional Load Response Program, and special contract accounts. The charge is also intended to recover any deferrals plus authorized carrying charges resulting from a phase-in of generation rates (Schedule RS only).

RVR Charge:

RS	x.xx¢ per kWh
GS, POL	x.xx¢ per kWh
GP, GSU, GT	x.xx¢ per kWh

The Revenue Variance Charge shall be filed with the Public Utilities Commission of Ohio (Commission) by December 1, 2008 and by May 1 of each year thereafter. This charge shall become effective for bills rendered on January 1, 2009 and every June 1 thereafter, unless otherwise ordered by the Commission.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Slice Of System Competitive Bid Process

Exhibit D-2

The Toledo Edison Company

Original Sheet 85

Toledo, Ohio

P.U.C.O. No. 8

Page 1 of 1

RIDER RVR **Revenue Variance Rider**

Customers on the Company's rate schedules (except those on rate schedules STL and TRF) shall pay a Revenue Variance charge as shown below, for all kWh. The purpose of this charge is to recover the revenue variance created by providing certain generation and transmission related service to rate schedules STL and TRF, customers on the Optional Load Response Program, and special contract accounts. The charge is also intended to recover any deferrals plus authorized carrying charges resulting from a phase-in of generation rates (Schedule RS only).

RVR Charge:

RS	x.xxx¢ per kWh
GS, POL	x.xxx¢ per kWh
GP, GSU, GT	x.xxx¢ per kWh

The Revenue Variance Charge shall be filed with the Public Utilities Commission of Ohio (Commission) by December 1, 2008 and by May 1 of each year thereafter. This charge shall become effective for bills rendered on January 1, 2009 and every June 1 thereafter, unless otherwise ordered by the Commission.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-AIR, before

The Public Utilities Commission of Ohio

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Effective: January 1, 2009

EXHIBIT DWG-6

EXCERPT FROM FIRSTENERGY CASE NO. 07-796-EL-ATA: EXHIBIT E

Optional Load Response Program

The Optional Load Response Program is available to customers on Rate Schedule GT taking SSO Generation Service from the Company. Participating customers will pay the generation charge for a GT customer for all of their consumption but will receive a credit, determined by the amount of load the customer identifies as curtailable. Customers will be required to contract for a firm load. Demand in excess of firm load will be curtailable. The Program provides for two different types of curtailment events: an Emergency Curtailment Event and an Economic Buy Through Event. An Emergency Curtailment Event occurs when it is determined by a regional transmission organization, the Company or a transmission operator that an electrical system emergency exists that may jeopardize either the transmission or distribution systems in the area. In such an event, Program participants will be required to curtail their electrical consumption in excess of their contract firm load. Additionally, for up to 1000 hours per calendar year, the Company will call an Economic Buy Through Event and will charge the customer an hourly price based on hourly LMPs observed in the MISO administered day-ahead energy market. Initially, the Companies will call such an event, applicable to all Program participants, without discretion, when the day ahead LMP is greater than 125% of the Blended Competitive Bid Price for a minimum of three consecutive hours. During these hours when the day ahead LMP is greater than 125% of the Blended Competitive Bid Price, the customer will have the choice of reducing load or paying the day ahead hourly price for hourly load exceeding firm load. The Companies reserve the right to modify the prerequisites for calling an Economic Buy Through Event upon providing a minimum of 12 months advance written notice to Program participants.

Participants in this program will receive a Program Credit, effectively reducing their net cost of electricity in comparison to the cost of that service under the SSO. Given the continuing evolution of the electric industry in general and the MISO market in particular, the Company will wait until 2008 to submit for Commission approval the level of the Program Credit. Rider RVR will fund this credit net of revenues received during an Economic Buy Through Event, as defined below. During such an event, Program participants who elect not to reduce hourly demand, and as a result choose to pay the market based hourly price, will create revenues that exceed the expense incurred by the Company when purchasing the energy from the winning bidders in

the Competitive Bidding Process. The differential between the revenue received and the Company's expense for the energy will be credited back to all customers, offsetting the cost of the Program Credit.

Determination of Firm and Curtailable Load

A participating customer must enter into a written contract with the Company in which the firm load will be stated. A participant's curtailable load shall be calculated by the Company each January by subtracting the customer's contractual firm load from its actual load during the hours of noon to 6 p.m. EDT, Monday through Friday, for the previous June through August, excluding July 4th. The curtailable load value so calculated will be used to determine the Program Credit. Any actual hours of emergency interruption during the historical period will be excluded from this calculation.

A customer may request to modify its contracted firm load once per year. If the modification does not conflict with the 400,000 kW limit, the modification shall take effect beginning with the January billings the year after the customer's requested modification is approved by the Company.

Emergency Curtailments

An Emergency Curtailment Event is one in which the Company, a regional transmission organization, and/or a transmission operator determines that an emergency situation exists that jeopardizes the integrity of the distribution and/or transmission systems in the area. The Company will endeavor to alert customers as soon as possible of such an emergency, but will provide no less than ten minutes notice. During such declared emergencies, customers must remain at or below their firm load. Nothing in this Program is intended to modify or supersede other requirements and obligations of the Company with regard to service reliability. In the event of any conflict between the terms of this Program and such other reliability requirements and obligations, the latter shall prevail.

If at any time during the Emergency Curtailment Event a customer's load exceeds its contract firm load, the Company may disconnect the customer from the transmission system for the duration of the Emergency Curtailment Event. If at any time during the Emergency Curtailment Event a customer's load exceeds 110%

of its firm load, the customer will pay certain charges as set forth in the tariff for this Program and the Company may remove the customer from the Program and charge the customer the sum of all Program credits received during the previous twelve months. If the customer is removed from the Program, the customer will be ineligible to participate in the Program for a minimum of 36 months. If at any time during the Emergency Curtailment Event a customer's load exceeds its firm load by less than 110%, the customer will forfeit the Program credit for the month in which the Emergency Curtailment Event occurred and will pay certain charges as set forth in the tariff for this Program.

Economic Buy Through Event

Typically shortly after the posting of MISO's day-ahead LMPs, and in no event, less than 90 minutes prior to calling an Economic Buy Through ("EBT") Event, the Company will notify Program participants of its intent to do so. Initially, such an event will only be called if (i) the Midwest ISO LMP exceeds 125% of the Blended Competitive Bid price for at least three consecutive hours; and (ii) the total number of EBT Event hours during the year is no greater than 1000. During an EBT Event, the portion of the customer's load that exceeds its contract firm load will be assessed the charges set forth in the tariff for this Program, including an administrative charge that is designed to recover the actual general and administrative costs incurred by the Companies while administering the Program. The prerequisites for calling an EBT Event may be changed by the Company upon a minimum of twelve months written notice to Program participants and the administrative charge may be changed upon approval by the Commission.

Power Supply

The Optional Load Response Program does not change the product definitions contained in the Competitive Bidding Process alternatives being proposed by the Company. In all circumstances, winning bidders will be required to supply the energy requirements of SSO customers, including those customers who elect to participate in the Optional Load Response Program.

Program Funding

Customers who participate in the Optional Load Response Program will receive a Program Credit in an amount determined by a \$/kW/month rate multiplied by the amount of the customer's curtailable load. The funding of this credit will be borne by all customers paying the Rider RVR. The cost of the credit may be offset by the revenues received by the Company during EBT events in excess of the expense incurred by the Company for the energy during this same time period. The Company's expense will be determined by the blended price resulting from the competitive procurement process, adjusted for distribution losses and applicable taxes.

Term and Limitations

This Program will be available to qualifying customers, provided that the total contracted curtailable load under the Program is no greater than 400,000 kW in aggregate for Ohio Edison, CEI and Toledo Edison customers participating in the Program. Until December 31, 2008, customers participating in the Company's interruptible program on December 1, 2008 shall be provided the first opportunity to subscribe to the Program. Therafter, subscription to the Program will be done on a first-come, first-served basis until the Program is fully subscribed. Participating customer load growth shall not be affected by Program limitations.

This Program will become effective for bills issued in January 2009 and will expire with bills issued in December 2010, unless the Company seeks to extend the Program. A customer may terminate its participation in the Program upon no less than twelve months advance written notice.

Program Parameters

Detailed parameters are contained in the attached sample tariff. Several of the more significant features include:

1. The program is limited to 400,000 kW, in aggregate for Ohio Edison, CEI and Toledo Edison.
2. Customers currently receiving interruptible service from the Companies, and who would otherwise qualify for service under Rate Schedule GT, will be given priority in participating in this program.

3. The Optional Load Response Program will expire December 31, 2010, although renewal of the program may be requested.
4. A participating customer must have a *minimum of 1 megawatt of curtailable load* and cannot be a participant in a curtailment program sponsored by any other entity, including but not limited to MISO.

[The remainder of this page is intentionally left blank]

_____(JOE, TE or CEF)____ Company
Akron, Ohio

P.U.C.O. No. XX

Page ____ of ____

RIDER LRP
Optional Load Response Program Rider

APPLICABILITY:

This Optional Load Response Program ("Program") rider is available to any customer taking service under the Company's tariff GT, provided that the Program is not fully subscribed and the customer (i) does not take generation service from a certified retail electric service provider; (ii) has at least one megawatt of realizable curtailable load ("RCL") through a single meter; (iii) can successfully demonstrate that it can reduce its RCL to a pre-established contract Firm Load (as defined below) within ten minutes of notice from the Company; (iii) executes the Company's standard Program contract; (v) is taking generation service from the Company under Rider GEN; and (vi) is not participating in any other load curtailment program, including without limitation a demand response program offered by the Midwest Independent Transmission System Operator, Inc. ("MISO") or any other independent system operator.

RATES:

In addition to any other charges under any other rate schedules applicable to customer's service, customers participating in the Program shall also pay the charges and receive the credit set forth below:

Charges:

Program Administrative Charge:

\$xx.xx

EBT Charge:

During an Economic Buy Through Event (as defined below), the portion of the customer's actual measured load that exceeds its pre-established contract Firm Load for any hour during such event shall be assessed an EBT Charge, which is calculated for each hour of the event as follows:

$EBT = (AL \times MPD) \times ((1/(1 - CAT)))$, where

AL is the customer's actual hourly load during an Economic Buy Through Event that exceeds the customer's pre-established contract Firm Load.

MPD = the market price differential which shall be calculated by subtracting the generation charge set forth in the Company's Rider GEN from the MISO LMP for the period in which the Economic Buy Through Event occurred.

MISO LMP is the final Day Ahead Locational Marginal Price as defined and specified by MISO at the Commercial Pricing Node "FESR" (or its equivalent) during the applicable hour(s).

CAT = the Commercial Activity Tax rate (in decimal form) as established in §5751.02 of the Ohio Revised Code.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-ATA, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January __, 2009

JOE, TE or CELL Company
Akron, Ohio

P.U.C.O. No. XX

Page ___ of ___

RIDER LRP
Optional Load Response Program Rider

ECE Charge:

During an Emergency Curtailment Event (as defined below), the portion of the customer's actual measured load that exceeds its pre-established contract Firm Load for any hour during such event shall be assessed an ECE Charge which is calculated for each hour of the event as follows:

$$ECE = (AL \times MISO \text{ LMP} \times 300\%) \times ([1/(1-CAT)]).$$

Program Credit ("PC"):

Customers taking service under this rider shall receive a monthly Program Credit which shall be calculated as follows:

$$PC = RCL \times \$xx.xx /kW, \text{ where}$$

RCL is the predetermined curtailable load, which shall be calculated by the Company each January by subtracting the customer's contract Firm Load from its Average Hourly Demand ("AHD"). For purposes of this rider, the AHD shall be the customer's average load during the hours of noon to 6:00 pm EDT on non-holiday weekdays during the months of June through August, excluding actual hours of emergency interruption during the historical calculation period.

OTHER PROVISIONS:

A. Firm Load

For purposes of this rider, "Firm Load" shall be that portion of a customer's electric load that is not subject to curtailment. A customer may request a modification to its contract Firm Load no more than once in any twelve month period. A customer may reduce its Firm Load to the extent that the Program is not fully subscribed and such reduction is consistent with other terms and conditions set forth in this rider. Any such change in Firm Load shall be reflected in the customer's January bill immediately following the year in which the change has been approved by the Company.

B. Load Response Program Contract

Customers taking service under this optional rider shall execute the Company's standard Program contract which, among other things, will establish the Customer's Firm Load.

C. Metering

The customer must arrange for interval metering consistent with the Company's Miscellaneous Charges, Rate Schedule 75.

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Effective: January __, 2009

IOE, TE or CEI Company
Akron, Ohio

P.U.C.O. No. XX

Page ___ of ___

RIDER LRP
Optional Load Response Program Rider

D. Emergency Curtailment Event

Upon no less than ten minutes notice, a customer taking service under this optional rider must curtail its RCL during an Emergency Curtailment Event consistent with the Company's instructions. For purposes of this rider, an Emergency Curtailment Event shall be one in which the Company, a regional transmission organization, and/or a transmission operator determines, in its respective sole discretion, that an emergency situation exists that may jeopardize the integrity of either the distribution or transmission system in the area.

During the entire period of an Emergency Curtailment Event, a customer must remain at or below its Firm Load with such load being measured every clock half hour. A customer's actual load shall be determined using the greater of the customer's highest lagging kVA or highest kW during the Emergency Curtailment Event.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds its contract Firm Load, the Company may disconnect the customer from the transmission system for the duration of the Emergency Curtailment Event. The Company shall not be liable for any direct or indirect costs, losses, expenses, or other damages, special or otherwise, including without limitation lost profits, that arise from such disconnection.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds 110% of its Firm Load, customer shall pay the ECE Charge set forth in the Rates Section of this rider and the Company may, in its sole discretion, remove the customer from the Program and charge the customer the sum of all Program Credits received under the Program during the twelve month period prior to the Emergency Curtailment Event. If the customer is removed from the Program under this paragraph, the customer shall be ineligible to participate in the Program for a minimum of 36 months.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds its Firm Load by less than 110% of its Firm Load during the Emergency Curtailment Event, the customer shall forfeit its Program Credit for the month in which the Emergency Curtailment Event occurred and shall pay the ECE Charge set forth in the Rates Section of this rider.

In the event of any conflict between the terms and conditions set forth in this rider and other service reliability requirements and/or obligations of the Company, the latter shall prevail.

E. Economic Buy Through Event

Upon no less than 90 minutes notice to the customer, the Company shall call an Economic Buy Through ("EBT") Event when (i) the Midwest ISO LMP exceeds 125% of the Blended Competitive Bid price for at least 3 consecutive hours; and (ii) the total number of EBT Event hours during the calendar year is no greater than 1000. These

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-ATA, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January __, 2009

IOE, TE or CEIL _____ Company
Akron, Ohio

P.U.C.O. No. XX

Page ____ of ____

RIDER LRP
Optional Load Response Program Rider

criteria are subject to change upon a minimum of twelve months advance written notice to Program participants.

F. Subscription Limits

This rider shall be available to any qualifying customer, provided that the total RCL subscribed under the Program is no greater than 400,000 kW as determined by combining the RCL of all customers in Ohio that take service from a FirstEnergy electric distribution utility. A Program participant's incremental load growth shall not be affected by the Subscription limit set forth above.

Until December 31, 2008, Customers participating in the Company's interruptible program on December 1, 2008 shall be provided the first opportunity to subscribe to the Program. Thereafter, subscription to the Program shall be done on a first-come, first-served basis until the Program is fully subscribed.

G. Term

This rider shall become effective for bills issued in January 2009 and shall expire with bills issued in December 2010, unless the Company, in its sole discretion, seeks on an annual basis to extend the Program and this Rider. Any such request for extension shall be for a period no greater than one year, and must be filed with the Commission no later than January 2, of the year in which the Program is scheduled to expire.

A customer may terminate its participation in the Program upon no less than twelve months advance written notice. Except as otherwise provided in this rider, a customer may return to the Program at any time, provided that the Program is not fully subscribed.

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-ATA, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January __, 2009

ADDENDUM TO THE CONTRACT FOR ELECTRIC SERVICE

This Addendum, effective _____, 200__, establishes the following additional terms and conditions that are to be part of the Contract for Electric Service, dated _____ for the Customer premises at _____ (the "Service Contract").

1. Customer has elected to participate in the Company's optional Load Response Program ("Program") set forth in Company's optional Rider LRP included in Company's standard Tariff, P.U.C.O. No. ____ ("Tariff"), as amended from time to time (hereinafter "Load Response Rider"). Customer acknowledges that the terms and conditions of the Program are supplemental to, and do not replace, those set forth in the rate schedules and riders identified in the Service Contract.
2. For purposes of participating in the Program, Customer's Firm Load, as that term is defined in the Load Response Rider, shall be _____. This Firm Load may be altered by mutual agreement of the Parties consistent with the terms of the Load Response Rider.
3. If applicable, the execution of the Service Contract and this Addendum supersedes the terms and conditions of any other interruptible or curtailment program under which Customer takes service at the time of executing this Addendum, rendering any terms and conditions of any such program null and void.
4. This Addendum (but not the Service Contract) shall automatically terminate if Customer no longer takes service under the Company's optional Rider LRP, or if Rider LRP terminates consistent with its terms.

[OE, CEI, TE]
(Company)

(Customer)

By: _____

By: _____

Its: _____

Its: _____

On: _____

On: _____

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-ATA, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January __, 2009

EXHIBIT DWG-7

EXCERPT FROM FIRSTENERGY CASE NO. 07-796-EL-ATA: EXHIBIT F

Hourly Priced Generation Service Program

The Hourly Priced Generation Service Program allows participating customers taking Standard Service Offer ("SSO") generation service from the Company under the Company's Rate Schedules RS, GS, GP, GSU or GT the opportunity to manage electricity costs by paying for their generation portion of electric service based on the value of the electricity as observed in an established hourly day-ahead energy market, administered by the Midwest Independent Transmission System Operator, Inc. ("MISO.") Customers who have the ability to actively manage their energy consumption can potentially reduce the total cost of electricity by shifting usage to lower priced periods. To the extent customers alter their energy usage patterns by shifting usage from a high cost period to a lower cost period, overall energy prices in the market should decrease, providing a benefit to all consumers whose prices are derived from the wholesale market place.

Program Charges

Pricing under this Program consists of (1) an hourly Market Priced Energy Charge; and (2) a Reconciliation Charge that ensures that the Company recovers only the actual costs of the Program. The customer load participating in this Program will not be part of the load obligation incorporated in the competitive generation procurement process. Rather, the Company will procure the required generation supply directly from the MISO day-ahead market and resell the electricity to participating customers. As a result, the Company will be, for MISO purposes, the load serving entity for the participating load.

The Market Priced Energy Charge consists of two components: (i) the hourly Locational Marginal Price ("LMP"), adjusted for the distribution line loss factor appropriate for each customer; and (ii) a Miscellaneous Fees component, which will recover the non-generation costs incurred while providing this Program. The hourly LMP component, which will be charged to all participating customers, will be based on the final Day Ahead LMP, as defined and specified by MISO for the Commercial Pricing Node "FESR." MISO Day Ahead LMP's are currently published at the web site midwestmarket.org, and are generally

available by 6:00 p.m. on the day prior to the prices being in effect. It will be the customer's responsibility to obtain and respond to the hourly prices.

The Miscellaneous Fee component will be comprised of charges incurred by the Company as the load serving entity for the participating customer load, plus certain administration costs. This fee will include all existing and future MISO charges assessed to a load serving entity that are related to transmission service, ancillary costs and costs of procuring Designated Network Resources (capacity) for the load. At present, the MISO related costs are set forth in the following MISO schedules: Scheduling, System Control and Dispatch Service (Schedule 1), Reactive Supply and Voltage Control (Schedule 2), Regulation and Frequency Response (Schedule 3), Spinning Reserve (Schedule 5), Supplemental Reserve (Schedule 6), Network Integration Transmission Service (Schedule 9), ISO Cost Recovery Adder (Schedule 10), Energy Administration (Schedule 17), Control Area Operator charges (Schedule 24), Network Upgrade (Schedule 26), MISO FERC 10 expenses, MISO Revenue Sufficiency Guarantee (RSG) charges, Revenue Neutrality Uplift (RNU) charges, and the Net Inadvertent Distribution charges (NI). In addition to the MISO charges, the Miscellaneous Fee will also include any incremental billing and communication costs directly attributable to the Program. The Miscellaneous Fee will be determined during 2008 based on the most current cost information available to the Companies at the time of submission to the Commission.

To ensure the Company recovers only its actual costs of the Program, a Reconciliation Charge, that will be paid solely by Program participants, will also be assessed. The Reconciliation Charge will initially be set at zero and will be calculated for each calendar quarter thereafter, effective for a three month period. Each change in the Reconciliation Charge will be filed with the Commission, along with supporting details, by the first day of the second month following the end of the applicable quarter and will automatically become effective for bills rendered at the beginning of the following month as follows:

Calendar Quarter	Reconciliation Factor filing date	Effective Date
January 1 to March 31	May 1	June 1
April 1 to June 30	August 1	September 1
July 1 to September 30	November 1	December 1
October 1 to December 31	February 1	March 1

The Reconciliation Charge shall be subject to audit by the Commission. Any corrections to the Reconciliation Charge deemed necessary by the Commission will be reflected in the next reconciliation period after such corrections are ordered by the Commission.

The Reconciliation Charge will be calculated as follows:

$$EHPS = [(DSHPSExp - PTCHPSRev + DSHPSInt)/DSHPSSales] \times [1/(1 - CAT)]$$

where:

EHPS = The Reconciliation Charge, determined to the nearest one-thousandth of a cent per kWh to be applied to each kWh of SSO Generation Service delivered to customers under this Rider.

DSHPSExp = The actual costs to be recovered through the Market Priced Energy Charge.

PTCHPSRev = The actual cumulative revenues billed to Program participants during the applicable calendar quarter for SSO Generation Service, excluding applicable CAT revenues.

DSHPSInt = The cumulative amount of carrying charges calculated on a monthly basis through the end of the applicable calendar quarter. Interest will be calculated monthly on the average balance of 1) the respective month's beginning balance of prior months' cumulative over or under collection of PTCHPSRev compared to the DSHPSExp costs incurred to date; and 2) the respective month's ending balance of cumulative over or under collection of PTCHPSRev compared to the DSHPSExp costs incurred to date. The monthly interest rate will be based upon the Company's short term cost of debt.

DSHPSSales = The Company's projected kWh sales to customers taking service under this Rider for the three-month billing period that the EHPS rate will be in effect.

CAT = The Ohio Commercial Activity Tax rate (in decimal form), as established in §5751.02 of the Ohio Revised Code and in effect during the billing month.

Upon termination of the Program, the Companies will be permitted to recover or obligated to refund any remaining amounts not reconciled at that time under the then most current reconciliation adjustment in effect, until any such amount has been fully recovered or credited.

Participating customers will be required to pay for interval metering, if not already installed, provide and pay for appropriate communication capabilities (i.e. a dedicated phone line to the meter location) and

enter into a written contract with the Company. Customers may withdraw from the Program at any time upon twelve months advance written notice.

Availability

This Program will be made available only if at least five megawatts of hourly load is subscribed and shall remain in effect only when this minimum subscription threshold is met. Assuming such threshold is met, this Program pricing option will be available to all qualifying customers taking Standard Service Offer generation service from the Company, effective for January 2009 billings through December 2010 billings.

The Company may seek to extend the Program for consecutive one year periods, at its sole discretion.

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[OE, TE, CE] Company

Original Sheet ____

Akron, Ohio

P.U.C.O. No. ____

Page ____ of ____

RIDER HPS
Optional Hourly Pricing Service Rider

APPLICABILITY:

This Optional Hourly Pricing Program ("Program") rider is available to any customer that takes electric service under the Company's Rate Schedules RS, GS, GP, GSU or GT, if such customer does not take generation service from a certified retail electric service provider, and the Program Threshold (defined below) is met.

RATES:

Customers participating in the Program shall pay all other charges under any other rate schedules applicable to a customer's service, except that Customer shall not pay the charges for generation set forth in the Company's Rider GEN and, instead, shall pay the following charges for such generation service:

Market Priced Energy ("MPE") Charge:

The MPE Charge shall be charged for each kWh consumed by the customer with such charge being calculated as follows:

$$MPE = \sum_{t=1}^n (kWh_t \times MP_t)$$

Where:

kWh_t = Customer's actual kWh usage in hour t

$$MP_t = [(LMP_t \times (1 / (1 - LAF))) + MF] \times (1 / (1 - CAT))$$

Where:

LMP = The final Day Ahead Locational Marginal Price, as defined and specified by the Midwest Independent Transmission System Operator, Inc. ("MISO") at the Commercial Pricing Node "FESR" (or its equivalent) during the applicable hour.

MF = \$_____, and represents Miscellaneous Fees approved by the Commission.

LAF = Loss Adjustment Factor, for distribution line losses
0% for service voltages of 69kV or greater
0.1% for service voltages of 23 kV or greater up to but not including 69kV
2.91% for service voltages of 2.4 kV or greater up to but not including 23kV
6.28% for service voltages less than 2.4 kV

t = An hour in the billing period

n = Total number of hours in the billing period

Hourly Pricing Service Reconciliation Charge:

\$X.XXXXX per kWh

Filed pursuant to Order dated _____, in Case No. 07-XXX-EL-ATA, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January __, 2009

IOE, TE, CEI Company
Akron, Ohio

P.U.C.O. No. _____

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Page ____ of ____

RIDER HPS
Optional Hourly Pricing Service Rider

OTHER TERMS:

A. Program Contract

Customers taking service under this optional rider shall execute the Company's standard Program contract.

B. Metering

The customer must arrange for interval metering consistent with the Company's Miscellaneous Charges, Rate Schedule 75.

C. Customer Notice

The responsibility for receiving hourly market prices and responding accordingly lies solely with the customer.

D. Program Threshold

The Program and this Rider shall remain in effect only if customers with an aggregate minimum hourly measured load of no less than five megawatts participate. Measured load will be determined at the time that a customer applies for generation service under this rider and shall be based on the customer's maximum historic load during the previous twelve months, if available. Otherwise, such load shall be determined based on the customer's standard load profile.

If the Rider is suspended for failure to meet the above Program Threshold for six consecutive months, the Company may, within its sole discretion, terminate the Program upon thirty days advance written notice.

E. Term

This rider shall take effect on the earlier of the issuance of bills in January, 2009, or the month after the Program Threshold described above is met. Except as otherwise provided, this rider shall remain in effect through the issuance of bills in December, 2010, unless the Company, in its sole discretion, chooses to extend the Program and rider for subsequent annual periods. Any such request for extension shall be for a period no greater than one year, and must be filed with the Commission no later than January 2 of the year in which this rider is scheduled to expire.

A customer may terminate its participation in the Program at any time upon twelve months advance written notice.

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The Public Utilities Commission of Ohio

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Effective: January __, 2009

EXHIBIT DWG-8

SELECTED RIDERS FROM FIRSTENERGY'S ESP CASE NO. 08-935-EL-SSO

Ohio Edison Company
Alron, Ohio

P.U.C.O. No. 11

Original Sheet 85
Page 1 of 4**RIDER RAR**
Reasonable Arrangement Rider

The Company reserves the right to revise this rider consistent with the Commission's final rules which may include modification or deletion of all or portions of this Rider.

AVAILABILITY:

Available to any customer who receives electric service under the Company's Generation Service Rider (GEN) or the Market Rate Provision of the Power Supply Reservation Rider (PSR) and under GS, GP, GSU, or GT tariffs, excluding customers either 1) taking service under a unique arrangement (special contract) 2) taking service under the Company's Economic Development Rider 4a; or 3) avoiding DSE1 charges or DSE2 charges pursuant to the Company's Demand Side Management and Energy Efficiency Rider (DSE).

QUALIFICATION:

Upon approval by the Public Utilities Commission of Ohio, a customer may qualify under any one of the following three sub-sections of this Qualification section: 1) New or Expanding Facilities; 2) Retention of Existing Facilities; or 3) Energy Efficiency Production Facilities. Qualification and verification on an annual basis is required, subject to the Failure to Comply section of this rider.

New or Expanding Facilities

Each customer applying for service under this Rider as a new or expanding facility must be current with payments to the Company for all accounts the customer has with the Company and must meet all criteria set forth in all paragraphs (a) through (h) below and must submit to the Company verifiable information, pursuant to the Standard Application Form, detailing how the criteria are met, and must provide the Company an affidavit from a company official as to the veracity of the information provided.

- a) Eligible projects must be for non-retail purposes.
- b) At least twenty-five new, full-time jobs must be created within three years of initial operations.
- c) The average hourly base wage rate of the new, full-time jobs must be at least one hundred fifty percent of federal minimum wage.
- d) The project must have a fixed asset investment in land, building, machinery / equipment, and infrastructure of at least five hundred thousand dollars.
- e) The applicant must demonstrate financial viability.
- f) The applicant must identify local (city, county), state, or federal support in the form of tax abatements or credits, jobs programs, or other incentives.
- g) The applicant must identify potential secondary and tertiary benefits resulting from its project including, but not limited to, local/state tax dollars and related employment or business opportunities resulting from the location of the facility.
- h) The applicant must agree to maintain operations at the project site for at least twice the term of the incentives.

Filed pursuant to Order dated _____, in Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Arlon, Ohio

P.U.C.O. No. 11

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RIDER RAR
Reasonable Arrangement Rider**Retention of Existing Facilities**

Each customer applying for service under this Rider for retention of an existing facility must be current with payments to the Company for all accounts the customer has with the Company, must meet all criteria set forth in all paragraphs (a) through (g) below, must submit to the Company verifiable information, pursuant to the Standard Application Form, detailing how the criteria are met and must provide the Company an affidavit from a company official as to the veracity of the information provided.

- a) Eligible retention must be for non-retail purposes.
- b) The number of full-time jobs to be retained must be at least twenty-five.
- c) The average billing load (in kilowatts to be retained) must be at least two hundred fifty kilowatts.
- d) The electricity-intensity of the operations (i.e., the ratio of the cost of electricity to the total operational expenses) must be at least ten percent.
- e) The customer must demonstrate that the cost of electricity is a "major factor" in its decision to cease, reduce, or relocate its facilities to an out-of-state site. In-state relocations are not eligible. If the customer has the potential to relocate to an out-of-state site, the site(s) must be identified, along with the expected costs of electricity at the site(s) and the expected costs of other significant expenses including, but not limited to, labor and taxes.
- f) The customer must identify any other local, state, or federal assistance sought and / or received in order to maintain its current operations.
- g) The customer must agree to maintain its current operations for the term of the incentives.

Energy Efficiency Production Facilities

Each customer applying for service under this Rider as an Energy Efficiency Production Facility must be current with payments to the Company for all accounts the customer has with the Company, must meet all criteria set forth in all paragraphs (a) through (h) below, must submit to the Company verifiable information, pursuant to the Standard Application Form, detailing how the criteria are met and must provide the Company an affidavit from a company official as to the veracity of the information provided.

- a) The customer must be an Energy Efficiency Production Facility. An Energy Efficiency Production Facility is defined as any customer that manufactures or assembles products that promote the more efficient use of energy (i.e., increase the ratio of energy end use services) (i.e., heat, light and drive power) derived from a device or process to energy inputs necessary to derive such end use services as compared with other devices or processes that are commonly installed to derive the same energy use services; or, any customer that manufactures, assembles or distributes products that are used in the production of clean, renewable energy.
- b) At least ten new, full-time jobs must be created within three years of initial operations.
- c) The average hourly base wage rate of the new, full-time jobs must be at least one hundred fifty per cent of federal minimum wage.
- d) The load of the Energy Efficiency Production Facility must be no more than one thousand kilowatts.
- e) The project must have a fixed asset investment in land, building, machinery / equipment, and infrastructure of at least two hundred fifty thousand dollars.
- f) The applicant must demonstrate financial viability.
- g) The applicant must identify local (city, county), state, or federal support in the form of tax abatements or credits, jobs programs, or other incentives.

Filed pursuant to Order dated _____, in Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company

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RIDER RAR
Reasonable Arrangement Rider

- h) The applicant must agree to maintain operations at the project site for at least twice the term of the incentives.

ENERGY EFFICIENCY REQUIREMENT:

To qualify for this Rider, the customer shall provide sufficient data to illustrate that it has reduced its electricity or energy consumption per unit of production (for manufacturing facilities) or as an overall annual reduction in energy consumption (for all other facilities), compared to historical usage. The historic usage used in this determination shall not change during the period the customer takes service under this Rider. The extent of such reduction shall be a minimum of 0.3% for service in 2009, 0.8% for service in 2010 and 1.5% for service in 2011, 2.3% for service in 2012 and 3.2% for service in 2013.

APPLICATION:

The Company shall provide the customer an application form ("Standard Application Form") upon request by the customer. The customer must complete a Standard Application Form in order to be considered for acceptance for service under this Rider.

Any approved application by the Company shall supersede and replace any prior application approved by the Company for the same customer facility, which shall serve to void any prior commitment by the Company under this Rider for service to that facility.

BASE AND INCREMENTAL USAGE:

Customers must maintain Base Usage, as defined below and as determined by the Company, in order to qualify for incentives as provided for under the Rider. Failure to maintain Base Usage at any point constitutes a failure to comply and the Company shall charge the customer for all or part of the incentives previously provided by the Company, which the customer shall thus be obligated to pay.

New or Expanding Facilities

Base Usage for customers qualifying for service under this Rider as a New or Expanding Facility shall equal the amount of kWh determined by the Company to represent usage occurring prior to the effects of the project, based on historical usage. Incremental Usage for such customers shall equal all kWh in excess of Base Usage. Base Usage shall not change once approved.

Retention of Existing Facilities

Base Usage for customers qualifying for service under this Rider for Retention of Existing Facilities shall equal the amount of kWh determined by the Company to represent usage not part of the customer's plan to cease, reduce, or relocate its facilities to an out-of-state site, based on historical usage. Incremental Usage for such customers shall equal all kWh in excess of Base Usage. Base Usage shall not change once approved.

Filed pursuant to Order dated _____, in Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

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Page 4 of 4**RIDER RAR**
Reasonable Arrangement Rider**Energy Efficiency Production Facilities**

Base Usage for customers qualifying for service under this Rider as an Energy Efficiency Production Facility shall equal the amount of kWh determined by the Company to represent usage not directly a part of the production of energy efficiency products as defined in this rider, based on historical usage. Incremental Usage for such customers shall equal all kWh in excess of Base Usage. Base Usage shall not change once approved.

INCENTIVES:

The level of incentives associated with this Rider shall be determined as part of The Public Utilities Commission of Ohio's review and approval of the application filed pursuant to this Rider. Such incentive shall be applicable for each of the thirty-six consecutive billing months beginning as soon as practical following the date of approval, subject to annual verification as specified elsewhere in this Rider.

REPORTING REQUIREMENTS:

Customers served under this Rider must submit an annual report to the Company (Director, Ohio Rates and Regulatory Affairs), no later than April 30th of each year. The format of that report shall be identical to the Standard Application Form such that a determination of the compliance with the eligibility criteria can be determined.

The burden of proof to demonstrate on-going compliance with this Rider lies with the customer.

CONFIDENTIALITY:

Customer information provided to demonstrate eligibility under this Rider shall remain confidential by the Company. Nonetheless, the name and address of customers eligible under this Rider shall be public information. The PUCO shall have access to all customer and Company information related to service provided pursuant to this Rider for periodic and random audits.

FAILURE TO COMPLY:

If the customer being provided with service pursuant to this Rider fails to comply with any of the criteria for eligibility, the Company, after reasonable notice to the customer, shall terminate the arrangement under this rider unless otherwise ordered by the PUCO.

The Company shall charge the customer for all or part of the incentives previously provided by the Company, which the customer shall be obligated to pay.

DELTA REVENUE RECOVERY:

Recovery of the difference in revenue from the application of rates in the otherwise applicable rate schedule and this Rider shall be realized as part of the Company's Delta Revenue Recovery Rider (DRR) and shall be subject to review by the PUCO. To the extent that any action or determination by the PUCO results in unrecovered delta revenue through the DRR pursuant to this rider, the Company may terminate this arrangement.

Filed pursuant to Order dated _____, in Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

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Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 88
Page 1 of 1**RIDER GEN**
Generation Service Rider**APPLICABILITY:**

Applicable to any customer who receives electric generation service under the Company's Rate Schedules, except as provided in the Power Supply Reservation Rider (PSR). The following Generation Service Rider (GEN) charges will apply, by Rate Schedule, effective for service rendered beginning January 1, 2009, for all kWhs per kWh. Included in the amounts shown below is a minimum default service charge in the amount of one cent per kWh payable by all customers regardless of whether the customer takes electric generation service from a certified supplier. Therefore, while this Rider is avoidable for customers for the period that the customer takes electric generation service from a certified supplier, those customers will pay the minimum default service charge in the same amount through the application of the Minimum Default Service Rider (MDS).

<u>RATE:</u>	<u>Summer</u>	<u>Winter</u>
RS		
First 500 kWhs, per kWh	8.0987¢	7.3474¢
All excess kWhs, per kWh	9.0987¢	7.3474¢
GS	8.5737¢	7.3474¢
GP	8.2760¢	7.0923¢
GSU	8.0429¢	6.8926¢
GT	8.0353¢	6.8861¢
STL	8.5737¢	7.3474¢
TRF	8.5737¢	7.3474¢
POL	8.5737¢	7.3474¢

Summer and winter periods will be consistent with the Company's Electric Service Regulations, Section VI.I.

TIME-OF-DAY OPTION:

For customers with the appropriate qualifying time-of-day metering and who elect to be served under the Time-Of-Day Option, the charge by Rate Schedule will be as shown below, for all kWhs, per kWh:

	<u>Summer</u>		<u>Winter</u>	
	<u>On-Peak</u>	<u>Off-Peak</u>	<u>On-Peak</u>	<u>Off-Peak</u>
RS	11.6772¢	5.8114¢	9.6005¢	5.4065¢
GS	11.6772¢	5.8114¢	9.6005¢	5.4065¢
GP	11.2718¢	5.8098¢	9.2672¢	5.2188¢
GSU	10.9543¢	5.4516¢	9.0062¢	5.0718¢
GT	10.9440¢	5.4465¢	8.9977¢	5.0670¢

On-Peak time shall be 8:00 a.m. to 10:00 p.m. EST, Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours.

Filed pursuant to Order dated _____, in Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 99
Page 1 of 6**RIDER ELR**
Economic Load Response Program Rider**APPLICABILITY:**

This Economic Load Response Program Rider ("Program") is available to customers taking service under the Company's general service tariffs served at primary voltages or higher voltages provided that the customer meets all of the following five conditions at the time of initiation of service under this Rider and on a continuing basis thereafter (i) the customer took service under the Company's interruptible tariffs set forth below as of July 31, 2008; (ii) the customer can successfully demonstrate to the Company that it can reduce its instantaneous measured load to a pre-established contract Firm Load (as defined below) within ten minutes of notification provided by the Company without the need of a generator. A customer may intend to use a generator to reduce its usage to below its Firm Load, but if the generator does not start, the customer must still reduce its usage to or below its Firm Load. Failure of a customer to reduce its usage to or below its Firm Load shall result in the consequences listed in the Emergency Curtailment Event Section herein; (iii) the customer executes the Company's standard Program contract; (iv) the customer is taking generation service from the Company under the Generation Service Rider (GEN); and (v) the customer is not participating in any other load curtailment program, including without limitation a demand response program offered by the Midwest Independent Transmission System Operator, Inc. ("MISO") or any other independent system operator.

Interruptible Rider – General Service Large and High Use Manufacturing
Interruptible Rider – Metal Melting Load
Interruptible Rider – Incremental Interruptible Service

Original Sheet No. 73
Original Sheet No. 74
Original Sheet No. 75

RATES:

In addition to any other charges under any other rate schedules applicable to customer's service, customers participating in the Program shall also pay the charges and receive the credit set forth below:

Charges:

Program Administrative Charge:

\$150.00 per month

EBT Charge:

During an Economic Buy Through Option Event (as defined below), the portion of the customer's actual measured load that exceeds its pre-established contract Firm Load for any and all hours during such event shall be assessed an EBT Charge, which is calculated for each hour of the event as follows:

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The Public Utilities Commission of Ohio

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Ohio Edison Company
Akron, Ohio

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Page 2 of 6**RIDER ELR**
Economic Load Response Program Rider

$$EBT = (AL \times MPD) \times (1 + LAF) \times (1/(1 - CAT))$$

Where:

AL = the customer's actual hourly load during an Economic Buy Through Option Event that exceeds the customer's pre-established contract Firm Load.

MPD = the market price differential, which shall be calculated by subtracting the customer's otherwise applicable total generation related per kilowatt-hour charges set forth in the Company's tariffs from the MISO day ahead LMP for the period in which the Economic Buy Through Option Event occurred for each hour that results in a MPD greater than zero.

MISO LMP is the final Day Ahead Locational Marginal Price as defined and specified by MISO at the Commercial Pricing Node "FESR" (or its equivalent) during the applicable hour(s).

CAT = the Commercial Activity Tax rate (in decimal form) as established in §5751.02 of the Ohio Revised Code.

LAF = Loss Adjustment Factor
3.0% for primary voltages
0.1% for subtransmission voltages
0.0% for transmission voltages

ECE Charge:

During an Emergency Curtailment Event (as defined below), the portion of the customer's actual measured load that exceeds its pre-established contract Firm Load for any hour during such event shall be assessed an ECE Charge which is calculated for each hour of the event as follows:

$$ECE = (AL \times \text{MISO LMP} \times 300\%) \times (1 + LAF) \times (1/(1 - CAT))$$

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The Public Utilities Commission of Ohio

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Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 99
Page 3 of 6**RIDER ELR**
Economic Load Response Program Rider**Program Credit ("PC"):**

Customers taking service under this Rider shall receive a monthly Program Credit which shall be calculated as follows:

$$PC = RCL \times \$1.95 / \text{kW/month}$$

Where:

RCL is the predetermined Realizable Curtailable Load, which shall be calculated by the Company once per year for each customer by subtracting the customer's contract Firm Load from its Average Hourly Demand ("AHD"). For purposes of this Rider, the AHD shall be the greater of 1) customer's average load during the hours of noon to 6:00 pm EDT on non-holiday weekdays during the months of June through August, excluding actual hours of any Emergency Curtailment Events occurring during the historical calculation period or 2) customer's average load during the hours of noon to 6:00 pm EDT on non-holiday weekdays during the months of June through August, excluding actual hours of any Emergency Curtailment Events and any Economic Buy Through Option Events that the customer was subject to occurring during the preceding 12 month period. The RCL shall not exceed the amount of a customer's billing demand in excess of the contracted Firm Load on a monthly basis. The customer shall be provided written notice each year by the Company of the value of the RCL at least thirty (30) days in advance of the effective date of the RCL.

OTHER PROVISIONS:**A. Firm Load**

For purposes of this rider, "Firm Load" shall be that portion of a customer's electric load that is not subject to curtailment. A customer may request a reduction to its contract Firm Load no more than once in any twelve month period. The Firm Load may be reduced to the extent that such reduction is consistent with other terms and conditions set forth in this Rider. Any such change in Firm Load shall be applied beginning with the customer's January bill immediately following the year in which the change has been approved by the Company, provided that advance written request is provided to the Company no less than thirty (30) days prior to the effective billing month of the change. The Company may increase the Firm Load at any time if the Company, at its sole discretion, determines the Firm Load is at a level that the customer fails to demonstrate that they can reach. The Company shall promptly notify the customer of any such change.

B. Load Response Program Contract

Customers taking service under this optional rider shall execute the Company's standard Program contract which, among other things, will establish the Customer's Firm Load.

C. Metering

The customer must arrange for interval metering consistent with the Company's Miscellaneous Charges, Tariff Sheet 75.

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RIDER ELR
Economic Load Response Program Rider**D. Emergency Curtailment Event**

Upon no less than ten minutes advance notification provided by the Company, a customer taking service under this rider must curtail all load above its Firm Load during an Emergency Curtailment Event consistent with the Company's Instructions. For purposes of this rider, an Emergency Curtailment Event shall be one in which the Company, a regional transmission organization and/or a transmission operator determines, in its respective sole discretion, that an emergency situation exists that may jeopardize the integrity of either the distribution or transmission system in the area.

During the entire period of an Emergency Curtailment Event, the customer's actual measured load must remain at or below its Firm Load with such load being measured every clock half hour. A customer's actual measured load shall be determined using the greater of the customer's highest lagging kVa or highest kW during the Emergency Curtailment Event.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds its contract Firm Load, the Company may disconnect the customer from the transmission system for the duration of the Emergency Curtailment Event, at the customer's expense. The Company shall not be liable for any direct or indirect costs, losses, expenses, or other damages, special or otherwise, including, without limitation, lost profits that arise from such disconnection.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds 110% of its Firm Load, the customer shall be subject to all four (4) of the following: (i) forfeit its Program Credit for the month in which the Emergency Curtailment Event occurred; (ii) pay the ECE Charge set forth in the Rates section of this Rider; (iii) pay the sum of all Program Credits received by the customer under the Program during the immediately preceding twelve billing months which shall include credits from this Rider and the Generation and Economic Development Credit Rider; and (iv) the Company's right, at its sole discretion, to remove the customer from the Program for a minimum of 12 months.

If at any time during the Emergency Curtailment Event a customer's actual measured load is greater than 100% and less than or equal to 110% of its Firm Load during the Emergency Curtailment Event, the customer shall forfeit its Program Credit for the month in which the Emergency Curtailment Event occurred and shall pay the ECE Charge set forth in the Rates section of this Rider.

In the event of any conflict between the terms and conditions set forth in this Rider and other service reliability requirements and/or obligations of the Company, the latter shall prevail.

E. Economic Buy Through Option Event

Upon no less than a 90 minute advance notification provided to the customer, the Company shall call an Economic Buy Through Event ("EBT") when a "Market Premium Condition" exists for at least three (3) consecutive hours during any day. A Market Premium Condition is defined as a point in time that the MISO LMP exceeds the otherwise applicable per kilowatt-hour net charges set forth in the Company's Generation (GEN) and Generation Phase-In (GPI) riders.

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Ohio Edison Company
Akron, Ohio

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Original Sheet 99
Page 5 of 6**RIDER ELR**
Economic Load Response Program Rider**F. Notification**

Customers served under this Rider shall be provided notification of Economic Buy Through Option Events and Emergency Curtailment Events by the Company. Customers shall be provided clock times of the beginning and ending of these events, except the Emergency Curtailment Event notification may be stated such that customers must curtail their actual measured load to its Firm Load in 10 minutes from the time the notification is issued. Receipt of curtailment notifications shall be the sole responsibility of the customer.

Notification of an Interruption Economic Buy Through Option Event and Emergency Curtailment Event consists of an electronic message issued by the Company to a device or devices such as telephone, facsimile, pager or email, selected and provided by the customer and approved by the Company. Two-way information capability shall be incorporated by the Company and the customer in order to provide confirmation of receipt of notification messages. Operation, maintenance and functionality of such communication devices selected by the customer shall be the sole responsibility of the customer.

G. Term

This rider shall become effective for service rendered in January 2009, and shall expire with service rendered through December 31st, 2011.

A customer may terminate its participation in the Program upon no less than twelve (12) months advance written notice to the Company. Except as otherwise provided in this rider, a qualifying customer may return to the Program at any time after a hiatus from the Program of at least one (1) year.

H. Conditions

Payment by the customer of all charges herein is a condition of service under this Economic Load Response Program Rider.

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The Public Utilities Commission of Ohio

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Ohio Edison Company
Akron, Ohio

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Original Sheet 99
Page 6 of 6**RIDER ELR**
Economic Load Response Program Rider**ADDENDUM TO THE CONTRACT FOR ELECTRIC SERVICE**

This Addendum, effective _____, 20____, establishes the following additional terms and conditions that are to be part of the Contract for Electric Service, dated _____ for the Customer premises at _____ (the "Service Contract").

1. Customer has elected to participate in the Company's Economic Load Response Program ("Program") set forth in Company's Economic Load Response Program Rider included in Company's standard Tariff, P.U.C.O. No. 11 ("Tariff"), as amended from time to time (hereinafter "ELR rider"). Customer acknowledges that the terms and conditions of the Program are supplemental to, and do not replace, those set forth in the rate schedules and riders identified in the Service Contract.
2. For purposes of participating in the Program, Customer's Firm Load, as that term is defined in the ELR rider, shall be _____. This Firm Load may be altered, consistent with the terms of the ELR rider.
3. If applicable, the execution of the Service Contract and this Addendum supersedes the terms and conditions of any other interruptible or curtailment program under which Customer takes service at the time of executing this Addendum, rendering any terms and conditions of any such program null and void.
4. This Addendum (but not the Service Contract) shall automatically terminate if Customer no longer takes service under the ELR rider, or if the ELR rider terminates consistent with its terms.

Ohio Edison Company
(Company)_____
(Customer)

By: _____

By: _____

Its: _____

Its: _____

On: _____

On: _____

Filed pursuant to Order dated _____, in Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 100
Page 1 of 5**RIDER OLR**
Optional Load Response Program Rider**APPLICABILITY:**

This Optional Load Response Program Rider ("Program") is available to any customer taking service under the Company's general service tariffs served at primary voltages or higher voltages provided that the customer meets all of the following five conditions at the time of initiation of service under this Rider and on a continuing basis thereafter (i) the customer has at least one megawatt of Realizable Curtailable Load ("RCL"); (ii) the customer can successfully demonstrate to the Company that it can reduce its instantaneous measured load to a pre-established contract Firm Load (as defined below) within ten minutes of notification provided by the Company without the need of a generator. A customer may intend to use a generator to reduce its usage to below its Firm Load, but if the generator does not start, the customer must still reduce its usage to or below its Firm Load. Failure of a customer to reduce its usage to or below its Firm Load shall result in the consequences listed in the Emergency Curtailment Event Section herein; (iii) the customer executes the Company's standard Program contract; and (iv) the customer is taking generation service from the Company under the Generation Service Rider (GEN) or the Market Rate Provision of the Power Supply Reservation Rider (PSR); (v) the customer is not participating in any other load curtailment program, including without limitation a demand response program offered by the Midwest Independent Transmission System Operator, Inc. ("MISO") or any other independent system operator. This Rider is not applied to customers during the period the customer takes electric generation service from a certified supplier.

RATES:

In addition to any other charges under any other rate schedules applicable to customer's service, customers participating in the Program shall also pay the charges and receive the credit set forth below:

Charges:

Program Administrative Charge:

\$150.00 per month

ECE Charge:

During an Emergency Curtailment Event (as defined below), the portion of the customer's actual measured load that exceeds its pre-established contract Firm Load for any and all hours during such event shall be assessed an ECE Charge which is calculated for each hour of the event as follows:

$$ECE = (AL \times MISO \text{ LMP} \times 300\%) \times (1 + LAF) \times [(1/(1-CAT))]$$

Where:

AL = the customer's actual hourly load during an Emergency Event that exceeds the customer's pre-established contract Firm Load.

MISO LMP is the final Day Ahead Locational Marginal Price as defined and specified by MISO at the Commercial Pricing Node "FESR" (or its equivalent) during the applicable hour(s).

CAT = the Commercial Activity Tax rate (in decimal form) as established in §5751.02 of the Ohio Revised Code.

Filed pursuant to Order dated _____, in Case No. Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 100
Page 2 of 5**RIDER OLR**
Optional Load Response Program Rider

LAF = Loss Adjustment Factor
3.0% for primary voltages
0.1% for subtransmission voltages
0.0% for transmission voltages

Program Credit ("PC"):

Customers taking service under this Rider shall receive a monthly Program Credit which shall be calculated as follows:

$$PC = RCL \times \$1.95 / \text{kW/month}$$

Where:

RCL is the predetermined realizable curtailable load, which shall be calculated by the Company once per year for each customer by subtracting the customer's contract Firm Load from its Average Hourly Demand ("AHD"). For purposes of this Rider, the AHD shall be the greater of 1) customer's average load during the hours of noon to 6:00 pm EDT on non-holiday weekdays during the months of June through August, excluding actual hours of any Emergency Curtailment Events occurring during the preceding 12 month period. The RCL shall not exceed the amount of a customer's billing demand in excess of the contracted Firm Load on a monthly basis. The customer shall be provided written notice each year by the Company of the value of the RCL at least thirty (30) days in advance of the effective date of the RCL.

OTHER PROVISIONS:**A. Firm Load**

For purposes of this Rider, "Firm Load" shall be that portion of a customer's electric load that is not subject to curtailment. A customer may request a reduction to its contract Firm Load no more than once in any twelve month period. The Firm Load may be reduced to the extent that such reduction is consistent with other terms and conditions set forth in this Rider. Any such change in Firm Load shall be applied beginning with the customer's January bill immediately following the year in which the change has been approved by the Company, provided that advance written request is provided to the Company no less than thirty (30) days prior to the effective billing month of the change. The Company may increase the Firm Load at any time if the Company, at its sole discretion, determines the Firm Load is at a level that the customer fails to demonstrate that they can reach. The Company shall promptly notify the customer of any such change.

B. Load Response Program Contract

Customers taking service under this optional rider shall execute the Company's standard Program contract which, among other things, will establish the Customer's Firm Load.

C. Metering

The customer must arrange for interval metering consistent with the Company's Miscellaneous Charges, Tariff Sheet 75.

Filed pursuant to Order dated _____, In Case No. Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 100
Page 3 of 5**RIDER OLR**
Optional Load Response Program Rider**D. Emergency Curtailment Event**

Upon no less than ten minutes advance notification provided by the Company, a customer taking service under this rider must curtail all load above its Firm Load during an Emergency Curtailment Event consistent with the Company's instructions. For purposes of this rider, an Emergency Curtailment Event shall be one in which the Company, a regional transmission organization and/or a transmission operator determines, in its respective sole discretion, that an emergency situation exists that may jeopardize the integrity of either the distribution or transmission system in the area.

During the entire period of an Emergency Curtailment Event, the customer's actual measured load must remain at or below its Firm Load with such load being measured every clock half hour. A customer's actual measured load shall be determined using the greater of the customer's highest lagging kVa or highest kW during the Emergency Curtailment Event.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds its contract Firm Load, the Company may disconnect the customer from the transmission system for the duration of the Emergency Curtailment Event, at the customer's expense. The Company shall not be liable for any direct or indirect costs, losses, expenses, or other damages, special or otherwise, including, without limitation, lost profits that arise from such disconnection.

If at any time during the Emergency Curtailment Event a customer's actual measured load exceeds 110% of its Firm Load, the customer shall be subject to all four (4) of the following: (i) forfeit its Program Credit for the month in which the Emergency Curtailment Event occurred; (ii) pay the ECE Charge set forth in the Rates section of this Rider; (iii) pay the sum of all Program Credits received by the customer under the Program during the immediately preceding twelve billing months which shall include credits from this Rider and the Generation and Economic Development Credit Rider; and (iv) the Company's right, at its sole discretion, to remove the customer from the Program for a minimum of 12 months.

If at any time during the Emergency Curtailment Event a customer's actual measured load is greater than 100% and less than or equal to 110% of its Firm Load during the Emergency Curtailment Event, the customer shall forfeit its Program Credit for the month in which the Emergency Curtailment Event occurred and shall pay the ECE Charge set forth in the Rates section of this Rider.

In the event of any conflict between the terms and conditions set forth in this rider and other service reliability requirements and/or obligations of the Company, the latter shall prevail.

E. Notification

Customers served under this Rider shall be provided notification Emergency Curtailment Events by the Company. Customers shall be provided clock times of the beginning and ending of these events, except the Emergency Curtailment Event notification may be stated such that customers must curtail their actual measured load to its Firm Load in 10 minutes from the time the notification is issued. Receipt of curtailment notifications shall be the sole responsibility of the customer.

Filed pursuant to Order dated _____, in Case No. Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 100

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RIDER OLR
Optional Load Response Program Rider

Notification of an Emergency Curtailment Events consists of an electronic message issued by the Company to a device or devices such as telephone, facsimile, pager or email, selected and provided by the customer and approved by the Company. Two-way information capability shall be incorporated by the Company and the customer in order to provide confirmation of receipt of notification messages. Operation, maintenance and functionality of such communication devices selected by the customer shall be the sole responsibility of the customer.

F. Term

This rider shall become effective for service rendered in January 2009 and shall expire with service rendered through December 31st, 2011.

A customer may terminate its participation in the Program upon no less than twelve (12) months advance written notice to the Company. Except as otherwise provided in this rider, a qualifying customer may return to the Program at any time after a hiatus from the Program of at least one (1) year.

G. Conditions

Payment by the customer of all charges herein is a condition of service under this Optional Load Response Program Rider

Filed pursuant to Order dated _____, in Case No. Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 100
Page 5 of 5**RIDER OLR**
Optional Load Response Program Rider**ADDENDUM TO THE CONTRACT FOR ELECTRIC SERVICE**

This Addendum, effective _____, 20__, establishes the following additional terms and conditions that are to be part of the Contract for Electric Service, dated _____ for the Customer premises at _____ (the "Service Contract").

1. Customer has elected to participate in the Company's Optional Load Response Program ("Program") set forth in Company's Optional Load Response Program Rider included in Company's standard Tariff, P.U.C.O. No. 11 ("Tariff"), as amended from time to time (hereinafter "OLR rider"). Customer acknowledges that the terms and conditions of the Program are supplemental to, and do not replace, those set forth in the rate schedules and riders identified in the Service Contract.
2. For purposes of participating in the Program, Customer's Firm Load, as that term is defined in the OLR rider, shall be _____. This Firm Load may be altered, consistent with the terms of the OLR rider.
3. If applicable, the execution of the Service Contract and this Addendum supersedes the terms and conditions of any other interruptible or curtailment program under which Customer takes service at the time of executing this Addendum, rendering any terms and conditions of any such program null and void.
4. This Addendum (but not the Service Contract) shall automatically terminate if Customer no longer takes service under the OLR rider, or if the OLR rider terminates consistent with its terms.

Ohio Edison Company
(Company)_____
(Customer)

By: _____

By: _____

Its: _____

Its: _____

On: _____

On: _____

Filed pursuant to Order dated _____, In Case No. Case No. 08-XXX-EL-SSQ, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.D. No. 11

Original Sheet 108

Page 1 of 3

RIDER EDR
Economic Development Rider**a. Residential Non-Standard Credit Provision****APPLICABILITY:**

Applicable to residential customers taking service under the Company's Rate Schedule RS to which the Residential Distribution Credit Rider (RDC) applies. This Residential Non-Standard Credit Provision is not applied to customers during the period the customer takes electric generation service from a certified supplier.

RATE:

The following Residential Non-Standard credits are effective for service rendered beginning January 1, 2009, for all kWhs per kWh in excess of 500 kWhs per month which are consumed by the customer during the winter billing periods as defined in the Electric Service Regulations, Section VI.L:

Customer Rate Schedule as of December 31, 2008

"Special Provisions" of Residential Standard Rate Schedule (Original Sheet No. 10)	(0.0000)¢
Residential Space Heating Rate (Original Sheet No. 11)	(1.9000)¢
Residential Optional Time-of-Day (Original Sheet No. 12)	(1.9000)¢
Residential Optional Controlled Service Rider (Original Sheet No. 14)	(1.9000)¢
Residential Load Management Rate (Original Sheet No. 17)	(1.9000)¢
Residential Water Heating Service (Original Sheet No. 18)	(0.0000)¢
Residential Optional Electrically Heated Apartment Rate (Original Sheet No. 19)	(1.9000)¢

b. Interruptible Credit Provision**APPLICABILITY:**

Applicable to all customers who took service under the Company's interruptible tariffs set forth below as of December 31, 2008 and continue to take service under the Company's Rates Schedules GP, GSU, or GT in conjunction with the Company's Economic Load Response Program Rider (ELR). This interruptible Credit Provision is not applied to customers during the period the customer takes electric generation service from a certified supplier.

Interruptible Rider – General Service Large and High Use Manufacturing	Original Sheet No. 73
Interruptible Rider – Metal Melting Load	Original Sheet No. 74
Interruptible Rider – Incremental Interruptible Service	Original Sheet No. 75

RATE:

The following interruptible credits will apply, by Rate Schedule, effective for service rendered beginning January 1, 2009 by unit of Realizable Curtailable Load, as defined in Rider ELR:

GP (per kW)	\$ (6.050)
GSU (per kVa)	\$ (6.050)
GT (per kVa)	\$ (6.050)

Filed pursuant to Order dated _____, in Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.D. No. 11

Original Sheet 108
Page 2 of 3**RIDER EDR**
Economic Development Rider**c. Street Lighting (STL) and Traffic Lighting (TRF) Credit Provision****APPLICABILITY:**

Applicable to any customer taking service under either the Company's Street Lighting Service (Rate STL) or Traffic Lighting Schedule (Rate TRF). This STL and TRF Credit Provision is not applied to customers during the period the customer takes electric generation service from a certified supplier.

RATE:

The following STL and TRF credits will apply, by Rate Schedule, effective for service rendered beginning January 1, 2009, for all kWhs, per kWh:

STL	(3.9000)¢
TRF	(2.4000)¢

d. General Service - Transmission (Rate GT) Provision**APPLICABILITY:**

Applicable to any customer taking service under the Company's General Service - Transmission (Rate GT). This provision is not avoidable for customers who shop with a certified supplier.

RATE:

The following charge will apply, effective for service rendered beginning January 1, 2009:

GT (per kVa)	\$ 8.000
--------------	----------

The following credit will apply, effective for service rendered beginning January 1, 2009:

GT (all kWhs, per kWh)	(1.7402)¢
------------------------	-----------

ADDITIONAL PROVISIONS:

1. The charges under section d. of this Rider shall be applied to the greater of (i) the measured monthly on-peak demand, or (ii) 25% of the measured monthly off-peak demand. Monthly on-peak demand is defined as the highest thirty (30) minute integrated kVa between the hours of 6:00 a.m. to 10:00 p.m. EST, Monday through Friday, excluding holidays. Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Monthly off-peak demand is defined as the highest thirty (30) minute integrated kVa for all other hours.
2. For customers not taking service under Generation Service Rider (GEN) or the Market Rate Provision of the Power Supply Reservation Rider (PSR), the sum of the charges and credits under section d. of this Rider shall not be less than zero.

Filed pursuant to Order dated _____, In Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 11

Original Sheet 108

Page 3 of 3

RIDER EDR
Economic Development Rider**e. Standard Charge Provision****APPLICABILITY:**

Applicable to any customer that takes electric service under the Company's Rate Schedules. This Residential Non-Standard Credit Provision is not avoidable for customers who shop with a certified supplier.

PURPOSE:

The charges under section e. of this Rider recover the difference in revenues resulting from the application of rates in the otherwise applicable Rate Schedule and the credits in sections a. b. and c. of this Rider.

RATE:

The following charges will apply, by Rate Schedule, effective for service rendered beginning January 1, 2009, for all kWhs per kWh:

GS

0.4293¢

GP

0.4293¢

RIDER UPDATES:

The charges and credits set forth in this Rider shall be updated and reconciled on an annual basis. No later than December 1st of each year, the Company shall file with the PUCO a request for approval of the charges and credits which, unless otherwise ordered by the PUCO, shall become effective on a service rendered basis on January 1st of the following year.

Filed pursuant to Order dated _____, In Case No. 08-XXX-EL-SSO, before

The Public Utilities Commission of Ohio

Issued by: Anthony J. Alexander, President

Effective: January 1, 2009

APPENDIX

QUALIFICATIONS OF

DENNIS W. GOINS

DENNIS W. GOINS

PRESENT POSITION

Economic Consultant, Potomac Management Group, Alexandria, Virginia.

AREAS OF QUALIFICATION

- Competitive Market Analysis
- Costing and Pricing Energy-Related Goods and Services
- Utility Planning and Operations
- Litigation Analysis, Strategy Development, Expert Testimony

PREVIOUS POSITIONS

- Vice President, Hagler, Bailly & Company, Washington, DC.
- Principal, Resource Consulting Group, Inc., Cambridge, Massachusetts.
- Senior Associate, Resource Planning Associates, Inc., Cambridge, Massachusetts.
- Economist, North Carolina Utilities Commission, Raleigh, North Carolina.

EDUCATION

College	Major	Degree
Wake Forest University	Economics	BA
North Carolina State University	Economics	ME
North Carolina State University	Economics	PhD

RELEVANT EXPERIENCE

Dr. Goins specializes in pricing, planning, and market structure issues affecting firms that buy and sell products in electricity and natural gas markets. He has extensive experience in evaluating competitive market conditions, analyzing power and fuel requirements, prices, market operations, and transactions, developing product pricing strategies, setting rates for energy-related products and services, and negotiating power supply and natural gas contracts for private and public entities. He has participated in more than 100 cases as an expert on competitive market issues, utility restructuring, power market planning and

DENNIS W. GOINS

operations, utility mergers, rate design, cost of service, and management prudence before the Federal Energy Regulatory Commission, the General Accounting Office, the First Judicial District Court of Montana, the Circuit Court of Kanawha County, West Virginia, and regulatory commissions in Alabama, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, New Jersey, New York, North Carolina, Ohio, Oklahoma, South Carolina, Texas, Utah, Vermont, Virginia, and the District of Columbia. He has also prepared an expert report on behalf of the United States regarding pricing and contract issues in a case before the United States Court of Federal Claims.

PARTICIPATION IN REGULATORY, ADMINISTRATIVE, AND COURT PROCEEDINGS

1. Idaho Power Company, before the Idaho Public Utilities Commission, Case No. IPC-E-08-10 (2008), on behalf of the U.S. Department of Energy (Federal Executive Agencies), re cost-of-service and rate design issues.
2. Ohio Edison *et al.*, before the Public Utilities Commission of Ohio, Case No. 08-935-EL-SSO (2008), on behalf of Nucor Steel Marion, Inc., re energy security plan proposal.
3. Ohio Edison *et al.*, before the Public Utilities Commission of Ohio, Case No. 08-936-EL-SSO (2008), on behalf of Nucor Steel Marion, Inc., re market rate offer proposal.
4. Entergy Texas, Inc., before the Public Utilities Commission of Texas, PUC Docket No. 35269 (2008), on behalf of Texas Cities, re jurisdictional allocation of system agreement payments.
5. Duke Energy Indiana, Inc., before the Indiana Utility Regulatory Commission, Cause No. 43374 (2008), on behalf of Nucor Steel and Steel Dynamics, Inc., re alternative regulatory plan.
6. Entergy Gulf States Inc., before the Public Utilities Commission of Texas, PUC Docket No. 34800 (2008), on behalf of Texas Cities, re affiliate transactions.
7. Commonwealth Edison Company, before the Illinois Commerce Commission, Docket No. 07-0566 (2008), on behalf of Nucor Steel Kankakee, Inc., re cost-of-service and rate design issues.
8. Ohio Edison *et al.*, before the Public Utilities Commission of Ohio, Case No. 07-0551-EL-AIR *et al.* (2008), on behalf of Nucor Steel Marion, Inc., re cost-of-service and rate design issues.

DENNIS W. GOINS

9. Appalachian Power Company dba American Electric Power, before the Public Service Commission of West Virginia, Case No. 06-0033-E-CN (2007), on behalf of Steel of West Virginia, Inc., re power plant cost recovery mechanism.
10. Oncor Electric Delivery Company and Texas Energy Future Holdings Limited Partnership, before the Public Utilities Commission of Texas, PUC Docket No. 34077 (2007), on behalf of Nucor Steel - Texas, re acquisition of TXU Corp. by Texas Energy Future Holdings Limited Partnership.
11. Arkansas Oklahoma Gas Company, before the Arkansas Public Service Commission, Docket No. 07-026-U (2007), on behalf of West Central Arkansas Gas Consumers, re gas cost-of-service and rate design issues.
12. Idaho Power Company, before the Idaho Public Utilities Commission, Case No. IPC-E-07-08 (2007), on behalf of the U.S. Department of Energy (Federal Executive Agencies), re cost-of-service and rate design issues.
13. Potomac Electric Power Company, before the District of Columbia Public Service Commission, Formal Case No. 1056 (2007), on behalf of the General Services Administration, re demand-side management and advanced metering programs.
14. South Carolina Electric & Gas Company, before the South Carolina Public Service Commission, Docket No. 2007-229-E (2007), on behalf of CMC Steel-SC, re cost-of-service and rate design issues.
15. Potomac Electric Power Company, before the Maryland Public Service Commission, Case No. 9092 (2007), on behalf of the General Services Administration, re retail cost allocation and standby rate design issues for distributed generation resources.
16. Potomac Electric Power Company, before the District of Columbia Public Service Commission, Formal Case No. 1053 (2007), on behalf of the General Services Administration, re retail cost allocation and standby rate design issues for distributed generation resources.
17. Entergy Gulf States Inc., before the Public Utilities Commission of Texas, PUC Docket No. 32907 (2006), on behalf of Texas Cities, re hurricane cost recovery.
18. Entergy Gulf States Inc., before the Public Utilities Commission of Texas, PUC Docket No. 32710/ SOAH Docket No. 473-06-2307 (2006), on behalf of Texas Cities, re reconciliation of fuel and purchased power costs.
19. Florida Power & Light Company, before the Florida Public Service Commission, Docket No. 060001-EI (2006), on behalf of the U.S. Air Force (Federal Executive Agencies), re fuel and purchased power cost recovery.

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20. Arizona Public Service Company, before the Arizona Corporation Commission, Docket No. E-01345A-05-0816 (2006), on behalf of the U.S. Air Force (Federal Executive Agencies), re retail cost allocation and rate design issues.
21. PacifiCorp (dba Rocky Mountain Power), before the Utah Public Service Commission, Docket No. 06-035-21 (2006), on behalf of the U.S. Air Force (Federal Executive Agencies), re rate design issues.
22. South Carolina Electric & Gas Company, before the South Carolina Public Service Commission, Docket No. 2006-2-E (2006), on behalf of CMC Steel-SC, re fuel and purchased power cost recovery.
23. Entergy Gulf States Inc., before the Public Utilities Commission of Texas, PUC Docket No. 31544/ SOAH Docket No. 473-06-0092 (2006), on behalf of Texas Cities, re transition to competition rider.
24. Idaho Power Company, before the Idaho Public Utilities Commission, Case No. IPC-E-05-28 (2006), on behalf of the U.S. Department of Energy (Federal Executive Agencies), re cost-of-service and rate design issues.
25. Alabama Power Company, before the Alabama Public Service Commission, Docket No. 18148 (2005), on behalf of SMI Steel-Alabama, re energy cost recovery.
26. Florida Power & Light Company, before the Florida Public Service Commission, Docket No. 050001-EI (2005), on behalf of the U.S. Air Force (Federal Executive Agencies), re fuel and capacity cost recovery.
27. Entergy Gulf States Inc., before the Public Utilities Commission of Texas, PUC Docket No. 31315/ SOAH Docket No. 473-05-8446 (2005), on behalf of Texas Cities, re incremental purchased capacity cost rider.
28. Florida Power & Light Company, before the Florida Public Service Commission, Docket No. 050045-EI (2005), on behalf of the U.S. Air Force (Federal Executive Agencies), re cost-of-service and interruptible rate issues.
29. Arkansas Electric Cooperative Corporation, before the Arkansas Public Service Commission, Docket No. 05-042-U (2005), on behalf of Nucor Steel and Nucor-Yamato Steel, re power plant purchase.
30. Arkansas Electric Cooperative Corporation, before the Arkansas Public Service Commission, Docket No. 04-141-U (2005), on behalf of Nucor Steel and Nucor-Yamato Steel, re cost-of-service and rate design issues.
31. Dominion North Carolina Power, before the North Carolina Utilities Commission, Docket No. E-22, Sub 412 (2005), on behalf of Nucor Steel-Hertford, re cost-of-service and interruptible rate issues.

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32. Public Service Company of Colorado, before the Colorado Public Utilities Commission, Docket No. 04S-164E (2004), on behalf of the U.S. Air Force (Federal Executive Agencies), re cost-of-service and interruptible rate issues.
33. CenterPoint Energy Houston Electric, LLC, *et al.*, before the Public Utility Commission of Texas, PUC Docket No. 29526 (2004), on behalf of the Coalition of Commercial Ratepayers, re stranded cost true-up balances.
34. PacifiCorp, before the Utah Public Service Commission, Docket No. 04-035-11 (2004), on behalf of the U.S. Air Force (United States Executive Agencies), re time-of-day rate design issues.
35. Arizona Public Service Company, before the Arizona Corporation Commission, Docket No. E-01345A-03-0347 (2004), on behalf of the U.S. Air Force (Federal Executive Agencies), re retail cost allocation and rate design issues.
36. Idaho Power Company, before the Idaho Public Utilities Commission, Case No. IPC-E-03-13 (2004), on behalf of the U.S. Department of Energy (Federal Executive Agencies), re retail cost allocation and rate design issues.
37. PacifiCorp, before the Utah Public Service Commission, Docket No. 03-2035-02 (2004), on behalf of the U.S. Air Force (United States Executive Agencies), re retail cost allocation and rate design issues.
38. Dominion Virginia Power, before the Virginia State Corporation Commission, Case No. PUE-2000-00285 (2003), on behalf of Chaparral (Virginia) Inc., re recovery of fuel costs.
39. Jersey Central Power & Light Company, before the New Jersey Board of Public Utilities, BPU Docket No. ER02080506, OAL Docket No. PUC-7894-02 (2002-2003), on behalf of New Jersey Commercial Users, re retail cost allocation and rate design issues.
40. Public Service Electric and Gas Company, before the New Jersey Board of Public Utilities, BPU Docket No. ER02050303, OAL Docket No. PUC-5744-02 (2002-2003), on behalf of New Jersey Commercial Users, re retail cost allocation and rate design issues.
41. South Carolina Electric & Gas Company, before the South Carolina Public Service Commission, Docket No. 2002-223-E (2002), on behalf of SMI Steel-SC, re retail cost allocation and rate design issues.

DENNIS W. GOINS

42. Montana Power Company, before the First Judicial District Court of Montana, *Great Falls Tribune et al. v. the Montana Public Service Commission*, Cause No. CDV2001-208 (2002), on behalf of a media consortium (*Great Falls Tribune, Billings Gazette, Montana Standard, Helena Independent Record, Missoulian, Big Sky Publishing, Inc. dba Bozeman Daily Chronicle*, the Montana Newspaper Association, *Miles City Star, Livingston Enterprise, Yellowstone Public Radio, the Associated Press, Inc., and the Montana Broadcasters Association*), re public disclosure of allegedly proprietary contract information.
43. Louisville Gas & Electric *et al.*, before the Kentucky Public Service Commission, Administrative Case No. 387 (2001), on behalf of Gallatin Steel Company, re adequacy of generation and transmission capacity in Kentucky.
44. PacifiCorp, before the Utah Public Service Commission, Docket No. 01-035-01 (2001), on behalf of Nucor Steel, re retail cost allocation and rate design issues.
45. TXU Electric Company, before the Public Utilities Commission of Texas, PUC Docket No. 23640/ SOAH Docket No. 473-01-1922 (2001), on behalf of Nucor Steel, re fuel cost recovery.
46. FPL Group *et al.*, before the Federal Energy Regulatory Commission, Docket No. EC01-33-000 (2001), on behalf of Arkansas Electric Cooperative Corporation, Inc., re merger-related market power issues.
47. Entergy Mississippi, Inc., *et al.*, before the Mississippi Public Service Commission, Docket No. 2000-UA-925 (2001), on behalf of Birmingham Steel-Mississippi, re appropriate regulatory conditions for merger approval.
48. TXU Electric Company, before the Public Utilities Commission of Texas, PUC Docket No. 22350/ SOAH Docket No. 473-00-1015 (2000), on behalf of Nucor Steel, re unbundled cost of service and rates.
49. PacifiCorp, before the Utah Public Service Commission, Docket No. 99-035-10 (2000), on behalf of Nucor Steel, re using system benefit charges to fund demand-side resource investments.
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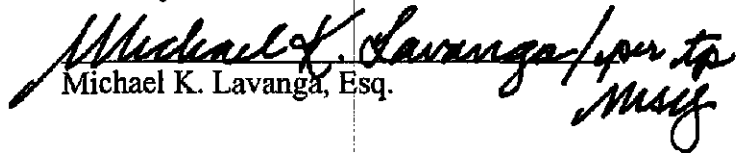
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following parties of record or as a courtesy, via U.S. Mail postage prepaid, express mail, hand delivery, or electronic transmission on September 9, 2008.


Michael K. Lavanga, Esq.

Harvey L. Wagner
Cleveland Electric Illuminating Co.
76 South Main Street
Akron, Ohio 44308

Arthur Korkosz
FirstEnergy, Senior Attorney
76 South Main Street
Legal Department, 18th Floor
Akron, Ohio 44308-1890

James Burk
FirstEnergy Service Company
76 South Main Street
Akron, Ohio 44308

Mark Hayden
FirstEnergy Corporation
76 South Main Street
Akron, Ohio 44308

Ebony L. Miller
FirstEnergy Corporation
76 South Main Street
Akron, OH 44038

Jeffrey Small
Office of the Ohio Consumers Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215

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

Joseph Clark
McNees Wallace & Nurick
Fifth Third Center
21 East State Street, 17th Floor
Columbus, OH 43215

Samuel Randazzo
McNees Wallace & Nurick
Fifth Third Center
21 East State Street, 17th Floor
Columbus, OH 43215

The Kroger Co.
Denis George
1014 Vine Street
Cincinnati, OH 45202

David C. Rinebolt
Ohio Partners for Affordable Energy
231 West Lima Street
Findlay, OH 45839

Nolan Moser
Air & Energy Program Manager
The Ohio Environmental Council
1207 Grandview Avenue, Suite 201
Columbus, OH 43212-3449

Lance M. Keiffer
Assistant Prosecuting Attorney
711 Adams St., 2nd Floor
Toledo, OH 43624-1680

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

Henry W. Eckhart
The Natural Resource Defense Council
50 West Broad Street #2117
Columbus Ohio 43215

Stephen M. Howard
Craig G. Goodman
National Energy Marketers Association
3333 K Street, NW, Suite 110
Washington, DC 20007

Robert J. Triozzi
Steven Beeler
City of Cleveland
601 Lakeside Ave., Room 106
Cleveland, OH 44114-1077

Barth E. Royer
Bell & Royer LPA
33 S. Grant Avenue
Columbus, OH 43215

Leslie A. Kovacik
Senior Attorney
City of Toledo
420 Madison Ave., Suite 100
Toledo, OH 43604-1219

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

Richard L. Sites
General Counsel and Senior Director of Health Policy
Ohio Hospital Association
155 East Broad Street, 15th Floor
Columbus, OH 43215-3620

Sean W. Vollman
David A. Muntean
Assistant Directors of Law
161 S. High Street, Suite 202
Akron, OH 44308

F. Mitchell Dutron
FPL Energy Power Marketing, Inc.
700 Universe Blvd.
Juno Beach, FL 33408

Gregory H. Dunn
Christopher L. Miller
Andre T. Porter
Schottenstein Zox & Dunn Co., LPA
250 West St.
Columbus, OH 43215

Glenn S. Krassen
Bricker & Eckler, LLP
1375 E. Ninth St., Suite 1500
Cleveland, OH 44114

Theodore S. Robinson
Citizen Power
2121 Murray Ave.
Pittsburgh, PA 15217

Craig I. Smith
2824 Coventry Rd.
Cleveland, OH 44120

Douglas Mancino
McDermott, Will & Emery LLP
2049 Century Park East
Suite 3800
Los Angeles, CA 90067

Eric D. Weldele
Tucker Ellis & West LLP
1225 Huntington Center
41 South High Street
Columbus, OH 43215

Larry Gearhardt
Ohio Farm Bureau Federation
280 N. High St.
P.O. Box 182383
Columbus, OH 43218-2383

Damon E. Xenopoulos
Brickfield, Burchette, Ritts & Stone, PC
1025 Thomas Jefferson St., NW
Eighth Floor, West Tower
Washington, DC 20007

Steve Millard
The Council on Small Enterprises
The Higbee Building
100 Public Square, Suite 201
Cleveland, OH 44113

Nicholas C. York
Tucker Ellis & West LLP
1225 Huntington Center
41 South High Street
Columbus, OH 43215