

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 AUTHORITY TO PROVIDE
FOR A STANDARD SERVICE OFFER
PURSUANT TO R.C.4928.143 IN THE
FORM OF AN ELECTRIC SECURITY
PLAN

- - -

BE IT REMEMBERED that upon the
hearing of the above-entitled matter held at the
Ocasek Building, 161 South High Street, Akron,
Ohio, before Commissioner Lynn Slaby and
Attorney Examiner Dick Bulgrin, and commencing
on Monday, the 4th day of June, 2012, at 6:00
p.m., the following proceedings were had.

BISH & ASSOCIATES, LLC
150 Smokerise Drive
Wadsworth, Ohio 44281
(330) 330-336-1280
FAX (330) 336-7956
E-Mail: bishinfo@bish-associates.com

APPEARANCES:

On Behalf of the FirstEnergy:

FirstEnergy Corporation

By: Arthur E. Korkosz, Esq.
76 South Main Street
Akron, Ohio 44308
330-384-5849

- - -

1 MR. BULGRIN: Can you hear me? This
2 is the, I believe, the first local hearing in
3 the matter of the Ohio Edison Company, the
4 Cleveland Electric Illuminating Company, and
5 Toledo Edison Company for authority to provide
6 for a standard service offer pursuant to Section
7 4928.143 Revised Code in the form of an electric
8 security plan being case number 12-1230-EL-SSO.

9 My name is Dick Bulgrin. I'm the
10 attorney examiner who will be presiding. With
11 me is Commissioner Lynn Slaby.

12 COMMISSIONER SLABY: As mentioned,
13 I'm commissioner Lynn Slaby. I'm a relatively
14 new commissioner on the board, appointed April
15 11th, so relatively new. But I do appreciate
16 everybody being here this evening and will pay
17 very close attention to what you tell us.

18 MR. BULGRIN: Let's start with
19 appearances. Mr. Korkosz?

20 MR. KORKOSZ: On behalf of the
21 applicant, Arthur Korkosz, 76 South Main Street,
22 Akron, Ohio 44308.

23 MR. BULGRIN: Are there any other
24 attorneys who want to enter their appearance on
25 the record? I would note with us this evening

1 is Christopher Verick from the OCC. And if
2 anybody wants to contact the OCC for whatever
3 reason, Mr. Verick would be happy to oblige you.

4 Has everybody who wishes to testify
5 signed in this evening? If not, see Matt
6 Schilling in the back. Matt raise your hand.
7 He'll get you signed in. Anything else we need
8 to address? Let's just start with witnesses
9 then. And you'll have to help me out, this is
10 Carol Rimedio Righetti; is that right.

11 (Witness sworn.)

12 MR. RIGHETTI: My name is Carol
13 Rimedio Righetti with the Mahoning County
14 commissioners, Mahoning County, Youngstown,
15 Ohio. With me today is Jim Fortunato, who is
16 our purchasing director for Mahoning County,
17 Ohio as well.

18 I am here in favor of helping
19 FirstEnergy. Dave Turner who is our external
20 affairs from Mahoning and Trumbull County, has
21 been very helpful to us and hopefully will be
22 given the opportunity to continue with the
23 program they are giving the Mahoning Valley as
24 well as everyone else.

25 We had just recently signed on with

1 a project and Mr. Fortunato will continue to
2 explain this with the generation of energies for
3 Mahoning County and the savings we get. It's
4 also helping us with economic development and
5 things that we could use in Mahoning County that
6 would help our government work very efficiently
7 and energy efficient as they have helped us try
8 to get perks through the energy with our
9 buildings, and we have many buildings, and
10 savings in money that would help with other
11 areas of the county government.

12 Also before I turn this over to Jim,
13 I also have a letter, testimony letter from our
14 regional chamber, Anthony Paglia, who is the
15 director of the Youngstown-Warren Regional
16 Chamber Economic Development Team. I have a
17 letter from the Second Harvest Food Bank, Mike
18 Iberis, who is in charge of one of the largest
19 food banks in Mahoning and Columbiana County and
20 also a letter from our United Way, Bob Hannon,
21 who is the president of Youngstown United Way.
22 Three large organizations that are also in favor
23 of FirstEnergy.

24 So with that I would ask if you
25 would take this for the record, and I will give

1 this to you and turn this over to Jim Fortunato.
2 Thank you for listening.

3 (Witness sworn.)

4 MR. FORTUNATO: James Fortunato,
5 F-o-r-t-u-n-a-t-o, director of purchasing for
6 Mahoning County. I'm here to offer my support
7 for the FirstEnergy rate plan. I want to say
8 FirstEnergy has been very instrumental with our
9 electrical aggregation program. We feel that
10 we're going to save over one million dollars in
11 a three-year period for our various county
12 buildings.

13 With the meltdown of the financial
14 structure everyone is feeling lessening of the
15 revenue stream. We have both our general and
16 non-general budgets severely impacted with lack
17 of revenue coming in from various sources. We
18 have a justice center and juvenile justice
19 center operating 24/7 with significant energy
20 use. We also have our sanitary pump stations
21 that are 24/7 usage. That is non-general and
22 with housing permits on decline, with loans
23 under water, revenue is not even coming in to
24 help the non-general so this electrical
25 aggregation program has significantly helped us

1 where we have a lessening of funds.

2 And what has also been beneficial
3 for us, with so many different proposals out
4 there for aggregation, who do you know how to
5 select. We utilized the County Commissioner
6 Association in helping us in partnering with
7 FirstEnergy to achieve this. We feel as this
8 program goes on it will help us somewhat to be
9 able to manage our lessening budgets and
10 continue to be able to achieve electrical
11 savings through their aggregation program. And
12 as Commissioner Righetti also mentioned a
13 partnership with the community, we do a lot of
14 things to help us and we're like most areas
15 filling where the economy is weak and people
16 need help and they're a good partner who works
17 with our various organizations. They're very
18 community minded. With that I would like to
19 thank you for the opportunity to speak and for
20 my support for them.

21 MR. BULGRIN: Thank you. Fred
22 Wright. State your name and address for the
23 record.

24 MR. WRIGHT: My name is Fred Wright,
25 W-r-i-g-h-t. I'm the president and CEO of the

1 Akron Urban League, an organization in this
2 community for 87 years, and on a national level
3 it's been around for 102 years.

4 I would like to express my full
5 support for First Energy's ESP proposal. They
6 are an excellent community partner to our
7 organization and many others in this region have
8 benefited greatly under First Energy's current
9 rate plan. FirstEnergy has pledged that its
10 generous support will continue under the new
11 ESP.

12 FirstEnergy provides much-needed
13 financial support for low-income customers, a
14 wide range of community projects, as well as
15 economic development.

16 Through the FirstEnergy Foundation
17 the company has already donated nearly a half
18 million dollars to various organizations and
19 charities in Ohio this year alone. And
20 FirstEnergy intends to contribute more than 1.3
21 million to charities and the United Way chapters
22 by the end of the year. FirstEnergy employees
23 raised an additional 1.2 million for United Way
24 that was contributed above and beyond the
25 FirstEnergy foundation grant.

1 FirstEnergy continues to step up as
2 a good corporate citizen to improve the lives in
3 Ohio. There are many examples but here are just
4 a few: \$10,000 paid to FirstMerit fund
5 established for the Benevolent Fund for Danny
6 Parmertor, a young victim of the Chardon school
7 tragedy; \$10,000 paid to Ronald McDonald House
8 of Cleveland through the grand opening of the
9 Cleveland Aquarium event; significant support of
10 the Rock & Roll Hall of Fame Induction Ceremony,
11 and both the Greater Cleveland and Akron Area
12 Red Cross Balls.

13 Under the two-year extension
14 FirstEnergy will continue to provide nearly 10
15 million dollars in economic development and
16 assistance to low-income customers at the levels
17 established in this current plan. When you do
18 the math this amounts to an additional 20
19 million dollars in benefits during the two-year
20 extension period. These annual investments
21 include: 1 million per year for economic
22 development funding; 4.5 million for low-income
23 customers from fuel fund contributions; 5
24 million for low-income weatherization and energy
25 efficient programs for local municipalities

1 through the Community Connection program. And
2 that is another one of the programs the Urban
3 League constituents benefit from a great deal.
4 The plan also supports our community's most
5 vulnerable electric customers, those in the
6 Percentage of Income Payment Plan program, with
7 a six percent discount off their electric rate.
8 This is in addition to the affordable rate
9 FirstEnergy provides under its existing plan
10 which has allowed the generation rate to
11 decrease by nine percent from a year ago.

12 First Energy's current rate plan was
13 widely supported by a broad range of groups
14 representing businesses, consumers, hospitals,
15 and schools. Many of these same groups have
16 also signed onto the new proposal because they
17 agree that First Energy's plan is working and
18 basically extending the plan is a good policy.

19 Again, I just wanted to express my
20 support for FirstEnergy. Thank you for the
21 opportunity to voice our support for the
22 FirstEnergy ESP. We encourage the Commission to
23 approve this plan and allow the community to
24 reap the benefits that will continue for two
25 years. I want to submit my written testimony.

1 MR. BULGRIN: Thank you. Bob
2 Taussig.

3 (Witness sworn.)

4 MR. BULGRIN: State your name and
5 spell your last name.

6 A. My name is T-a-u-s-s-i-g, and I'm
7 president of ROI Energy Solutions out of Hudson,
8 Ohio. I am here in support of FirstEnergy
9 extending this program for another two years.

10 ROI Energy provides turn-key
11 lighting retrofit projects for warehouses and
12 manufacturers all over northeast Ohio in an
13 effort to help reduce their energy costs. We
14 retrofit their lighting with more energy
15 efficient lighting.

16 One of the first things I do when I
17 go in to do a light and energy audit is to look
18 at their electric bills to see if they're
19 shopping their energy and most typically they
20 are shopping. There is a third-party solution
21 they have gone to for the generation portion of
22 that energy. So that's one of the quickest ways
23 to actually realize some additional cost
24 savings.

25 I'm trying to save them money doing

1 lighting retrofits. I'm encouraging them to
2 make sure they're shopping the generation
3 portion of that energy to save money there as
4 well trying to bring value to my customer.
5 Basically I believe that allowing FirstEnergy to
6 extend their plan two more years helps northeast
7 Ohio businesses in today's difficult global
8 markets as some of the other raw materials costs
9 continue to increase.

10 I appreciate the opportunity to
11 speak.

12 MR. BULGRIN: Thank you. Larry
13 Thompson.

14 (Witness sworn.)

15 MR. BULGRIN: Please state your name
16 and address.

17 MR. THOMPSON: My name is Larry
18 Thompson, president of Thompson Electric, Inc.,
19 a local electric contracting company.

20 My company has worked hand-in-hand
21 with FirstEnergy for more than 20 years on
22 numerous infrastructure projects, as well as
23 assisting them to remain reliable operations of
24 their electric facilities. I'm here this
25 evening to voice my support for First Energy's

1 rate proposal. Their new plan will ensure
2 reliable operation while keeping their base
3 distribution rates frozen through 2016.

4 FirstEnergy has worked closely with
5 all of the surrounding communities to ensure
6 they receive reliable electric service to their
7 businesses and residents. When a sudden storm
8 arises and causes the power to go off,
9 FirstEnergy's response team acts quickly and
10 professionally around the clock until power has
11 been restored. These emergency response efforts
12 are made possible through excellent coordination
13 with FirstEnergy's 9-1-1 dispatchers and
14 emergency management personnel.

15 FirstEnergy has a solid track record
16 for emergency response, and I'm confident their
17 rate proposal will enable them to maintain this
18 high level of service. It will allow for the
19 continued recovery of costs associated with the
20 new distribution investments such as poles,
21 wiring, and transformers as outlined in their
22 existing plan that was previously approved by
23 the PUCO and will accomplish this while keeping
24 their base distribution rates frozen at the
25 current levels.

1 When lights go out, people panic.
2 Electricity is not a luxury, it's an essential
3 element of our everyday lives. It is, in fact,
4 the livelihood of our community. I encourage
5 the Commission to approve the ESP proposal
6 because of the benefits contained in what we all
7 should consider a successful electric rate plan.

8 Thank you for the opportunity to
9 speak this evening.

10 MR. BULGRIN: Bethany Dentler.

11 (Witness sworn.)

12 MR. BULGRIN: State your name and
13 address for the record.

14 MS. DENTLER: My name is Bethany
15 Dentler, 144 North Broadway Street, Medina, Ohio
16 44256. I serve as the executive director of the
17 Medina County Economic Development Corporation,
18 which is a non-profit organization funded by
19 both public and private sector in Medina County.
20 Thank you for allowing me the opportunity to
21 testify in support of the proposed electrical
22 security plan.

23 As an organization dedicated to
24 helping our local economy grow, keeping existing
25 businesses competitive, and creating new jobs,

1 the Economic Development Corporation is
2 compelled to support any effort that would
3 ensure a level playing field when it comes to
4 the cost of utilities, and we believe that this
5 proposal from FirstEnergy will keep the electric
6 rate environment competitive.

7 In attracting and retaining jobs in
8 Ohio it is critical to provide a stable business
9 climate where company executives build the
10 regulatory environment and predictable costs of
11 doing business into their long-term plans. We
12 believe that FirstEnergy's proposed plan will
13 help protect customers in Medina County from
14 potential price volatility providing them with a
15 longer-term view of electric costs. Such a plan
16 can incentivize growing businesses to create new
17 jobs sooner rather than later.

18 We believe this plan will help save
19 money for customers, both residential and
20 businesses. Medina has benefited from
21 FirstEnergy's forward-thinking plan to provide
22 affordable electric rates to its customer and we
23 believe we can continue to do so in the future
24 if PUCO approves this proposal.

25 FirstEnergy has been a good economic

1 development partner. They have built solid
2 partnerships with area officials and their
3 responsiveness in helping our local economy to
4 grow.

5 In light of these benefits to the
6 state of Ohio, I would urge PUCO to approve this
7 proposed electric security plan. I have a
8 written copy of my statement.

9 MR. BULGRIN: Russ Pry.

10 (Witness sworn.)

11 MR. PRY: Good evening. My name is
12 Russell Pry. I'm the county executive of Summit
13 County.

14 I'm here this evening to express my
15 full support for FirstEnergy's Electric Security
16 Plan proposal. FirstEnergy is an outstanding
17 community partner and has promoted economic
18 development through its support to retain the
19 Goodyear World and North American headquarters
20 and Diebold corporate headquarters here in
21 Summit County. This support has resulted in
22 helping to retain thousands of jobs in our
23 region. And this plan will be just an absolute
24 benefit from FirstEnergy's existing rate plan.

25 FirstEnergy has pledged to continue

1 its commitment to economic development plans
2 such as those I have mentioned under their new
3 electric security plan.

4 In addition under its current
5 electric security plan and proposed electric
6 security plan, FirstEnergy has provided needed
7 financial support to low-income customers. One
8 of those successful programs is the Fuel Fund
9 Assistance Program. That program in Summit
10 County is administered by the county through its
11 office of Community and Economic Development.
12 In 2011, 784 homes received fuel fund assistance
13 in Summit County. Between 2009 and 2011 over
14 \$560,000 was distributed to low-income
15 individuals in Summit County from the fuel fund
16 which benefited 2770 homes. This much needed
17 program will be continued under FirstEnergy's
18 proposed electric security plan.

19 Under the two-year extension
20 FirstEnergy will continue to provide 10 million
21 dollars in economic development and assistance
22 to low-income customers at levels established in
23 its current plan. When you do the math, this
24 amounts to an additional 20 million dollars in
25 benefits during the two-year extension period.

1 These annual investments include: 1
2 million per year in economic development
3 funding; 4.5 million dollars for low-income
4 customers from the Fuel Fund; 5 million dollars
5 for low-income weatherization/energy efficiency
6 programs for local municipalities through the
7 community connections program.

8 The plan also supports our
9 community's most vulnerable electric customers,
10 those in the Percentage of Income Payment Plan
11 program with a 6 percent discount off their
12 electricity rates. This is in addition to the
13 affordable rates provided under its existing
14 plan which has allowed generation rates to
15 decrease by 9 percent from a year ago.

16 FirstEnergy's current rate plan was
17 widely supported by a broad range of groups
18 representing businesses, consumers, hospitals
19 and schools. Many of these same groups have
20 also signed on to the new proposal because they
21 agree that FirstEnergy's plan is working and
22 basically extending that plan is good policy.

23 FirstEnergy continues to be a good
24 corporate citizen in our community from the
25 charities and arts and cultural organizations it

1 supports to its commitment, and that of its
2 employees, to our United Way campaign.

3 Thank you for the opportunity to
4 voice my support for the FirstEnergy Electric
5 Security Plan. I encourage the Commission to
6 approve this plan and allow the residents of
7 Summit County to continue to receive the
8 benefits of the plan for an additional two
9 years. Thank you.

10 MR. BULGRIN: Mark Scheffler.

11 (Witness sworn.)

12 MR. SCHEFFLER: I'm Mark Scheffler,
13 executive director of Leadership Akron here in
14 the Akron area.

15 I'm here to express my full support
16 for FirstEnergy's Electric Security Plan
17 proposal. As you heard from other colleagues of
18 mine that have testified they have been an
19 excellent community partner for our
20 organization, and many others in the region,
21 that have benefited from FirstEnergy's support
22 during this current rate plan. Also indicated,
23 as one would expect, they will continue this
24 legacy of broad community support under the new
25 electric security plan.

1 You've already heard from my
2 colleagues that FirstEnergy will continue to
3 contribute more than 1.3 million dollars to
4 charities and United Way chapters by the end of
5 this year. That is over and above the 1.2 for
6 United Way that FirstEnergy employees have
7 contributed over and above that foundation's
8 contribution.

9 I guess from my prospective I would
10 note how often FirstEnergy continues to step up
11 and be the exemplary corporate citizen to
12 improve the quality of life in our state and
13 region. In fact, you will be hard-pressed to
14 find a community cause you do not see the
15 presence of FirstEnergy providing volunteer
16 leadership, financial contribution, or
17 participation, and often all three. There's
18 many examples but a couple stand out to me in
19 particular:

20 FirstEnergy stepped up as a major
21 investor in the newly created Austen
22 BioInnovation Institute. ABIA is a
23 groundbreaking collaboration of health care
24 institutions, universities, and economic
25 development agencies to foster a new wave of new

1 products, new enterprises, and ultimately
2 economic growth and jobs. Beyond providing a
3 major investment to launch ABIA, FirstEnergy
4 executives personally advocated for ABIA with
5 the Knight Foundation, fostering one of the
6 largest grants in the Knight Foundation's
7 history to jump start ABIA right here in our own
8 region.

9 FirstEnergy recently became the
10 title sponsor, in another example, of the
11 All-American Soap Box Derby, an iconic family
12 tradition rooted in Ohio that delivers huge
13 publicity and economic impact each year. The
14 Soap Box Derby, thanks to FirstEnergy, is
15 regaining sustainability after a turbulent
16 period in which their future was unclear. After
17 they developed a new strategy and brought in a
18 new leadership team, FirstEnergy's investment
19 signals to others this treasured asset has
20 redefined itself and will continue as a
21 cherished family tradition.

22 The reason I highlight these
23 contributions is that they illustrate the
24 strategic vision that marks FirstEnergy's
25 activities both in the community and in the

1 marketplace. For the last decade, FirstEnergy
2 has demonstrated the initiative and leadership
3 to position itself for a more competitive market
4 in Ohio, making targeted investments and
5 acquisitions to improve efficiency and capacity
6 to be effective on a new competitive landscape.

7 This electric security plan
8 extension reflects this strategic vision as it
9 continues many of the investments in the state's
10 quality of life that have become a staple of
11 FirstEnergy's corporate citizenship. As part of
12 its extension, as you've heard from others who
13 have testified, they will renew their economic
14 commitment to economic development and to
15 low-income customers totalling a 20 million
16 dollar investment in the region's
17 sustainability. They will continue to support
18 our region's most vulnerable families with the
19 Percentage of Income Payment Plan, assuring
20 families do not have to make tragic decisions
21 between paying utility bills or medical bills.

22 FirstEnergy's current rate plan, as
23 you can see tonight, has been widely supported
24 by a broad range of groups representing
25 businesses, consumers, hospitals. It's a

1 privilege to voice my support for them this
2 evening. Thank you.

3 MR. BULGRIN: Thomas Collins.

4 (Witness sworn.)

5 MR. BULGRIN: State your name and
6 address for the record.

7 MR. COLLINS: Tom Collins. I live
8 in Garrettsville, Ohio 44231.

9 I am here tonight because I would
10 like to tell the PUCO that energy efficiency is
11 a vital part of Ohio's energy future, and that
12 with programs that help families to do the
13 needed upgrades, through them, the PUCO and
14 FirstEnergy, can get their customers power
15 demands down eliminating new generation units
16 that are costly for both residential and
17 business customers.

18 I included in part of my -- in my
19 letter, my words, talking about the energy
20 efficiency that we did on our house as my health
21 required me to do so. But the overall effect of
22 those improvements in the last six years, while
23 FirstEnergy talks about saving 9 percent a year,
24 I saved 69 percent over the last six years on my
25 energy through the energy efficiency plan. I

1 would like PUCO to continue to encourage
2 FirstEnergy to include the energy efficiency
3 program in their rating future.

4 I know that my energy efficiency
5 upgrades are above and beyond what the average
6 person does. These are at risk of being
7 cancelled out by rate increases to residential
8 customer effective in 2015. This is not the
9 right direction for the PUCO to go. Working
10 together for the benefit of all is one of your
11 mandates and representing Ohio customers who are
12 energy efficient can help Ohio get back on its
13 feet in this economy. FirstEnergy is wrong to
14 be small-minded in its energy efficiency program
15 in any area that affects their customers'
16 prices. Thank you for your time.

17 MR. BULGRIN: Thank you. Katie
18 Rennard.

19 (Witness sworn.)

20 MR. BULGRIN: State your name and
21 address for the record.

22 MS. RENNARD: Katie Rennard, Akron,
23 Ohio. I am Senior Vice President Resource
24 Development at the United Way of Summit County.
25 I would like to also express my full support of

1 FirstEnergy's ESP proposal. They are a
2 wonderful community partnership, not just here
3 in Summit County but the whole area where
4 FirstEnergy has a footprint. They have
5 contributed a great deal of money and plan to
6 give over 1.3 million dollars to other charities
7 and United Way chapters in addition to the 1.2
8 million that is provided by their employees.

9 FirstEnergy's employees and
10 foundation generosity accounts for 10 percent of
11 the overall contributions raised by the United
12 Way of Summit County every year. FirstEnergy's
13 United Way campaign supports 737 United Ways and
14 independent charities affiliated with United Way
15 through their corporate footprint. Volunteer
16 efforts of 130 FirstEnergy employees who
17 participate in our annual county-wide day of
18 action account for over \$20,000 in in-kind
19 volunteer support in just one day.

20 FirstEnergy provides much-needed
21 financial support to low-income customers, a
22 wide range of community projects as well as
23 economic development. There is no question that
24 their support of the Austen BioInnovation
25 Institute will lead to improved quality of

1 healthcare for all our residents, including
2 those who are most needy through FirstEnergy's
3 foundation support to non-profit service
4 providers.

5 FirstEnergy's current rate plan is
6 widely supported by a broad range of groups
7 representing businesses, consumers, hospitals,
8 and schools. Many of these same groups have
9 also signed onto the new proposal because we all
10 agree that FirstEnergy's plan is working.

11 Thank you for the opportunity to
12 voice my support for the FirstEnergy Electric
13 Security Plan, and I encourage the Commission to
14 approve this plan and allow the residents of
15 Summit County to receive the benefits of the
16 plan for an additional two years. Thank you.

17 MR. BULGRIN: Thank you. Rochelle
18 Fisher.

19 (Witness sworn.)

20 MR. BULGRIN: Please state your name
21 and address for the record.

22 MS. FISHER: My name is Rochelle
23 Fisher, F-i-s-h-e-r, president and CEO of
24 Habitat for Humanity here in Summit County.

25 I'd like to express my full support

1 for FirstEnergy's ESP. They are an excellent
2 community partner, as many have testified this
3 evening, and our organization has benefited
4 greatly as well as others in the region under
5 FirstEnergy's current rate plan. FirstEnergy
6 has pledged that its generous support will
7 continue under the new ESP plan.

8 FirstEnergy provides much-needed
9 support to low-income customers, a wide range of
10 community projects, as well as economic
11 development. FirstEnergy and it's employees
12 have been working in partnership with Habitat
13 for Humanity of Summit County, as well as
14 affiliates across their service area, to build
15 and rehabilitate simple, decent, affordable
16 homes for 10 years. Their employees give
17 generously of their time and much-needed
18 financial support necessary to purchase building
19 materials for each home and each project it
20 supports.

21 Here in Summit County FirstEnergy
22 has been part of 20 home builds and over 400 in
23 the state of Ohio helping families to achieve
24 the dream of home ownership. Through
25 FirstEnergy's leadership habitat affiliates

1 around the state are building Energy Star rated
2 and certified homes and thereby reducing the
3 cost of the homeowner's electric expenses on a
4 monthly basis. This is a significant savings to
5 a low to moderate income family. It is our
6 pleasure to support our hometown utility company
7 and speak on their behalf as a great corporate
8 citizen here in Summit County. Thank you.

9 MR. BULGRIN: Wayne Hill.

10 (Witness sworn.)

11 MR. BULGRIN: Please state your name
12 and address for the record.

13 MR. HILL: My name is Wayne Hill,
14 associate vice president chief marketing officer
15 for the University of Akron. The university
16 thanks the commissioners and Commissioner Slaby
17 for attending. I would like to express our
18 institution's strong support for FirstEnergy.
19 We don't presume to have the technical knowledge
20 need for meaningful commentary on the ESP
21 application under consideration. Our testimony
22 is centered on FirstEnergy's standing as an
23 exemplary corporate citizen committed to
24 improvement of this region's economic and social
25 well-being.

1 For more than a decade, Dr. Luis
2 Proenza, president of the University of Akron,
3 has worked with public and private sector
4 entities to build multi-partner collaborations.
5 FirstEnergy has been an early, active and
6 reliable partner in many of these initiatives.

7 Most notably, as you heard, it made
8 major financial and organizational commitment to
9 the creation of the Austen BioInnovation
10 Institute in Akron, and that institute is vital
11 to our collective goal of creating new economic
12 opportunities for citizens today and tomorrow.

13 FirstEnergy also supported one of
14 our earliest collaborations, the University Park
15 Alliance. This neighborhood revitalization
16 project initially focused on a 50-block area
17 adjacent to campus. Over the years, UPA has
18 created more than 900 jobs, 80 new housing units
19 and attracted more than 300 million dollars in
20 private investments. FirstEnergy's corporate
21 leadership in this project directly contributes
22 to the creation of safer and more desirable
23 neighborhoods for students and families.

24 We believe that collaboration among
25 corporations, universities, and government is

1 our region's best hope for a prosperous future.
2 FirstEnergy has demonstrated again and again its
3 commitment to such broad partnerships.

4 FirstEnergy is an exceptional
5 supporter of our university. Executives of the
6 company serve on the advisory boards of our
7 colleges of engineering, business, and arts and
8 science. They form the development of
9 coursework and help us identify the knowledge
10 and capabilities that graduates will need to
11 succeed in the job market.

12 FirstEnergy also recruits students
13 from across many disciplines, and provides
14 internships and cooperative educational
15 opportunities for qualified students. Such
16 experiential learning is extremely valuable and
17 highly prized by our students and by employers.

18 We're proud to say that University
19 of Akron alumni can be found at nearly every
20 level of FirstEnergy, from linesmen to senior
21 management. The company's practice of hiring
22 Ohio graduates sets an important example for
23 other companies and helps preserve what is
24 arguably Ohio's most natural resource: An
25 educated populace.

1 In addition to building the
2 regions's talent supply chain, FirstEnergy is an
3 important research partner and support numerous
4 research projects on campus, including the
5 FirstEnergy Advanced Energy Research Lab. This
6 facility is conducting research into carbon
7 capture technology, which may lead to clean coal
8 power generation that is safe, affordable and
9 effective.

10 These actions alone would firmly
11 establish FirstEnergy's credentials as a good
12 corporate citizen. However, their largesse
13 extends to other areas that enhance the social
14 and cultural well-being of our campus and
15 community.

16 The company has provided substantial
17 support for the university's E.J. Thomas
18 Performing Arts Hall, the flagship venue for a
19 four-county region and the fourth-largest arts
20 presenter in Ohio.

21 FirstEnergy also played a leadership
22 role in raising Akron's soccer program and
23 stadium into the nation's premium ranks,
24 culminating in the 2010 national championship.
25 The stadium annually attracts thousands of

1 spectators and is oversubscribed for soccer
2 camps. FirstEnergy provided additional support
3 to the University of Akron's football,
4 basketball and other athletic programs.

5 These items I have listed are only
6 among the most recent of FirstEnergy's
7 philanthropic and community-oriented actions. I
8 would like to conclude by saying that the
9 University of Akron respectfully requests in its
10 evaluation of the ESP application the Commission
11 takes into consideration FirstEnergy's sterling
12 record of corporate citizenship and commitment
13 to practices and policies that benefit the
14 citizens of Ohio. Thank you.

15 MR. BULGRIN: Thank you. Rick
16 Rebadow.

17 (Witness sworn.)

18 MR. BULGRIN: Please state your name
19 and address for the record.

20 MR. REBADOW: Rick Rebadow,
21 R-e-b-a-d-o-w. I'm the executive vice president
22 of the Greater Akron Chamber, and I'm here to
23 provide support to FirstEnergy as they file
24 their application to extend the current electric
25 plan for two years.

1 The Greater Akron Chamber is a
2 non-profit regional chamber of commerce and
3 economic development organization that has been
4 in existence for over 100 years. The mission of
5 the Greater Akron Chamber is to drive economic
6 development and prosperity for the Greater Akron
7 region, in particular those in Medina, Portage,
8 and Summit Counties here in northeast Ohio. The
9 over 1,800 members of the Chamber includes
10 universities, hospitals, government,
11 manufacturers, service providers, and small
12 businesses. The goals of the Chamber include
13 growing businesses, investing in human capital,
14 improving perceptions, revitalizing our physical
15 assets, enhancing value to small business and
16 creating the capacity to succeed.

17 In our efforts to grow business we
18 focus on economic development, entrepreneurship,
19 and workforce development to create and maintain
20 jobs and attract capital investment.
21 FirstEnergy has been and continues to be one of
22 our key strategic investor in our domestic and
23 international economic development efforts and
24 we expect this commitment to continue for this
25 important work under the proposed ESP extension.

1 The investment that FirstEnergy has made, be it
2 financial or by dedicating its staff to lead and
3 support our strategic efforts, have been
4 critical to not only the success of our members
5 but also to that of the region.

6 In today's global economy it is
7 essential for the state of Ohio to remain
8 competitive to attract, retain, expand and
9 create business enterprises that will result in
10 job creation and capital investment.
11 FirstEnergy's continued investment of a million
12 dollars a year for the next two years will build
13 upon their continued legacy of investing in
14 economic development in their service territory.
15 Over the past ten years, FirstEnergy has helped
16 attract about 30 billion dollars in capital
17 investment and created approximately 60,000 jobs
18 in their service area. This is without question
19 numbers worth noting.

20 Many of my colleagues today also
21 talked about some of the examples they have had
22 in some very high profile projects. I will
23 briefly go over them again, the retention of the
24 Bridgestone Americas Technical Center, a 100
25 million dollar investment in a new research and

1 development center in south Akron that is
2 retaining 1100 jobs.

3 The retention of the Goodyear Tire &
4 Rubber Company's Global North America
5 Headquarters and North American research and
6 development center project will preserve nearly
7 3,000 jobs.

8 The retention of Diebold, an Ohio
9 company founded in 1876, currently headquartered
10 in the city of Green, the company will be
11 constructing a new world headquarters with an
12 investment of over 100 million dollars that will
13 result in the retention of 1,500 local jobs.

14 Rochling Automotive USA
15 headquartered in Germany, is an innovative
16 manufacturer of light weight durable plastics.
17 Their emergence in the Akron market was the
18 company's seventh manufacturing site in the
19 United States. This investment of 20 million
20 dollars created 125 high paying manufacturing
21 jobs and will position the company to better
22 service their customers such as Ford, GM and
23 Audi in a revitalized automotive industry.

24 ABIA, Austen BioInnovation
25 Institute, an unprecedented collaboration of

1 Children's Hospital, Akron General health
2 System, Northeast Ohio Medical University, Summa
3 Health System, University of Akron, and the John
4 S. and James L. Knight Foundation with the
5 support from the city of Akron, Summit County,
6 and our own organization. ABIA is focused on
7 patient-centered innovation and
8 commercialization of biomaterials and medicine.
9 As a founding partner, FirstEnergy has
10 contributed more than 10 million dollars over
11 ten years to this groundbreaking initiative to
12 help reach its full potential.

13 FirstEnergy has several buildings
14 located through the greater Akron region. The
15 company was contemplating an expansion to their
16 facility on Ghent Road but opted to allow their
17 neighbors at Sterling Jewelers to acquire their
18 facility to accommodate their expansion needs.
19 FirstEnergy worked with the city of Akron to
20 build a 30 million dollar state-of-the-art LEED
21 certified facility on White Pond Drive allowing
22 for the retention of over 2,000 jobs and the
23 creation of 150 new jobs. It also leveraged a
24 15 million dollar investment that retained 1,400
25 jobs along with creation of 300 jobs by Sterling

1 Jewelers.

2 FirstEnergy's commitment to economic
3 development and community enhancement has been
4 independently verified by their ranking as one
5 of the top ten utilities in the country eight
6 out of the past ten years by Site Selection
7 Magazine.

8 As a former executive with a utility
9 based in New York I have witnessed the divesting
10 of financial resources from economic development
11 efforts by other utilities. We're very
12 fortunate to have a partner and community leader
13 such as FirstEnergy willing to maintain their
14 commitment to our region. For that I urge your
15 favorable consideration to our request. Thank
16 you.

17 MR. BULGRIN: Thank you. Courtney
18 Wade.

19 (Witness sworn.)

20 MR. BULGRIN: Please state your name
21 and address.

22 MS. WADE: My name is Courtney Wade,
23 W-a-d-e. Energy efficiency is something that I
24 have become very passionate about because it
25 would really benefit me, my future, and future

1 generations to come. As a junior in college I
2 will soon face my own utility bills, and I need
3 them to be as low as possible. Unfortunately
4 FirstEnergy's decisions are leading to higher
5 energy bills and lower opportunities to save
6 money through energy efficiency programs. It is
7 important to me that I have the opportunity to
8 utilize energy efficiency to lower my bills and
9 lower the need for the use of coal and gas
10 powered plants. Fewer coal and gas plants would
11 benefit current and future Ohioans because it
12 would keep the environment and air we breathe
13 cleaner.

14 Furthermore, upon graduation I will
15 need to decide where I want to live. With
16 Ohio's air quality being the worst in the
17 country, primarily because of the use of dirty
18 powered plants, I will be looking into other
19 locations. I and many of my college friends
20 discussed that although we would like to stay in
21 our hometowns, it seems like the higher rates
22 and poor environmental habits will push us away.
23 I strongly believe that FirstEnergy's increased
24 rates and persistence with coal will drive many
25 college graduates out of the state and keep

1 others from entering. Energy efficiency would
2 offset the need for coal and gas, improving the
3 environment and ultimately putting Ohio back
4 into the minds of those looking to settle down.

5 Finally, besides being here as a
6 student, I'm here as a woman who hopes to one
7 day start a family. I believe in giving our
8 future generation the best opportunities
9 possible. That is why I am here to ask the
10 Public Utilities Commission of Ohio to give my
11 future family clean air and a healthy
12 environment.

13 FirstEnergy's choice to comply with
14 Senate Bill 221 energy efficiency requirements
15 should have been the stepping stone to many new
16 programs and opportunities. However, the
17 company's lack of leadership on the issue has
18 led it to offer less energy efficiency programs
19 than it should have in the auction. As a result
20 customers will face increases in energy prices
21 later in the future. This affects current
22 customers, soon to be customers like myself, and
23 future generations.

24 I am asking the Commission, the
25 Public Utilities Commission of Ohio, as an

1 individual representing Ohioans, specifically
2 its college students and future generations, to
3 note the negative impact that increases in
4 electric bills will have and to positively
5 embrace the benefits of energy efficiency can
6 have.

7 FirstEnergy needs to do more. With
8 energy efficiency initiatives it is a small yet
9 vital step toward a better future for all
10 Ohioans. Thank you for your time.

11 MR. BULGRIN: Steve Hambley.

12 (Witness sworn.)

13 MR. BULGRIN: Please state your name
14 and address for the record.

15 MR. HAMBLEY: My name is Steve
16 Hambley, H-a-m-b-l-e-y. I have been a Medina
17 County Commissioner for 16 years and life-long
18 resident of Brunswick. I'm here to lend my
19 support for FirstEnergy's Electric Security
20 Plan.

21 FirstEnergy continues to maintain
22 reliable operations of their electric facilities
23 and the new plan proposes to do just that while
24 keeping its base distribution rate through 2016.
25 I support the plan for a couple reasons.

1 First, they'll continue economic
2 development assistance to low-income customers
3 for the two-year extension period. They will
4 provide the Percentage of Income Payment Plan
5 customers with a 6 percent discount off
6 electricity rates. They will continue to
7 provide capacity to both shopping and
8 non-shopping customers at a market-based price
9 through an auction process.

10 FirstEnergy's plan provides clear
11 choices and access to competitive electric
12 rates. As a FirstEnergy utility customer I can
13 continue to obtain electric generation service
14 from them or shop for a better deal with a
15 competitive supplier without penalties or
16 barriers or restrictions.

17 The success of the government
18 aggregation program in Medina is also a
19 testament to the reliable electric service
20 provided to our businesses and our residents.

21 I have a great deal of respect for
22 their professionalism and keeping their
23 facilities running 24/7, responding quickly when
24 power is interrupted during storms. My
25 experience is people just don't volte solely on

1 they're pocket books. They also look at the
2 value of what their voting for and reliable
3 service is a high value.

4 On May 4, 2010, voters in 14
5 townships in Medina County authorized Medina
6 County Commissioners to aggregate the retail
7 electric loads in those townships and enter into
8 a service agreement with FirstEnergy Solutions.
9 It was not just a vote to allow the Board of
10 Commissioners to negotiate a better rate than
11 individual business owners or homeowners could
12 achieve on their own but also a vote of
13 confidence for the FirstEnergy Corporation, as
14 well as FirstEnergy Solutions.

15 Customers know if they switch to
16 another supplier they still will remain a
17 FirstEnergy customer for distribution of
18 electricity and can rely on them to answer
19 questions and respond to power outages during a
20 storm.

21 FirstEnergy wants to extend its rate
22 for an additional two years to keep electric
23 rates stable through 2016. Stability of these
24 rates at these times of growing costs in other
25 utilities is of utmost importance. I know, our

1 city, our county, has a water system, sewer
2 system, and solid waste management utilities. I
3 can't guarantee a stable rate in any of those
4 departments for the next four years. I wish I
5 could. FirstEnergy can.

6 I believe that FirstEnergy has
7 proven their model makes good business sense and
8 that our local economy will be well served by
9 extending the benefit of its current plan.
10 Thank you for the opportunity to speak on
11 FirstEnergy's behalf and I'll present my remarks
12 for the record.

13 MR. BULGRIN: Is there anybody else?
14 If there is nothing further, then this hearing
15 will be concluded. I would note the evidentiary
16 hearings are happening in Columbus and you can
17 see Mr. Korkosz for an update. Other than that,
18 this record is closed. Thank you.

19 (Hearing concluded at 7:05 p.m.)
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