

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Regulation)	
of the Electric Fuel Component)	
Contained within the Rate Schedules)	Case No. 00-106-EL-EFC
of Monongahela Power Company and)	
Related Matters)	

STIPULATION AND RECOMMENDATION

By this Stipulation and Recommendation Monongahela Power Company (Monongahela or Company), the Staff of the Public Utilities Commission of Ohio (Staff), and the Ohio Consumers' Counsel (OCC), hereby set forth their agreement upon all items pertinent to the captioned case.

While it is understood that the agreements and recommendations contained herein are not binding upon the Public Utilities Commission of Ohio, the parties hereto, Monongahela, the Staff and OCC urge the Commission to approve such agreements and recommendations, which Monongahela, the Staff and the OCC believe to be supported by sufficient and adequate evidence of record, in full and complete resolution of this case.

1. It is recommended that each of the following of Monongahela's exhibits be received into evidence:

- a) Company Exhibit No. 1 - Annual ER Summary Report and amendment thereto;
- b) Company Exhibit No. 2 - Prehearing Data;

- c) Company Exhibit No. 3 - Direct Testimony of Jeffrey L. Adams;
- d) Company Exhibit No. 4 - Direct Testimony of Michael H. Hess;
- e) Company Exhibit No. 5 - Affidavit of Publication from the Marietta Times newspaper.

2. It is recommended that each of the following Commission-Ordered Exhibits be received into evidence:

- a) Commission-Ordered Exhibit No. 1 - The Management Performance Audit submitted by the Staff of the Public Utilities Commission of Ohio;
- b) Commission-Ordered Exhibit No. 2 - The Financial Audit submitted by Price Waterhouse Coopers.

3. It is recommended that this Stipulation and Recommendation be a joint exhibit, entitled Joint Exhibit No. 1, and entered into evidence for adoption.

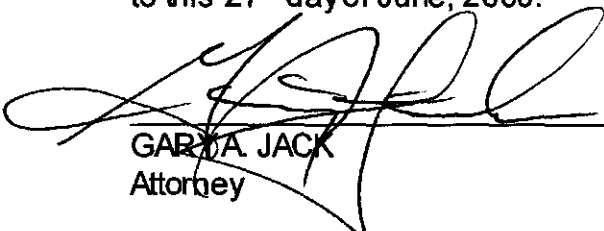
4. It is recommended that the Commission establish an EFC component rate of 0.965 cents/KWH for the period beginning with the first billing cycle in August, 2000 and ending with the last billing cycle in December, 2000 which rate consists of a fuel component of 1.042 cents/KWH, Ohio Coal Research and Development rate of 0.000, a reconciliation adjustment of (0.008) cents/KWH and a system loss adjustment rate of (0.069) cents/KWH.

5. It is agreed and recommended for findings by the Commission that Monongahela's acquisition and delivery practices and costs of its fuel are fair, just and reasonable and that the costs charged to customers through the operation of Monongahela's approved EFC rate were proper and in accordance with the rules.

6. This Stipulation and Recommendation is submitted for purposes of this proceeding only, and is not deemed binding in any proceeding, nor is it to be offered or relied on in any other proceeding, except as necessary to enforce the terms of this


Stipulation and Recommendation. The agreement reflected in this Stipulation is contingent upon its acceptance by the Commission. In the event this Commission should reject all or part of this Stipulation or add conditions or modifications, each Party shall have the right, within five (5) days of the Commission's order, to either file an application for rehearing or terminate and withdraw the Stipulation by filing a notice with the Commission. Upon rehearing, any party may terminate and withdraw the Stipulation by filing a notice with the Commission within five (5) days of the Commission's order on rehearing. Upon notice of termination or withdrawal by any party, pursuant to the above provisions, the Stipulation shall immediately become null and void. In such event, this proceeding shall be reopened and hearings shall go forward promptly upon all matters to the proceeding (unless otherwise stipulated hereafter) and the terms of this Stipulation shall not be deemed binding upon the parties hereto. In such circumstances, this Stipulation and Recommendation shall not be admissible for any purpose other than the enforcement of this paragraph.

IN WITNESS WHEREOF, this Stipulation and Recommendation has been agreed to this 27th day of June, 2000.



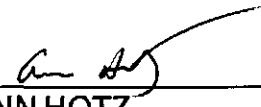
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