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PUCO

May 27, 2010

PUCO 180 East Broad Street Columbus, Ohio 43215 Attn: Docketing

To Whom It May Concern:

Enclosed please find an original plus ten copies of the Motion to Intervene in Case No. 10-176-EL-ATA.

Please contact me if you have any questions.

Very truly yours,

Kevin Corcoran

KC/mr

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## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a New Rider and Revision of an Existing	) ) )	Case No. 10-0176-EL-ATA
Rider	)	

RECEIVED DOCKETING ON

MOTION TO INTERVENE AND MEMORANDUM IN SUPPORT OF SUE STEIGERWALD; CITIZENS FOR KEEPING THE ALL-ELECTRIC PROMISE (CKAP); JOAN HEGINBOTHAM AND; BOB SCHMITT HOMES, INC.

Pursuant of Ohio Revised Code Section 4903.221 and Ohio Administrative Code Rule 4901-1-11, Sue Steigerwald; Citizens For Keeping The All-Electric Promise (CKAP); Joan Heginbotham and; Bob Schmitt Homes, Inc. move for leave to intervene in this proceeding. The Public Utilities Commission of Ohio ("PUCO") should grant Sue Steigerwald; Citizens For Keeping The All-Electric Promise (CKAP); Joan Heginbotham and; Bob Schmitt Homes, Inc. leave to intervene because they have a real and substantial interest in this proceeding and the PUCO's disposition of this proceeding may impair or impede their ability to protect that interest.

## MEMORANDUM OF SUPPORT

On February 12, 2010, Ohio Edison Company, the Cleveland Electric Illuminating Company, and the Toledo Edison Company ("FirstEnergy" or the "Companies") filed their application ("Application"). The Application proposes adjustment of certain residential electric rates, which are applicable to some of the Companies' approximately 1.9 million residential customers (i.e. those commonly referred to as "all-electric" customers). Sue Steigerwald is an all-electric homeowner in FirstEnergy's service area who previously qualified for the all-electric discount. CKAP is an affiliation of all-electric customers living throughout Northeast Ohio in FirstEnergy's service area. Joan Heginbotham is an all-electric customer who moved into her all-electric home in FirstEnergy's service area after January 1, 2007. Bob Schmitt Homes, Inc. is a residential homebuilder who has built thousands of all-electric homes on the Westside of Cleveland and is currently building a subdivision in North Ridgeville, the majority of which is all-electric in FirstEnergy's service area. The

Commission should grant Sue Steigerwald; Citizens For Keeping The All-Electric Promise (CKAP); Joan Heginbotham and; Bob Schmitt Homes, Inc.'s Motion to Intervene in these proceedings so that they can fully participate in the proceedings and protect their interests.

ORC 4903.221 provides, in part, that any person "who may be adversely affected" by a PUCO proceeding is entitled to seek intervention in that proceeding. Sue Steigerwald is a homeowner who has received the all-electric rate discount for 22 years. CKAP is an affiliation of all-electric homeowners, many of which have received the allelectric rate discount for decades. Joan Heginbotham bought an all-electric home after the arbitrary January 1, 2007 cut-off date and has been ineligible to receive the allelectric discount. Ms. Heginbotham's lot is located within a phase of her subdivision that is only serviced by electricity. Bob Schmitt Homes, Inc. is the owner of residential lots that are located within an area that can only be serviced by electricity which when homes are constructed they would be all-electric homes. The phases that these lots are located within were approved by FirstEnergy and filed with the Lorain County Recorder's office prior to November 2006. If the homes and lots of the identified parties above are not eligible for the all-electric discount rate, the value of the real estate is negatively impacted. All of these parties would be directly affected by the rate changes proposed by FirstEnergy if they are approved by the Commission. Thus, this element of the intervention standard in ORC 4903.221 is satisfied.

ORC 4903.221(B) requires the PUCO to consider the following criteria in ruling on motions to intervene:

- (1) The nature and extent of the prospective intervenor's interest:
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceeding; and
- (4) Whether the prospective intervenor will significantly contribute to the full development and equitable resolution of the factual issues.

First, as identified above, each prospective intervenor will be adversely impacted by the elimination of the all-electric discount rate. Whether it has been a huge increase in the monthly utility bills or the loss of real property value, each of the intervenor's identified above will be negatively impacted financially. While the Office of Consumer Counsel represents residential customers, their mission is to represent all customers equally. At times, the interests of the all-electric customer may diverge from the interests of the general customer and therefore requires separate representation. It is essential that the interest of Intervenors be represented inasmuch as FirstEnergy's plans would directly affect the rates paid by them and their future customers.

Second, the Intervenors were enticed to purchase a home through the marketing efforts of FirstEnergy. These marketing efforts touted the energy efficiency of an all-electric home and tied the energy efficiency to discounted electric rates. The Intervenors will advance

the position that electric rates should be discounted as a result of the energy efficiencies already in place and given the bulk purchasing of electricity by these homes throughout the year.

Third, the intervention will not unduly prolong or delay the proceeding, but should provide insights that will expedite the commission's effective treatment of this proceeding. The Intervenors will significantly contribute to the full development and equitable resolution of the issues in this case based on their knowledge and expertise in all-electric homes electricity usage, energy efficiency and the marketing efforts towards potential purchasers of all-electric homes.

Fourth, the Intervenors will significantly contribute development to the full and equitable resolution of the factual issues. The Intervenors have a demonstrated history of participation in these all-electric cases that have affected or that could affect their The Intervenors are extremely concerned about the impact that residential rates. FirstEnergy's rate design changes have had on all electric households. Most recently, the Intervenors or their representatives have testified at local PUCO hearings, House and Senate Committee Hearings and at a meeting with the Governor's staff and PUCO Chairman and staff and have consistently stated that all-electric homes must continue to receive an all-electric discount; have that discount consistently apply to all of the allelectric homes regardless of construction or purchase date; have that discounted rate remain with the house upon transfer of ownership and have FirstEnergy absorb the loss of revenue due to their representations made to all-electric homeowners regarding the discounted electric rate. While the Intervenors may have slightly different interests at times, they will act in concert to achieve their common goals. The commission should grant the Intervenors' Motion to Intervene and permit full participation in the evaluation of FirstEnergy's proposals.

The Intervenors also satisfy the intervention criteria in the Ohio Administrative Code. To intervene, a party should have a real and substantial interest according to Ohio Administrative Code 4901-1-11(A). As homeowners and a builder of homes in areas that can only be all-electric, the Intervenors have a real and substantial interest in these cases where the rates paid by residential customers are under review by the commission.

In addition, the OCC meets the criteria for Ohio Administrative Code 4901-1-11(B)(1)-(4). These criteria mirror the statutory criteria in ORC 4903.221(B) that Iintervenors have already addressed and that the Intervenors satisfy.

Ohio Administrative Code 4901-1-11(B)(5) states that the commission so considered the "extent to which a person's interest is represented by existing parties." As mentioned previously, while the interests of residential consumers are well represented by the OCC, the Intervenors' interests may diverge from the OCC since they have electricity as their sole source of power and are therefore at a higher financial risk of electric rate increases. That interest is different from, and not represented by, any other entity and therefore the Intervenors satisfy this criterion.

Sue Steigerwald; Citizens For Keeping The All-Electric Promise (CKAP); Joan Heginbotham and; Bob Schmitt Homes, Inc. meet the criteria set forth in ORC 4903.221, and Ohio Administrative Code 4901-1-11 for intervention. On behalf of all-electric homeowners, the commission should grant the Intervenors' Motion to Intervene.

The above captioned case affects residential customers to change in rates that are proposed by FirstEnergy for the reasons stated above, the PUCO should grant Sue Steigerwald; Citizens For Keeping The All-Electric Promise (CKAP); Joan Heginbotham and; Bob Schmitt Homes, Inc.'s Motion to Intervene.

Respectfully submitted,

Kevin Corcoran

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## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion to Intervene and Memorandum In Support of Sue Steigerwald; Citizens For Keeping The All-Electric Promise (CKAP); Joan Heginbotham And; Bob Schmitt Homes, Inc. was served upon the following parties of record this 27<sup>th</sup> day of May 2010 via first class US mail, postage prepaid.

Kevin Corcoran

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