Office of the Ohio Consumers' Counsel

Janine L. Migden-Ostrander Consumers' Counsel

December 14, 2009

Renee J. Jenkins, Secretary Public Utilities Commission of Ohio 180 East Broad Street, 11th Floor Columbus, Ohio 43215-3793 PUCO

Re: In the Matter of the Application of the Ohio Department of Development for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities, PUCO Case No. 09-463-EL-UNC.

Dear Ms. Jenkins:

I am writing on behalf of the Office of the Ohio Consumers' Counsel ("OCC") to state OCC's position with regard to the Stipulation and Recommendation that was filed at the Public Utilities Commission of Ohio ("PUCO") on December 7, 2009, in regard to the subject case. This case involves an Application by the Ohio Department of Development ("ODOD") for approval of adjustments to the Universal Service Fund Riders of Ohio's electric distribution utilities. These Riders contain the rates through which Ohio's electric utilities collect funds from customers to support the Percentage of Income Payment Plan ("PIPP") and energy efficiency programs provided for under S.B. 3. The Stipulation was signed by ODOD, Columbus Southern Power Company, the Ohio Power Company, the Cleveland Electric Illuminating Company, the Ohio Edison Company, the Toledo Edison Company, the Dayton Power & Light Company, Duke Energy Ohio, the Industrial Energy Users of Ohio, and Ohio Partners for Affordable Energy.

The reason that OCC did not sign the stipulation relates to the rate design therein. As OCC has stated in the past, OCC does not agree with the second block in the rate design and does not concede that it is lawful under R.C. 4928.52(C), which prohibits "shift[ing] among the customer classes of electric distribution utilities the cost of funding low-income customer assistance programs." While OCC is not contesting this stipulation on this issue, OCC does not waive its right to contest this issue or any issue proposed by ODOD in future cases regarding the Universal Service Fund Rider.

Respectfully submitted,

Cimm. +65 Richard C. Reese, Counsel of Record

Ann M. Hotz

Assistant Consumers' Counsel

cc: Parties of Record

document of the process of the proce