3351-mdj

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        BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO
    In the Matter of the
    Application of Ohio Edison:
3
    Company, The Cleveland
    Electric Illuminating
    Company, and The Toledo
    Edison Company for
5
    Authority to Establish a : Case No. 08-935-EL-SSO
    Standard Service Offer
    Pursuant to RC §4928.143 :
    in the Form of an
7
    Electric Security Plan. :
    In the Matter of the
    Application of Ohio Edison:
    Company, The Cleveland : Case No. 09-21-EL-ATA
    Electric Illuminating
                             :
                                         09-22-EL-AEM
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    Company and The Toledo
                             :
                                        09-23-EL-AAM
    Edison Company for
11
    Approval of Rider FUEL and:
    Related Accounting
12
    Authority.
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                         PROCEEDINGS
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    before Ms. Christine Pirik and Mr. Gregory Price,
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    Attorney Examiners, at the Public Utilities
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    Commission of Ohio, 180 East Broad Street, Room 11-C,
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    Columbus, Ohio, called at 10:00 a.m. on Wednesday,
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    February 25, 2009.
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                         VOLUME XIII
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                    ARMSTRONG & OKEY, INC.
               222 East Town Street, 2nd Floor
23
                    Columbus, Ohio 43215
               (614) 224-9481 - (800) 223-9481
24
                     FAX - (614) 224-5724
25
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2 1 **APPEARANCES:** 2 FirstEnergy Corp. By Mr. Arthur E. Korkosz 3 Mr. Mark A. Hayden Ms. Ebony L. Miller 4 Mr. James W. Burk 76 South Main Street 5 Akron, Ohio 44308 Jones Day By Mr. David A. Kutik 7 North Point 901 Lakeside Avenue 8 Columbus, Ohio 43215 Calfee, Halter & Griswold, LLP 9 By Mr. James Lang 10 1400 KeyBank Center 800 Superior Lane 11 Cleveland, Ohio 44114 12 On behalf of the Applicants. 13 Janine L. Migden-Ostrander, Ohio Consumers' Counsel 14 By Mr. Jeffrey Small Ms. Jacqueline Roberts 15 Mr. Terry L. Etter Assistant Consumers' Counsel 16 10 West Broad Street, 18th Floor Columbus, Ohio 43215 17 On behalf of the Residential Consumers of 18 the FirstEnergy Companies. 19 McNees, Wallace & Nurick, LLC By Ms. Lisa McAlister 20 Mr. Samuel C. Randazzo Fifth Third Center, Suite 1700 21 21 East State Street Columbus, Ohio 43215-4228 22 On behalf of the Industrial Energy 23 Users-Ohio. 24 25

3 1 APPEARANCES: (Continued) 2 Chester, Willcox & Saxbe, LLP By Mr. John Bentine Mr. Mark S. Yurick 3 Mr. Matthew S. White 4 65 East State Street, Suite 1000 Columbus, Ohio 43215 5 On behalf of The Kroger Company. 6 Brickfield, Burchette, Ritts & Stone, PC 7 By Mr. Michael K. Lavanga Mr. Garrett A. Stone 8 1025 Thomas Jefferson Street N.W. 8th Floor, West Tower 9 Washington, DC 2007-5201 10 On behalf of the Nucor Steel Marion, Inc. 11 Vorys, Sater, Seymour and Pease, LLP By Mr. Howard Petricoff 12 Ms. Betsy Elder 52 East Gay Street 13 Columbus, Ohio 43216-1008 14 On behalf of Constellation NewEnergy, Inc., Constellation Energy Commodity 15 Group, Direct Energy Services, and Integrys Energy Services, Ohio 16 Association of School Business Officials, the Ohio School Board Association, and 17 the Buckeye Association of School Administrators. 18 Boehm, Kurtz & Lowry 19 By Mr. Michael Kurtz Mr. David Boehm 20 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202 21 On behalf of Ohio Energy Group. 22 23 24 25

|                                 |   | 4 |
|---------------------------------|---|---|
| 1                               | APPEARANCES: (Continued)  |   |
| 2                               | Bricker & Eckler, LLP<br>Mr. E. Brett Breitschwerdt<br>100 South Third Street                                   |   |
| 4                               | Columbus, Ohio 43215  |   |
| 5                               | and   |   |
| 6<br>7                          | Bricker & Eckler, LLP<br>By Mr. Glenn S. Krassen<br>1375 East Ninth Street, Suite 1500<br>Cleveland, Ohio 44114 |   |
| 8                               | On behalf of Northeast Ohio Public Energy Council and the Ohio Schools Council.                                 |   |
| 9                               | Schottenstein, Zox & Dunn Co., LPA<br>By Mr. Christopher L. Miller  |   |
| 11                              | Mr. Andre T. Porter<br>250 West Street<br>Columbus, Ohio 43215  |   |
| 12<br>13                        | On behalf of the City of Cleveland and<br>Association of Independent Colleges and<br>Universities of Ohio.      |   |
| 15<br>16                        | Bailey Cavalieri, LLC<br>By Mr. Dane Stinson<br>10 West Broad Street, Suite 2100<br>Columbus, Ohio 43215        |   |
| 17                              | On behalf of FPL Energy Power Marketing,  |   |
| 18                              | Inc., and Gexa Energy Holdings, LLC.  |   |
| 19                              | Mr. Craig I. Smith<br>2824 Coventry Road<br>Cleveland, Ohio 44120   |   |
| 20                              | On behalf of Material Science   |   |
| 21                              | Corporation.  |   |
| 22                              |   |   |
| 23                              |   |   |
| <ul><li>24</li><li>25</li></ul> |   |   |

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|----|---|---|
| 1  | APPEARANCES: (Continued)  |   |
| 2  | Richard Cordray, Ohio Attorney General<br>Duane Luckey, Section Chief |   |
| 3  | Public Utilities Section<br>By Mr. John Jones                         |   |
| 4  | Mr. Thomas McNamee<br>Mr. William Wright                              |   |
| 5  | Assistant Attorneys General<br>180 East Broad Street                  |   |
| 6  | Columbus, Ohio 43215  |   |
| 7  | On behalf of the Staff of the Public Utilities Commission.            |   |
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Wednesday Morning Session, February 25, 2009.

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EXAMINER PIRIK: We'll go on the record. In the matter of the application of Ohio Edison Company, the Cleveland Electric Illuminating Company, and the Toledo Edison Company for authority to establish a standard service offer pursuant to Section 4928.143 of the Revised Code in the form of an electric security plan, Case No. 08-935-EL-SSO, and Case Nos. 09-21-EL-ATA, 09-22-EL-AEM, and 09-23-EL-AAM, being in the matter of the application of Ohio Edison Company, the Cleveland Electric Illuminating Company, and the Toledo Edison Company for approval of rider fuel and related accounting authority.

My name is Christine Pirik. Alongside me is Gregory Price. We are the attorney-examiners assigned to hear this case by the Commission.

At this time we will take appearances on behalf of the parties. On behalf of FirstEnergy.

Mr. Korkosz on behalf of the company applicants, your Honors, I enter the appearances of James W. Burk,

Arthur E. Korkosz, Mark A. Hayden, Ebony L. Miller,

FirstEnergy Service Company, as well as the

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additional appearances of James F. Lang, Calfee,
Halter and Griswold, and David A. Kutik, Jones Day.
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EXAMINER PIRIK: We will just proceed around the table. On behalf of staff.

MR. JONES: Good morning, your Honor. On behalf of the staff of the Public Utilities

Commission of Ohio, Richard Cordray, Ohio Attorney

General, Duane Luckey, Section Chief, William Wright,

Thomas McNamee, and John Jones, Assistant Attorneys

General, 180 East Broad Street, Columbus, Ohio.

MR. KURTZ: Your Honor, for the Ohio
Energy Group, Mike Kurtz and Dave Boehm, Boehm, Kurtz
& Lowry, 1510 URS Center, Cincinnati, Ohio.

MR. BREITSCHWERDT: Good morning, your Honor. On behalf of the Northeast Ohio Public Energy Council, Brett Breitschwerdt and Glenn Krassen, Bricker & Eckler, LLP, 100 South Third Street, Columbus, Ohio 43215.

MR. STINSON: On behalf of FPL Energy
Power Marketing, Gexa Energy Holdings and Gexa Energy
Ohio, Dane Stinson, Bailey Cavalieri, LLC, 10 West
Broad Street, Suite 2100, Columbus, Ohio 43215.

MR. SMALL: On behalf of the residential customers of the FirstEnergy Distribution Companies, Janine Migden-Ostrander, Consumers' Counsel, Jeffrey

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L. Small, counsel of record, Jacqueline Lake Roberts,

Terry L. Etter, Assistant Consumers' Counsel, Office

of the Ohio Consumers' Counsel, 10 West Broad Street,

Suite 1800, Columbus, Ohio 43215.
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EXAMINER PIRIK: Where do we go from here?

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MR. MILLER: On behalf of the City of Cleveland, Chris Miller, Andre Porter, Schottenstein, Zox & Dunn, 250 West Street, Columbus, Ohio 43215.

MS. PORTER: Also on behalf of the Association of Independent Colleges and Universities of Ohio, Andre Porter and Chris Miller, law firm of Schottenstein, Zox & Dunn, 250 West Street, Columbus, Ohio.

MR. SMITH: On behalf of Material Sciences Corporation, Craig I. Smith, attorney at law, 2824 Coventry Road, Cleveland, Ohio 44120.

MS. McALISTER: On behalf of the Industrial Energy Users-Ohio, McNees, Wallace & Nurick, by Lisa McAlister and Samuel C. Randazzo, 21 East State Street, Columbus, Ohio 43215.

MS. ELDER: On behalf of Constellation NewEnergy, Integrys Energy Services, and Constellation Energy Commodities Group, Howard Petricoff and Betsy Elder, Vorys, Sater, Seymour &

Pease, 52 East Gay Street, Columbus, Ohio.

MR. LAVANGA: Good morning, your Honor.

On behalf of Nucor Steel Marion, Michael K. Lavanga and Garrett A. Stone of the law firm Brickfield,

Burchette, Ritts & Stone, 1025 Thomas Jefferson

Street, Washington, DC, zip code 20007.

EXAMINER PIRIK: Yes.

MR. WHITE: On behalf of the Kroger
Company, John Bentine, Mark Yurick, and Matt White,
65 East State Street, Columbus, Ohio 43215.

EXAMINER PIRIK: Are there any other appearances that we need to take at this time?

(No response.)

EXAMINER PIRIK: We have a couple procedural matters regarding a motion for admission to practice before the Commission as well as a couple of motions to intervene, and in considering motions to intervene in these cases the examiners would like to offer that we believe that these two cases should be consolidated and we would throw that out to the parties and ask for any comments that anyone may have.

MR. KORKOSZ: On behalf of the applicants, we would concur in the belief that the cases should be consolidated.

EXAMINER PIRIK: Mr. Small.

Mr. Small?

MR. SMALL: The OCC does not object to administrative notice being taken of the record in 08-935; however, we do think it is inappropriate to consolidate the cases, so as far as the record is concerned, we don't have any objections, but a consolidation we don't agree to.

EXAMINER PRICE: What's your basis,

MR. SMALL: It's not clear that there can be a continuation under the provisions of Senate Bill 221 of 08-935, and that is the basis of the objection. However, taking administrative notice of the record in that case is another matter.

EXAMINER PRICE: May I ask, can you expand on what you're saying about it's not clear it can be a continuation of 08-935?

MR. SMALL: There was a filing in the 08-935, there was a proceeding, there was a Commission order, there was withdrawal of the application, but I believe the 08-935 came to a halt at that particular point in time.

And I don't know -- OCC does not agree that it is permissible to just continue on the case under the provisions of Senate Bill 221.

EXAMINER PRICE: But 221 at 4928.143(C)(2)(a) does state if the Commission modifies and approves an application under division (C)(1) of the section, the utility -- the electric distribution utility may withdraw the application, thereby terminating it, and may file a new standard service offer under this section or a standard service offer under section 4928.142 of the Revised Code.

Is that not what FirstEnergy is doing in this case?

MR. SMALL: Perhaps we have started a new case, and that is exactly my point.

EXAMINER PIRIK: But is that a procedural issue that really the Bench and the Commission should consider? I mean, does it -- why is that relevant to the case number?

MR. SMALL: Well, we're not talking about case numbers. We're talking about whether the cases are consolidated or not.

I don't know, I don't want to make a big deal out of case numbers, but right now I think the case number and the case are the same thing, which is it's an entire record and it started with an application by the company, and I'm arguing that it

was terminated with the withdrawal of -- that case was terminated with --

EXAMINER PRICE: If we did what you said and simply took administrative notice of 08-935, that entire record would then be fair game in this proceeding even if we were using a different case number; would it not?

MR. SMALL: I didn't say that my argument wasn't a fine one, I just am making that -- I'm making the OCC's fine distinction between the two.

EXAMINER PRICE: Okav.

EXAMINER PIRIK: Does the company have any response?

MR. KORKOSZ: I would only, well, we don't think that there is a difficulty in the consolidation, obviously, but as a practical matter I think given the nature of the interjoining aspects of the stipulation and recommendation that has been adopted by parties in the case, that there's -- that they have become intertwined and it makes sense to have consolidation as a practical matter.

EXAMINER PIRIK: And I think that's really where the Bench was coming from, from a practical perspective administrative notice versus consolidating the cases, in this situation, given

that we are going to hearing and what we are moving forward on, we at this time find that the two cases should be consolidated and move forward, well, actually there's four case numbers on here, so all four cases should be consolidated at this point in time for consideration of the matters before us.

In light of that, we do have a motion to intervene by Integrys in the 09-21, et al. cases. Because the cases have been consolidated it's not necessary for us to rule on that. Those who are intervenors in the 935 case will likewise be intervenors in the 09-21, et al. case.

We do have -- there was one clarification, Mr. Stinson, with regard to FPL that I just wanted to be sure. Intervention was granted to NextEra and that group of individual companies within the 09-21, et al. cases, however, in the 08-935 case, NextEra at that point in time was not one of those member companies, as I understand it. I think the consolidation clarifies that whole issue, but I wanted to be sure that --

MR. STINSON: Yeah, we would ask that the intervention in 09-21 be applicable as well to 935. The intervenor would be NextEra, FPL Energy Power Marketing, Gexa Energy Holdings, and Gexa Energy Ohio

since Gexa Energy Ohio is newly formed and was certified during the process in 935.

EXAMINER PIRIK: I think that clarifies the record then.

MR. STINSON: Thank you very much.

EXAMINER PIRIK: We do have one motion to intervene also in the 08-935 case that was filed on behalf of FirstEnergy Solutions, and I do understand that there was a memorandum contra filed this morning on behalf of NextEra and NOPEC.

First, before proceeding with that,
before proceeding with the motion to intervene, I'd
like to entertain the motion for admission of Morgan
E. Parke to practice before the Commission.

Are there any objections to -- I did not see anything filed and I just want to be sure on the record, are there any objections to admitting him to practice before the Commission before we consider --

MR. STINSON: Subject to granting the motion to intervene.

EXAMINER PIRIK: I just don't want to inappropriately consider a motion to intervene by someone who's not yet admitted. So we will, with that note, we will admit him to practice before the Commission, Morgan E. Parke.

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                 Now with regard to the motion to
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                 With regard to the motion to intervene of
     intervene.
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     FirstEnergy Solutions, is FirstEnergy Solutions
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     represented today in this? I did not see --
                 EXAMINER PRICE: No appearance.
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                 MR. STINSON:
                               I did not hear an
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     appearance, your Honor.
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                 MR. KORKOSZ:
                               There was no appearance,
     your Honor. If I may, at the time that I entered the
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     appearance on behalf of the applicants I think there
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     was a reference generally to FirstEnergy, and I would
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     like to make the record absolutely clear that the
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     appearance that I entered on behalf of the applicant
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     companies was intended to refer to Ohio Edison
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     Company, Cleveland Electric Illuminating Company, and
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     the Toledo Edison Company only.
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                 EXAMINER PRICE: Thank you.
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                 EXAMINER PIRIK: That being said, I mean,
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     there were memorandum contra it seems.
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                 MR. SMALL: Your Honor --
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                 EXAMINER PIRIK: Go ahead. Mr. Small.
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                 MR. SMALL: I realize the OCC didn't file
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     a pleading, but I will state that the OCC supports
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     the memo contra and the statement that FirstEnergy
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Solutions has given absolutely no reason for its

absence by the filing date for the interventions.

Has given no excuse for its tardiness.

MR. STINSON: I would just state, your Honor, as reflected on the memorandum contra, that the law is clear that a motion to intervene must be filed at least five days prior to the scheduled hearing date. The scheduled hearing date in 935 was October 16th, well over four months ago.

Intervention can be granted at this point only upon the finding of an extraordinary circumstance, and FirstEnergy Solutions simply has not shown any extraordinary circumstance to intervene at this late date.

EXAMINER PRICE: I mean, isn't the case we have an amended application and, was it not the case that in our first go-round we were actually pretty lenient with the intervention deadline. We had more than one intervention motion after the deadline, and I think that we let everybody in at that point.

MR. STINSON: Well, I respectfully disagree, your Honor, that a period of four-and-a-half months have elapsed. The amended application, actually the negotiation of a stipulation is hardly anything extraordinary that

would warrant FirstEnergy Solution Corporation's intervention at this late date.

They had notice July 31st as to the issues in this case, and in the MRO proceeding, they had notice of the MRO proceeding commencing September 16th, the ESP proceeding commencing October 16th.

They slept on their rights.

There's simply no good cause or no extraordinary circumstance for them to permit them to be contributing at this point.

EXAMINER PIRIK: Are there any other comments with regard to the motion to intervene?

MR. KORKOSZ: If your Honor please, I would just make the observation that the memorandum contra and the joining was made this morning, that under the Commission's procedural rules the opportunity for a reply brief would still be available to FirstEnergy Solutions and the time in which to file that has not yet run.

MR. STINSON: I would only comment that had FirstEnergy Solutions bothered to appear today, they could have had their reply.

EXAMINER PIRIK: The Bench is going to have to take this under advisement given the timing and the hearing and whatnot.

We have a couple other procedural things that we're going to move forward with, but we will take the arguments and upon completion of these other housekeeping matters we will take a break to actually consider and then we'll come back and rule on this.

At this point in time I believe that takes care of all of the motions to intervene with clarification as far as parties go.

MR. SMITH: May I specifically ask, did you grant Material Sciences Corporation's motion to intervene?

granted the motion to intervene in the --

MR. SMITH: In the entry?

EXAMINER PIRIK: -- in the entry. Let me check.

Yes, you are one of those parties. But now that we're consolidated, you will be party to the case in any event since you're already party to 935.

MR. STINSON: Just a point of clarification, your Honor. Some of us may not be staying throughout the proceeding and if there is additional argument on those motions, would we be given notification? Or do you have an idea as to when you might be ruling on those?

EXAMINER PIRIK: We'll rule this morning.

EXAMINER PRICE: Before we take our first

3 witness.

EXAMINER PIRIK: Right.

MR. STINSON: Okay.

EXAMINER PIRIK: We will rule so that we will know who's in and who is not.

MR. STINSON: Thank you.

EXAMINER PIRIK: With regard to the other housekeeping matters, we've determined that we are going to proceed with the transcript number, with the next transcript number where we stopped in 08-935 so that the records will be clear as to what transcript we're referring to.

The company will be filing what transcripts we have available by 9 a.m. on Friday for the benefit of the parties, and they will make sure that any confidential portion of the record is likewise made available to all the parties by 9 a.m. on Friday.

We have discussed the marking of exhibits. We will begin marking exhibits by all the parties beginning at the number 100, and any confidential version of documents will be designated with an "A" after it, so it will be like 100A.

I believe housekeepingwise that's all we have on our plate. Are there any other housekeeping matters?

MR. KORKOSZ: I have one additional one, your Honor. There was a directive to have publication of notice of these proceedings published in newspapers of general circulation.

The company has undertaken to make that happen, but I do not yet have back the various tear sheets and proofs of publication. I would request that there be the opportunity for us to file as a late-filed exhibit those proofs of the publication of notice.

EXAMINER PIRIK: I believe that -- are there any comments with regard to that or objection to that designation?

At some point we will need to mark it as a late-filed exhibit number.

MR. KORKOSZ: Surely.

EXAMINER PIRIK: And then you will proceed to file it and provide it to the court reporter at that point also.

MR. KORKOSZ: Very well.

EXAMINER PIRIK: Okay.

MR. SMALL: I have one other housekeeping

matter, and I apologize for not bringing it up first thing this morning when we were dealing with housekeeping matters.

I have received requests from at least one counsel for the distribution of OCC's confidential draft, or the confidential prefiled testimony which we would like to give to parties for their use in the hearing; however, we have only distributed it thus far to the company and to Commission representatives, and OEG.

The problem is that we're not in control of the protective agreement so we would like an instruction to give it to some or all the parties requesting it so that we're not in any violation of the protective agreements or any other protection of the documents.

EXAMINER PIRIK: Mr. Korkosz.

MR. KORKOSZ: I would reiterate that the parties with whom we have a protective agreement, in addition to the -- of the intervenors, in addition to OCC include IEU, Kroger, OEG, and Nucor, so distribution to those parties would be acceptable and limited to that distribution.

MR. SMALL: That solves part of the problem because we can certainly give it to those

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parties and we appreciate the representation on the record, and we will give it to those parties if we haven't already.
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MR. WRIGHT: We don't have it.

MR. SMALL: Well, you were served with a copy.

MR. WRIGHT: Of the confidential?

MR. SMALL: Yes, but that's all right, we have an additional copy for you.

However, I anticipate that there may be somebody in the room, counsel, who hasn't signed the protective agreement who feels that they're also entitled to full participation in the hearing, so -- EXAMINER PRICE: This will be the time

for that person to speak up.

MR. SMALL: That's right.

MR. SMITH: I can firmly say that Material Sciences will not ask for a confidential copy.

MR. SMALL: I just don't want to be in the position of being told that I've withheld testimony, and I just wanted to bring it up to make sure that we've given it to every party that wants one.

EXAMINER PIRIK: Well, that's noted on

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the record. Those individuals that have signed protective agreements may receive a copy of the testimony, and if there are issues from other parties, then they will need to bring that forward and actually work with the company to try to resolve whatever issue they may have at this point. OCC should not have to bear that burden of trying to figure out how to resolve that problem.
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MR. KORKOSZ: I guess perhaps as one other preliminary matter, and I was going to address this initially, but I would ask with respect to the stipulation and recommendation that has been filed in the dockets of these cases, I would ask that it be identified for this record as Joint Exhibit 1, since it may well be referred to in the course of testimony.

MR. SMALL: Would that be Joint Exhibit 100?

MR. KORKOSZ: Joint Exhibit 100, excuse me.

MR. SMALL: Get off to a good start.

EXAMINER PIRIK: Why don't we go ahead and mark the proofs of publication as late-filed Exhibit 101.

MR. KORKOSZ: Sure.

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                 EXAMINER PIRIK: Is that --
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                 MR. KORKOSZ: Why don't we make that 100.
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     It will be Companies' Exhibit 100.
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                 EXAMINER PIRIK: So we will mark the
     stipulation as -- the stipulation that was filed on
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     February 19th, 2009, I believe --
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                 MR. KORKOSZ: I believe that's right.
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                 EXAMINER PIRIK: -- as Joint Exhibit 100
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     and the late-filed proof of publication as Companies'
     Exhibit 100.
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                 (EXHIBITS MARKED FOR IDENTIFICATION.)
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                 EXAMINER PIRIK: Any other housekeeping
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     matters?
               If not, we will take a break until, take a
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     15-minute break until 10 after 11:00 and we'll
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     reconvene at that time.
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                 (Recess taken.)
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                 EXAMINER PIRIK: We'll go back on the
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     record.
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                               Your Honors, at this point
                 MR. McNAMEE:
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     the staff would like to note that there are ongoing
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     discussions between the staff, the company, and
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     various nonsignatory parties, and we believe it would
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     be expedient at this point to not put on a witness at
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     this point in time to allow those discussions to
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proceed for a short period, an hour or so anyway.

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                  EXAMINER PIRIK: Well, I think that that
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     would be -- I mean, I think maybe what we can do is
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     just take a lunch break at the same time.
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                  MR. McNAMEE: Yes.
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                  EXAMINER PIRIK: I'd rather take a longer
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     time than a shorter time, so why don't we just come
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     back at, say, 1:30, and we'll proceed from there.
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                  MR. McNAMEE:
                                Thank you.
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                  EXAMINER PIRIK: At that time we'll rule
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     on the FES motion.
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                  (At 11:34 a.m. a lunch recess was taken
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     until 1:30 p.m.)
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Wednesday Afternoon Session, February 25, 2009.

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EXAMINER PIRIK: We'll go back on the record, and I understand we have a procedural matter that we'll discuss, but before we discuss that I did want to rule on the FES, we spent much time contemplating the FES motion over lunch and whatnot.

We did receive a reply, I don't know if everyone has seen the reply, but it's been submitted, but after looking at everything and considering it we think that it is reasonable to grant their motion to intervene, and in light of the fact that the cases are consolidated, they will be in both cases.

Now, with regard to the procedural issue, Mr. McNamee.

MR. McNAMEE: Yes, your Honor. As I alluded to this morning when I suggested that we break for a while to allow discussions to continue, those discussions have continued and I'm informed that an agreement in principal has been reached amongst those individuals and they're in the process of producing some language to be distributed initially amongst the people who have been talking and then immediately to the balance of the parties in

the case in the form of an addendum to the stipulation that has been docketed here.

If that is all successful, that would result in a complete resolution of all the issues between all the parties in all the various cases consolidated here.

So that being the case, it would appear to us that it would be expedient if we simply continued this hearing until tomorrow at 1 o'clock to allow time for the development and distribution of this proposed language and hopefully resulting in a resolution of all the issues here.

For the convenience of the parties, the staff would commit to notifying everybody who's on the service list of whether this is all going to work or not, whether we need to proceed with a hearing tomorrow or not, in the morning as soon as I know something.

So I guess at this point we would move to continue the hearing till tomorrow at 1 on that basis.

EXAMINER PIRIK: We will continue the hearing. We will reconvene at 1 o'clock tomorrow.

In addition, in light of the fact that we are waiting to move forward pending the potential

supplemental stipulation, I would note that testimony for the March 11th hearing, which is the remainder of the issues in this case, were due today, testimony was due today; however, in light of our continuance what we will do is we will extend the filing of that testimony until tomorrow, February 26th, by the end of the day tomorrow.

And if there's a need to adjust that time frame or do something different, we will take that up tomorrow at 1 o'clock.

Are there any other procedural matters that we need to do on the record before we close?

MR. McNAMEE: None.

EXAMINER PIRIK: We will adjourn for the day.

(The hearing adjourned at 1:58 p.m.)

| CERTIFICATE |
|-------------|
|             |

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Wednesday, February 25, 2009, and carefully compared with my original stenographic notes.

\_s/Maria DiPaolo Jones\_\_\_\_\_

Maria DiPaolo Jones, Registered

Diplomate Reporter, CRR and Notary Public in and for the State of Ohio.

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