

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Notice of Compliance :  
by **Oho Edison Company, The** : Case No. **13-1191-EL-ACP**  
**Cleveland Electric Illuminating** :  
**Company, and The Toledo Edison** :  
**Company with the Electric Security** :  
**Plan.** :

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**INITIAL COMMENTS**  
SUBMITTED ON BEHALF OF THE STAFF OF  
THE PUBLIC UTILITIES COMMISSION OF OHIO

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On May 13, 2013, Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, the Companies) filed a “notice of compliance” providing that a ten-year request for proposal (RFP) to purchase renewable energy credits (RECs) will not be held for the period of 2014 through 2023 in accordance with the Second Supplemental Stipulation approved by the Commission in Case No. 10-338-EL-SSO.

Staff offers the following comments in response to the Companies’ filing.

## I. REGULATORY BACKGROUND

The Second Supplemental Stipulation (stipulation) in Case No. 10-0388-EL-SSO<sup>1</sup> established a schedule by which the Companies would conduct a maximum of four requests for proposal (RFPs) to purchase renewable energy credits (RECs) through ten year contracts.

Included within the stipulation was language that conditioned the issuance of RFPs 2, 3, and 4 on the Companies' standard service offer (SSO) load. If the SSO load of the Companies is less than 15,000,000 megawatt-hours (MWHs) as calculated by the formula provided in the stipulation, no additional solar RECs will be purchased that year.

The Companies have previously issued the first<sup>2</sup> and second<sup>3</sup> RFPs under the terms of the Stipulation. And similar to the notice in this proceeding, the Companies previously filed a notice that they would not be conducting the third RFP.<sup>4</sup>

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<sup>1</sup> Filed July 22, 2010.

<sup>2</sup> *In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of Request for Proposal to Purchase Renewable Energy Credits Through Ten Year Contracts*, Case No. 10-2891-EL-ACP.

<sup>3</sup> *In the Matter of the Application for Approval of Request for Proposal to Purchase Renewable Energy Credits through Ten Year Contracts*, Case No. 11-4625-EL-ACP.

<sup>4</sup> *In the Matter of Notice of Compliance of The Cleveland Electric Illuminating Company and Ohio Edison Company and The Toledo Edison Company*, Case No. 12-2217-EL-ACP.

## **II. COMPANIES' "NOTICE OF COMPLIANCE" SUMMARIZED**

The Companies' May 13<sup>th</sup> filing in this proceeding provides notice that the Companies do not intend to conduct RFP #4. They assert that the calculation of their SSO load, following the methodology in the stipulation, results in a total standard service offer load of less than 15,000,000 MWHs thus excusing them from the requirement of conducting the fourth RFP for solar renewable energy credits. The Companies' filing included a table which showed the details of their calculation.

## **III. STAFF POSITION**

Staff reviewed the Companies' calculations, including the source materials for the data inputs. Staff also reviewed the terms of the stipulation, which indicate the following:

The standard service offer load of the Companies for the purpose of the thresholds set forth above is calculated by multiplying the Companies' prior year non-shopping percentage, as submitted by the Companies to Commission Staff in December of each year, by the Companies' long term forecast as filed with the Commission on April 15<sup>th</sup> for the year in which an RFP may occur.<sup>5</sup>

Staff confirmed that, using the forecasted sales for 2013 from Case No. 13-0925-EL-FOR and the switching data available on the PUCO website, the SSO load calculates to less than 15,000,000 MWHs. Staff's calculations used non-switching percentages different

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<sup>5</sup> *In the Matter of the Application 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 (Second Supplemental Stipulation at 2) (May 13, 2010).*

from that of the Companies, but the outcome did not differ significantly. Staff agrees with the Companies' conclusion that they are not required to conduct the fourth RFP.

Staff notes that, consistent with the terms of the stipulation, the Companies made their filing by August 1, 2013. In previous Commission decisions, the Commission has encouraged the earlier filing of applications to potentially enable the increased participation of new facilities. Staff observes that the Companies made this latest filing on May 13<sup>th</sup>, which Staff believes is consistent with previous Commission direction.

Respectfully submitted,

**Michael DeWine**  
Ohio Attorney General

**William L. Wright**  
Section Chief

*/s/Devin D. Parram*

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## **PROOF OF SERVICE**

I hereby certify that a true copy of the foregoing **Initial Comments** submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail upon applicant's counsel, Carrie M. Dunn, FirstEnergy Corp., 76 South Main Street, Akron Ohio 44308, [dunnc@firstenergycorp.com](mailto:dunnc@firstenergycorp.com), this 1st day of July, 2013.

*Devin D. Parram*

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**Devin D. Parram**

Assistant Attorney General

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**Case No(s). 13-1191-EL-ACP**

Summary: Comments electronically filed by Mrs. Tonnetta Y Scott on behalf of PUCO