

FILE

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Hunter, Donielle

From: ContactThePUCO@puc.state.oh.us
Sent: Friday, April 09, 2010 10:00 AM
To: Docketing
Subject: Docketing

Public Utilities Commission of Ohio
Investigation and Audit Division

Memorandum

Date: 4/9/2010

Re: Bill Rich
4900 Hayes Rd

Ravenna, OH 44266

RECEIVED-DOCKETING DIV
2010 APR -9 AM 11:20
PUCO

Docketing Case No.:

Notes:

I was told when I had my house built in 2001 that if I built an all electric house I would be giving a discount on my electric bill, there was no expiration date on the offer and I was led to believe that it was permanent. Now the electric company is trying to go back on the oral contract they and the builder made. I feel this is a breach of contract. I would like my complaint to be filed under the docket for case # 10-176 for the all-electric case. And Case # 10-388 for the \$390 million distribution case.

To: bjr4900@hotmail.com

CC:

BCC:

Subject: FirstEnergy Rate Case

Dear Mr. Rich:

Thank-you for contacting the Public Utilities Commission of Ohio (PUCO) regarding your rates for electric service from FirstEnergy.

In 2006, the PUCO approved an agreement between PUCO Staff, the Ohio Consumers' Counsel (OCC), and the cities of Cleveland, Akron and Toledo in FirstEnergy's Rate Certainty Plan (RCP) to stabilize the electric generation prices through 2008. At that time, several of FirstEnergy's rates were also "grandfathered" in beginning January 1, 2007. Customers who received one of the electric heating, water heating or load management rates continued to receive their special rate as long as the rate was available and they lived in their home. However, new customers could no longer receive service at the special rates.

In January 2009, the PUCO approved FirstEnergy's request to increase rates for distribution service. The increase in FirstEnergy's distribution rates represents an approximate average increase to a residential customer's total bill of 4 percent for Ohio Edison, 2 percent for Cleveland Electric Illuminating and 7 percent

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for Toledo Edison, based on an average residential customer using 750 kWh per month. This was the first distribution rate increase for Ohio Edison since 1990 and the first distribution rate increase for Toledo Edison and Cleveland Electric Illuminating since 1996.

The distribution rate case also included a provision in which the grandfathered special rates were eliminated. Customers who once received service at those rates are now served under the standard residential service schedule. However, these customers now receive discounts on the generation and distribution portion of their bills. The generation discount is up to 1.9 cents per kilowatt-hour (kWh) and the distribution credit is 1.70 cents per kWh for CEI customers, 1.77 cents per kWh for Ohio Edison customers and 1.76 cents per kWh for Toledo Edison customers for usage over 500 kWh in the winter months.

On February 12, 2010, FirstEnergy filed with the PUCO a proposal that would increase the discounts grandfathered customers receive during the winter months. The proposed discount is designed to ease the impacts of the discount reduction on customers' bills and slowly transition all customers to a standard residential rate by phasing out the discount over an eight-year period. The PUCO is currently reviewing the company's proposal and must approve its application before any changes take effect.

The PUCO's website has a fact sheet regarding FirstEnergy's all-electric discounts if you would like more information on this matter. Should you have additional utility-related concerns, please contact the PUCO Call Center at (800) 686-PUCO (7826) or visit our Web site at www.PUCO.ohio.gov.

Investigation and Audit Division
Service Monitoring and Enforcement Department

Please docket the attached in the case number above.