BEFORE

THE PUBLIC UTILTIES COMMISSION OF OHIO

In the Matter of the Application of the Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison company for Approval Of Their Energy Efficiency and Peak Demand Reduction Program Portfolio Plans for 2010 through 2012 and Associated Cost Recovery Mechanism.

Case Nos. 09-1947-EL-POR

MINEG-BOCKETHEGHY

MECENTED-BOCKETHEGHY

MECENTED-BOCKETHEGHY

MINEGENERAL PUCO 09-1948-EL-POR 09-1949-EL-POR

In the Matter of the Application of the Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Approval Of Their

Case Nos. 09-1942-EL-EEC

09-1943-EL-EEC 09-1944-EL-EEC

Initial Benchmark Reports.

In the Matter of the Energy Efficiency and Peak Demand Reduction Program Portfolio of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company.

09-580-EL-EEC Case Nos.

09-581-EL-EEC 09-582-EL-EEC

OBJECTIONS SUBMITTED BY THE STAFF OF THE PUBLIC UTILITIES COMMISSION

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 __ Date Processed _2/17/20(6 The Staff has the following objections to the First Energy Operating Companies 3-Year Energy Efficiency Portfolio Filing of December 15, 2009:

- The Companies have stated that the programs presented in the filing may not
 provide adequate incentives to achieve targeted participation rates and
 energy/demand savings. It is up to the Companies to provide adequate incentives
 for their customers to reach the annual benchmarks as stated in Senate Bill 221.
 However, such incentives should not exceed the Companies avoided costs nor
 exceed the incremental energy efficiency costs of the measure(s) to be installed.
- The Companies have submitted Total Resource Cost Tests that are less than 1 for the Small Enterprise Sector, Large Enterprise Sector, and the Governmental Sector in their plan. Generally, programs that do not pass the TRC test should be discouraged from being implemented since purchasing avoided generation would be less expensive. It appears that the commercial lighting measures which would make up the bulk of the commercial and governmental energy efficiency savings are the reason for the failure to meet the TRC test. Staff has reviewed the other Ohio jurisdictional electric utilities market potential studies and other filings and have observed that the other electric utilities have found on a preliminary basis that commercial and governmental lighting programs pass the TRC test. Staff has objections to some of the assumptions used in the commercial lighting analysis

that would likely cause the preliminary analysis to show that these lighting programs do not pass a TRC test.

Staff objects that there is no provision for peak demand reduction programs for customers past May 31, 2011. The Companies should allow for the integration of customers participating in the RTO demand response programs to be committed toward their annual Peak Demand Reduction benchmarks.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Objections submitted by the Staff of the Public Utilities of Ohio was sent by electronic mail and by U.S. postage paid mail to the

parties listed on February 17th, 2010.

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