

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of )  
The Cleveland Electric Illuminating )  
Company for Approval of an Electric ) Case No. 99-786-EL-AEC  
Service Agreement with Lakeside )  
Associates Phase I. )

FINDING AND ORDER

The Commission finds:

- (1) The Applicant, The Cleveland Electric Illuminating Company, is a public utility as defined in Section 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) On July 1, 1999, the Applicant petitioned this Commission for approval of a contract for electric service with Lakeside Associates Phase I (Customer).
- (3) The contract is a competitive response contract entered into to encourage the retention of the customer's load on the Applicant's system. The Agreement is being considered for approval based on Staff's investigation into the competitive situation in the City of Cleveland as outlined in the Finding and Order in Case No. 95-159-EL-AEC approved by this Commission on March 27, 1997. Competitive Response Agreements filed by CEI after March 27, 1997 will be considered by the Commission based on the Findings in Case No. 95-159-EL-AEC. The Customer is located where competition does currently exist.
- (4) The Applicant shall establish a non-interest bearing Energy Efficiency Account for the Customer. Upon the filing of the Agreement the Applicant shall contribute \$40,000 to the Account. The Applicant shall make additional contributions of \$40,000 in months 13 and 25 and a \$10,000 contribution in months 37, 40, 43, 46, 49, 52, 55, and 58 of this Agreement. The Applicant shall reduce each such contribution on a pro rata basis for each month that timely payments do not occur during those periods.
- (5) The term of the Agreement shall be for five years ending May, 2004, unless earlier terminated as permitted by this Agreement.
- (6) The approval of this contract is subject to the determinations and constraints of S.B.3.
- (7) Subject to the terms of this Finding and Order, the application should be approved as filed pursuant to Section 4905.31, Revised Code.

- (8) Even in light of electric restructuring, the Customer agrees that the Applicant shall be the sole supplier of all electric requirements during the term of this agreement.
- (9) Our approval of this contract does not constitute state action for the purpose of the antitrust laws. It is not our intent to insulate the Applicant or any party to a contract approved by this Finding and Order from the provisions of any state or federal law which prohibit the restraint of trade.

It is, therefore,

ORDERED, That subject to the terms of this Finding and Order, the Agreement attached to the application is approved and shall become effective pursuant to its terms. It is, further,

ORDERED, That the Applicant report to the Electricity Division of the Commission's Utilities Department semiannually, in January and July, the results of the Agreement including the increase in load and sales, the total dollar increase in revenue due to the Agreement, and the total dollar difference in the billing at the approved tariff rates and the billing at the contract rates. It is, further,

ORDERED, That the Commission's approval of this contract does not constitute state action for the purpose of the antitrust laws. It is, further,

ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon the Applicant, the Customer and all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

  
Alan R. Schriber, Chairman

  
Ronda Hartman Fergus

  
Craig A. Glazer

  
Judith A. Jones

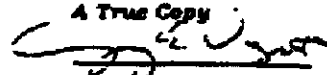
  
Donald L. Mason

JMM:dj

Entered in the Journal

DEC 16 1999

A True Copy

  
Gary E. Vigorito  
Secretary

SERVICE NOTICE  
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CASE NUMBER 99-786-EL-AEC  
CASE DESCRIPTION CEI/LAKESIDE ASSOCIATES PHASE I  
DOCUMENT SIGNED ON December 16, 1999  
DATE OF SERVICE 12-16-99

PERSONS SERVED  
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PARTIES OF RECORD

ATTORNEYS

APPLICANT

CLEVELAND ELECTRIC ILLUMINATING CO  
55 PUBLIC SQUARE  
P.O. BOX 5000  
CLEVELAND, OH 44101

KURT E. TUROSKY  
FIRSTENERGY  
76 SOUTH MAIN STREET  
AKRON, OH 44308

APPLICANT

LAKESIDE ASSOCIATES II PARTNERSHIP  
1468 W. 9TH ST  
SUITE 135  
CLEVELAND, OH 44113

NONE