

FILE

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THE PUBLIC UTILITIES COMMISSION OF OHIO

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IN THE MATTER 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, REVISED  
CODE, IN THE FORM OF AN ELECTRIC SECURITY  
PLAN.

Case No. 10-388-EL-SSO

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PUBLIC HEARING

April 21, 2010  
6:00 p.m.

Taken at:  
Austintown Middle School  
800 South Raccoon Road  
Austintown, Ohio

Charles L. Butera, Notary Public



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1 APPEARANCES:

2

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5 Public Utilities Commission of Ohio

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9

10 MARK A. HAYDEN, ESQ.

11 FirstEnergy

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16

17 ANN HOTZ, ESQ.

18 Assistant Consumers' Counsel

19 Office of the Ohio Consumers' Counsel

20 10 West Broad Street

21 18th Floor

22 Columbus, Ohio 43214

23 ~ ~ ~ ~ ~

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18:04:14

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1 MR. FULLIN: The Public Utilities  
2 Commission of Ohio has assigned for public  
3 hearing at this time and place. Case No.  
4 10-388-EL-SSO. Being captioned in the matter  
5 of the application of the Ohio Edison Company, 18:11:37  
6 the Cleveland Electric Illuminating Company and  
7 the Toledo Edison Company, for authority to  
8 establish a standard service offer pursuant to  
9 section 4928.143, Revised Code, in the form of  
10 an Electric Security Plan. 18:11:55

11 My name is Dan Fullin and I'm an  
12 attorney examiner with the Public Utilities  
13 Commission, and I have been assigned to preside  
14 over this proceeding tonight. The first thing  
15 that I would do is ask for the appearances of 18:12:08  
16 the attorneys that are here from the various  
17 parties, beginning with FirstEnergy.

18 MR. HAYDEN: Thank you, Your Honor.  
19 On behalf of the company, Mark Hayden.

20 MR. FULLIN: Thank you. 18:12:22

21 MS. HOTZ: My name is Ann Hotz and  
22 this is Chris Verich. We work for the Ohio  
23 Consumers' Counsel. The Ohio Consumers'  
24 Counsel represents the consumers of FirstEnergy  
25 utilities. And we are at 10 West Broad Street, 18:12:40

1 Columbus, Ohio, 43214. Janine Migden-Ostrander  
2 is the Ohio Consumers' counselor. Thank you.

3 MR. FULLIN: Mark, did you have  
4 anybody else that you wanted to introduce or  
5 not?

18:12:55

6 MR. HAYDEN: No, I do not.

7 MR. FULLIN: Okay. Thank you.

8 At the hearing tonight, there are  
9 representatives from the commission's service  
10 monitoring and enforcement department and from 18:13:03  
11 FirstEnergy and from Ohio Consumers' Counsel.

12 If you have a question concerning utility  
13 matter -- other than the Electric Security Plan  
14 proceeding, which is the focus of tonight's  
15 hearing -- please see a company representative 18:13:17  
16 or commission personnel.

17 But back on to this case. On March  
18 23, 2010, FirstEnergy filed with the PUCO an  
19 application, along with the signed agreement  
20 among several parties, to establish this next 18:13:34  
21 Electric Security Plan -- commonly referred to  
22 as an ESP -- for the supply and pricing of  
23 electric service from June 1, 2011 through May  
24 31, 2014. Electric generation rates under the  
25 new plan would again be determined through a 18:13:54

5  
1 competitive bid process conducted by an  
2 independent bid manager, as they were in the  
3 company's first ESP. Under the proposed ESP,  
4 FirstEnergy's distribution rates would remain  
5 frozen through May 31, 2014. The company would 18:14:11  
6 also establish a mechanism in 2012, recovery  
7 improvements to the company's distribution  
8 system. This cost recovery would be subject to  
9 quarterly filings and annual audits by the  
10 PUCO. First Energy would also continue to 18:14:28  
11 promote economic development, job retention,  
12 energy efficiency and conservation, and  
13 low-income programs. There are eight local  
14 public hearings scheduled in this case, and the  
15 eight local public hearings scheduled are only 18:14:46  
16 one aspect of the rate case. This is one of  
17 the eight local public hearings. There's also  
18 an evidentiary hearing in this case, which  
19 began yesterday, April 20, 2010, at the  
20 commission offices in Columbus. The purpose of 18:14:59  
21 the evidentiary hearing in Columbus is to allow  
22 the companies, the staff, and interveners to  
23 present witnesses and evidence in support of  
24 their positions in this case. The purpose of  
25 tonight's public hearing is to -- for the 18:15:13

1 commission to receive comments from the public  
2 regarding FirstEnergy's proposed application  
3 for an ESP. We will not be hearing from the  
4 company, the staff, or the interveners tonight;  
5 instead, this is your opportunity to let the 18:15:29  
6 commission know what you think about the  
7 company's request to establish a new ESP. So  
8 again, if I can emphasize, the purpose for  
9 tonight is to -- for the commission to hear  
10 from the public -- public statements and 18:15:43  
11 testimony concerning the ESP case. When you  
12 arrived tonight, you were offered an  
13 opportunity to sign up to testify. If you  
14 missed the opportunity, it's still available,  
15 just proceed to the back of the room and sign 18:15:59  
16 the witness sign-up sheet, because I plan on  
17 calling witnesses in the order in which they  
18 signed up on the witness sign-up sheet.

19           Before you begin your statement, I  
20 will ask you to -- I think I'll ask you to come 18:16:15  
21 forward and testify from the front of the room  
22 and even use the microphone. If for some  
23 reason you have a serious objection to doing  
24 that, you can let me know and we might make a  
25 different arrangement. But that's what I 18:16:30

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1 prefer; I think it's the easiest way for anyone  
2 that testifies to be heard. And before you  
3 begin your statement, I will ask your name and  
4 address. Your testimony will be considered  
5 part of the official record of the case, to be 18:16:42  
6 reviewed by the commissioners before they make  
7 their final decision. All testimony will be  
8 under oath. And attorneys from the company and  
9 other parties, including OCC, will be allowed  
10 to ask you questions about the statement while 18:16:56  
11 you are under oath. Should you decide that you  
12 do not want to testify when I call your name,  
13 you can merely pass and we'll move on to the  
14 next scheduled witness. Tonight's hearing is  
15 being transcribed by a court reporter, so I ask 18:17:11  
16 you that you speak clearly so that the court  
17 reporter can accurately reflect your comments  
18 on the record. If he's having trouble  
19 understanding you, he's allowed to ask you to  
20 clarify or repeat what you've said. If you 18:17:24  
21 have a prepared written statement, it would be  
22 helpful for you to provide a copy of it to the  
23 court reporter, if that's possible. The  
24 commission, and really all of the parties in  
25 this case, appreciate your participation in 18:17:39

1 tonight's hearing. And we want everyone who  
2 wishes to make a public statement to be able to  
3 do so. So please keep your comments brief and  
4 to the point. But it looks like -- that it  
5 won't be a problem trying to fit everyone in. 18:18:00  
6 It doesn't look like we have an overflowing  
7 room.

8 I'm going to be presiding over this  
9 proceeding and I am unable to answer any  
10 substance of questions about the case. So if a 18:18:14  
11 question has to do with the procedure that the  
12 commission's following, I can answer that; but  
13 the specifics of the issues that the  
14 commission's deciding, I have to remain an  
15 objective third party that's involved in making 18:18:27  
16 decisions. So I won't be answering those types  
17 of questions. But you could direct those  
18 questions, after we're finished, to some of the  
19 other people that are here from the company or  
20 from OCC or from the commission, they might be 18:18:39  
21 able to answer that question once we're through  
22 tonight.

23 Before we get started then with the  
24 testimony, does anyone have any questions?  
25 Okay. At this time, I will begin by calling 18:18:54



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1 the witnesses forward. And I have -- it looks  
2 like I only have one name on here. And I can't  
3 really make it out, but I think it's -- Frank  
4 is the first name. If you want, I could bring  
5 the microphone to you.

18:19:17

6 MR. ELLING: Sure.

7 MR. FULLIN: Okay.

8 FRANK ELLING, of lawful age, having  
9 been first duly sworn, testified as follows:

10 MR. ELLING: My name is Frank

18:19:37

11 Elling. I'm from Youngstown, 721723 Canfield  
12 Road. I have some concerns about -- not as  
13 much as the ESP, but how money's going to be  
14 distributed. I live in a neighborhood, which  
15 is in redevelopment for Youngstown, and

18:19:54

16 Edison's maintenance service there is extremely  
17 below standard, Boardman, other service areas.

18 And so I see that they want more money, but are  
19 we really going to see an equitable service

20 maintenance of these different neighborhoods

18:20:11

21 that we have not seen in the past? If you  
22 cannot deliver that, then I will ask the  
23 question, why ratepayers want to have any type  
24 of increase or continuation?

25 Part of my problem is not with

18:20:29

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1 Edison, but with the Ohio PUC. I question that  
2 there's enough income or ability to really  
3 regulate properly the benefit of all citizens.  
4 Take Edison, for example. In our neighborhood,  
5 I can watch Edison come in, where there's a 18:20:50  
6 meter on the house, yet houses are empty,  
7 property owners' taxes are paid, yet they're  
8 taking the meters, a couple days later coming  
9 and cutting the electrical service back, no  
10 notice to the property owner. Seems rather 18:21:05  
11 unfair not to give some type of due process.  
12 Especially when that information is so easily  
13 available on the auditor's -- Mahoning County  
14 Auditor's site. But it's not happening.

15 I have another client that has the 18:21:23  
16 service on a duplex, wanted a second meter, and  
17 yet when requesting that meter was told by  
18 Edison that "no, you have to get an electrician  
19 and have it redone." Basically pressured the  
20 person into buying a new -- putting a new amp 18:21:45  
21 service. But the property owner did not want a  
22 new one because it's not economically feasible  
23 in the Youngstown area. So when Edison was  
24 questioned on South Avenue, they just said,  
25 "No, you have to go to the city and get a 18:22:09

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1 permit: Even though the property is already  
2 permitted. So the coercion or inducement to  
3 spend money or make it -- get it done to  
4 upgrade the systems, it's what the property  
5 owner wanted to do, but only when the economics 18:22:25  
6 of the property became viable to the property  
7 owner to upgrade all of the systems that would  
8 bring 100 amp, 200 amp systems into the thing.  
9 But for Edison to say, No, you can't have a  
10 meter-coded permitted system, that they already 18:22:40  
11 gave one to the other unit in the duplex --  
12 still doesn't have one. In fact, the property  
13 owner asked to provide a -- since it's a  
14 subordinate meter, just to put -- get their own  
15 meter and put their own meter on it. And 18:22:57  
16 that's what they've done.

17

18 The second thing is that it seems  
19 that the Ohio PUC doesn't really recognize that  
20 situations are occurring such as the Dominion  
21 Gas. So we kind of question PUC, meaning -- 18:23:18  
22 Dominion Gas, I know last year seen a rate  
23 increase. They're using an estimation the  
24 month before. In that estimation, there  
25 actually appears -- and I've seen this on many  
bills -- taking over the previous months in to 18:23:34

12

1 the rate increase month -- which I don't know  
2 how many customers Dominion has, whether it's  
3 10,000 or 100,000, it's, you know, millions of  
4 dollars. Because those units reuse the  
5 preceding month at a lower rate, but they're  
6 taking over the estimation system into the new  
7 month at a higher rate. Of course, it could  
8 happen the other way, but they did not estimate  
9 that.

18:23:54

10 I'm just asking the Ohio PUC to  
11 look into as a matter of where and how --  
12 should they only be reading those meters before  
13 rate increases? No estimations?

18:24:06

14 Another one, is another utility,  
15 AT&T. This personally happened to me. Since  
16 I'm on disability I have a phone. I don't have  
17 a phone with AT&T, so I don't have them in  
18 property. Why? Because when I paid the base  
19 rate for Lifeline, they wouldn't give me the  
20 prefixes of what that phone is -- because the  
21 phone is like \$25, \$30 or \$35. Why? Because I  
22 dialed up the prefixes. When I asked for those  
23 prefixes, they never provided me. They said,  
24 Here's a phone number. I called that phone  
25 number for AT&T, no answer. So they're pushing

18:24:22

18:24:38

18:24:52

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1 some of the poorest and lowest units of AT&T  
2 phone service into additional charges, by lack  
3 of knowledge or ignorance and forcing that  
4 ignorance onto the consumer. Ohio has a  
5 consumer protection law. AT&T shouldn't be 18:25:15  
6 doing that kind of stuff.

7 AT&T provides a cable service.

8 Well, it didn't work, they keep sending the  
9 bill to the customer. This is happening. So I  
10 question, Ohio PUC is not really fully engaged 18:25:27  
11 in the problems that consumers -- especially in  
12 poor areas.

13 The cost of those cables broken,  
14 the poles cracked and broken, depreciates the  
15 property values. So the property owners are 18:25:43  
16 taking a big hit. Of course, it may only be 10  
17 or 20,000 per property owners, but they need  
18 their 10 to 20,000 just as much as the utility  
19 needs their millions of dollars.

20 And I would hope to encourage Ohio 18:26:17  
21 PUC to look into these matters to make sure  
22 that -- and I can tell you for a fact for  
23 Edison -- because I personally went down and  
24 requested a meter on a residential duplex. I  
25 went down there to the thing and talked to the 18:26:35

1 guy in the office and they let me in and then a  
2 big tall guy came in, gave me a real strong  
3 handshake. This is an actual -- I know this is  
4 testimony. So I'm going to tell you the actual  
5 truth. He shook my hand and they told me I had 18:26:50  
6 to go down to the city to get a permit. The  
7 property is already permitted. I said, "I  
8 don't understand that. You're going to tell me  
9 what's wrong with the meter or the service,"  
10 and they wouldn't. So I politely left. When I 18:27:03  
11 get out to the public parking lot, this big  
12 gate opens up and four -- including this tall  
13 first guy in the office -- comes out with four  
14 grown men, walks up to my car and just stands  
15 there staring at me. I just got in the car and 18:27:21  
16 pulled away. There's bullying going on. They  
17 don't like to be questioned.

18 And I questioned -- I know that a  
19 lot of utility people in Youngstown feel very  
20 threatened because of the crime and shootings 18:27:35  
21 and all these type of things. But that type of  
22 behavior by the utility workers -- and the  
23 question is, what there association is to city  
24 wanting to get these empty houses -- even  
25 though the taxes are paid and everything, but 18:27:50

15

1 they are not given them time to -- do you want  
2 to put some money on the meter? Do you want to  
3 pay service monthly? These types of things.

4 So once that meter lines are all gone, they are  
5 going to take that back. So it's getting to be

18:28:05

6 a pretty rough push and shove around here. As  
7 well as really lousy maintenance service and  
8 depreciation of property values by --

9 particularly Youngstown in comparison to

10 surrounding areas, a billion dollars in

18:28:24

11 property loses.

12               The neighborhood I live in, the  
13 houses are two to three times -- within a mile  
14 -- more expensive just before you cross the

15 bridge of Mill Creek Park. And we're doing  
16 everything we can do to criminal problems, but

18:28:36

17 when the utility -- look at AT&T, boxes are all  
18 laid out, you know, Edison does have poles that  
19 are cracked and broken. We can -- we had a car

20 go up the cable on Canfield and Glenwood -- up  
21 over. That cable had three cables down for

18:28:57

22 Edison, two of them broke. They just wrapped  
23 them around. It's been that way for at least

24 two years. No one touches them, no one cares,

25 because it's not a problem. And I'm going to

18:29:13

16

1 ask the question -- we have less than 52  
2 African-American population -- I'm going to ask  
3 this question -- economically low-income --  
4 don't take it personally, the question, because  
5 Edison isn't different than the city, everybody 18:29:26  
6 kind of -- even Mill Creek Park, there are  
7 parts of the land that is less maintenance, far  
8 less trashy than on the better side of the  
9 property. That's what I want to say. Thank  
10 you. 18:29:47

11 MR. FULLIN: Thank you for your  
12 testimony. I meant to ask you at the beginning  
13 if you would state your name for the record and  
14 spell it for the record, and also if you  
15 wouldn't mind giving your address. 18:30:00

16 MR. ELLING: Yeah. Frank Elling,  
17 E-l-l-i-n-g. 721723 Canfield Road, Youngstown,  
18 Ohio, 44511.

19 MR. FULLIN: Okay. Thank you.  
20 Does either OCC or FirstEnergy have follow-up 18:30:13  
21 questions to the testimony?

22 MR. HAYDEN: I do not, Your Honor.

23 MS. HOTZ: No. Thank you.

24 MR. FULLIN: Thank you. Okay.  
25 That's the only name that I have on the sign-up 18:30:36



17

1 sheet. Is there anyone here that wants to  
2 testify? I don't see anyone raising their  
3 hands, so I guess that is the end of the public  
4 testimony here tonight in this hearing. And as  
5 I said at the beginning, that's really the  
6 purpose of today's hearing. So I'm going to  
7 bring this hearing to a close. And we'll go  
8 off the record. Thank you.

18:30:58

9 (Hearing concluded.)

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## 1 CERTIFICATE

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I, Charles L. Butera, do hereby

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as appears in the foregoing transcript; that

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proceedings had in said cause and constitutes a

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true and correct transcript therein.

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16



*Charles L. Butera*

17

Charles L. Butera, Notary Public

18

within and for the State of Ohio

19

20

My commission expires December 23, 2013.

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22

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24

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**LAWYER'S NOTES**[illegible]

[illegible]