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2

3 PUBLIC UTILITIES COMMISSION OF OHIO

4 PUBLIC HEARING

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6 CASE NUMBER: 14-1297-EL-SSO

7 ~ ~ ~ ~

8 Monday, January 12, 2015

9 ~ ~ ~ ~

10 In the Matter of the Application of Ohio

11 Edison, the Cleveland Electric Illuminating

12 Company, and the Toledo Edison Company, for

13 authority to provide for a standard service offer

14 pursuant to RC 4928.143 in the form of an

15 Electric Security Plan.

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APPEARANCES

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3 Brice McKinney, Hearing Officer.

4 Lynn Slabey, Commissioner

5 Larry Sauer, Consumers' Counsel of Ohio

6 James W. Burke, FirstEnergy Counsel

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1 MR. McKINNEY: Good evening. The
2 Public Utilities Commission of Ohio
3 calls for public hearing at this time
4 and place, Case Number 14-1297-EL-SSO,
5 being in the Matter of the Application
6 of Ohio Edison, the Cleveland Electric
7 Illuminating Company, and the Toledo
8 Edison Company, for authority to provide
9 for a standard service offer pursuant to
10 RC 4928.143 in the form of an Electric
11 Security Plan.

12 My name is Brice McKinney, and I am
13 the attorney examiner assigned by the
14 Commission. And I've been assigned by
15 the Commission to conduct this hearing.

16 Also with us this evening is
17 Commissioner Lynn Slabey, who is one of
18 the five commissioners of the Public
19 Utilities of Ohio.

20 In the back there are
21 representatives of the Commission's
22 Public Affairs Department and Service
23 Monitoring and Enforcement Department.
24 There are also representatives here from
25 the utility, and they will be happy to

1 answer any questions you might have
2 regarding utility service unrelated to
3 FirstEnergy's application in this case.

4 At this time, I would like to take
5 the appearances of the parties which
6 have been granted intervention in the
7 case. On that front, I would like to
8 begin with the company.

9 MR. BURKE: Thank you, Your Honor.
10 On behalf of Ohio Edison Company, the
11 Cleveland Electric Illuminating Company,
12 and the Toledo Edison Company, James W.
13 Burke, 76 South Main Street, Akron,
14 Ohio, 44308.

15 MR. McKINNEY: Thank you,
16 Mr. Burke.

17 OCC?

18 MR. SAUER: Thank you, Your Honor.
19 On behalf of the residential customers
20 of First Energy, the office of the Ohio
21 Consumers' Counsel, Bruce J. Weston,
22 Consumers' Counsel, Larry S. Sauer,
23 Consumers' Counsel. And with me tonight
24 is Ray Fuller. He is with our Outreach
25 and Education Department. And if there

1 are any questions, you can seek out Ray
2 if you have any questions. Thank you.

3 MR. MCKINNEY: Thank you,
4 Mr. Sauer.

5 Are there any other parties that
6 have been granted intervention in this
7 proceeding present this evening?

8 Thank you.

9 The purpose of this evening's
10 public hearing is to receive comments
11 from the public regarding the
12 application that has been filed by the
13 companies in this case. This is not a
14 question-and-answer session, but it is
15 your opportunity to let the Commission
16 know what you think about the company's
17 request.

18 The local public hearings scheduled
19 in this case are only one aspect of the
20 process. There will also be an
21 evidentiary hearing for the parties to
22 present their case to the Commission.

23 I would caution any party that has
24 been granted intervention in this
25 proceeding to be careful about

1 testifying at the public hearing so as
2 not to forfeit any rights to make your
3 case at the evidentiary hearing.

4 When you each arrived, you were
5 offered the opportunity to sign up to
6 testify. I have that sign-up sheet with
7 me. I'm going call names on the sign-up
8 sheet and ask you to come up front to
9 the podium and just speak loudly so the
10 court reporter can hear you.

11 The most important person in the
12 room this evening is the court reporter
13 to my left. She'll transcribe anything
14 that is said for the record. What is
15 said and heard by the court reporter
16 will then be introduced into the record
17 in this case. Additionally, if you have
18 prepared written comments, she will
19 accept a copy of your written comments
20 and they will also be introduced in the
21 case.

22 At this time I'm going to begin
23 calling forth witnesses to testify.

24 Is Claudia Kovach here?

25 - - - - -

1 TESTIMONY OF CLAUDIA KOVACH,

2 After having been first duly sworn, as
3 hereinafter certified, was examined and testified
4 as follows:

5 MR. MCKINNEY: Thank you. You may
6 proceed.

7 MS. KOVACH: Commissioners Slabey
8 and McKinney, and members of the
9 Commission, I'm Claudia Kovach, Vice
10 President of City Machine Technologies
11 in Youngstown.

12 I appreciate the opportunity to
13 present my perspective on the importance
14 of supporting FirstEnergy's proposed
15 Electric Security Plan four, Powering
16 Ohio's Progress.

17 We are an industrial repair shop in
18 Youngstown, Ohio. We repair motors,
19 generators, gears, brakes, pumps for
20 heavy industries, like the steel mills,
21 food processors, and public utility
22 companies.

23 On behalf of City Machine
24 Technologies and our more than 75
25 hardworking Ohio employees, I depend on

1 affordable and reliable electricity to
2 support our business and the whole
3 economy in the years ahead.

4 As one of the region's largest
5 energy providers, I believe First Energy
6 has done an excellent job keeping
7 electric prices affordable for
8 businesses like ours.

9 Yes, First Energy is a valued
10 customer of CMT, but it is also a valued
11 and critical supplier to us and to those
12 who live in First Energy service
13 territories. Think of the last time
14 your electrical power went out and you
15 realized just how valuable and essential
16 electricity is to your life and to your
17 lifestyle.

18 As you know, several of Ohio's
19 largest power plants have closed in
20 recent years due to market challenges
21 and tougher regulations, and more
22 retirements are expected. We're
23 concerned this could drive up the cost
24 of electricity prices and affect the
25 reliability of our service at a time

1 when we're still recovering from a very
2 challenging economy.

3 The proposed electric service --
4 Electric Security Plan provides
5 significant funding for economic
6 development, job retention, and energy
7 efficiency assistance that will benefit
8 businesses such as ours. It will also
9 help create more high quality Ohio jobs
10 and attract new business growth.

11 FirstEnergy's powering Ohio's
12 progress helps safeguard businesses like
13 ours from electricity price increases if
14 energy and capacity rates rise in the
15 future. In addition, the plan also
16 includes a 15-year economic stability
17 program, which supports service
18 reliability by helping to keep a vital
19 base load power plants available and
20 near Ohio to serve Ohio customers. The
21 program also benefits consumers and
22 businesses by saving FirstEnergy
23 customers a projected two billion --
24 that's two with a "B" -- two billion
25 dollars over the 15-year period.

1 With the coal industry presently in
2 turmoil, any effort we can make to
3 assure a smooth and seamless transition
4 to alternative fuels and clean coal
5 technology is essential and worth every
6 effort required by all of us, not just
7 in Ohio, but on a national level.

8 We truly appreciate FirstEnergy's
9 commitment to serving Ohio's energy
10 needs, and we hope you will support this
11 solid plan for our state's future.

12 Thank you for your time and
13 consideration.

14 MR. McKINNEY: Thank you.

15 Tim Crawford.

16 - - - - -

17 TESTIMONY OF TIM CRAWFORD,

18 After having been first duly sworn, as
19 hereinafter certified, was examined and testified
20 as follows:

21 MR. CRAWFORD: Good evening. I am
22 an appointed advocacy volunteer for
23 AARP. Our organization is opposed to
24 the proposal.

25 I studied this proposal, and in my

1 own words I want to explain my
2 objections.

3 I come tonight to tell you that we
4 cannot afford the 1956 Ford that
5 FirstEnergy has imaginatively packaged
6 in a 2015 Prius, or in this case, four
7 coal-fired energy plants, far beyond
8 their life cycle, two which began about
9 same time as the 1956 Ford.

10 One of the plants, Sammis, recently
11 had a new muffler installed in the form
12 of \$1.8 billion in scrubbers. But the
13 scrubbers don't make a bad, aging,
14 obsolete energy plant efficient. And
15 FirstEnergy is aware of its
16 inefficiency, as demonstrated by their
17 own mothball-like status in 2012 when it
18 became clear that purchasing energy off
19 the open market was cheaper than
20 generating energy at Sammis.

21 FirstEnergy tells us that, like the
22 56 Ford with its low gas mileage an
23 obsolete engine, at least in the early
24 portion of the 15-year production
25 purchasing agreement they demand

1 consumers pay for, that the cost of
2 energy from these plants will increase
3 our power bill. We appreciate that
4 honesty.

5 But then FirstEnergy suggest, but
6 fails to promise, that consumers may
7 receive savings from the forced
8 contractual purchase from these
9 inefficient plants.

10 But like the salesman claiming the
11 56 Ford is as good as the 2015 Prius,
12 FirstEnergy cannot complain how those
13 savings will be generated. They tell us
14 such knowledge is proprietary and we
15 should trust them. But how can we
16 extend that trust when we've lived long
17 enough to know that no matter how you
18 package a 56 Ford, it's not a 2015
19 Prius. Likewise, no matter how you
20 package these obsolete plants that could
21 and should be closed, they cannot
22 produce energy as efficiently as newer
23 plants, nor can they prevent the
24 chemicals released converting coal to
25 power that includes sulfur, mercury,

1 suet, and carbon dioxide, nor can these
2 plants be expected to function at their
3 full capacity from 3200 megawatts
4 combined.

5 While FirstEnergy has failed to
6 provide their actual utilization
7 factors, industry wide these outdated
8 plants operate at 40 percent of the
9 average, compared with 64 percent
10 capacity for newer plants. And these
11 plants cannot compete with a lower cost
12 of new natural gas plants scheduled to
13 open in Ohio.

14 Currently five plants have been
15 approved, with construction beginning in
16 2015. These five new plants will
17 generate 3200 megawatts of power,
18 cheaper, more efficiently, more safely,
19 and with fewer concerns about the
20 potential required EPA refinements and
21 the associated cost of those.

22 In 2012, the Union of Concerned
23 Scientists wrote, a significant number
24 of coal-fired generators are old,
25 inefficient, dirty, and no longer

1 economically competitive. Simply
2 stated, they are right for retirement.
3 Their conclusion is correct, and this
4 proposal, these plants, have no future.

5 To commit consumers to the cost of
6 continued operation of these facilities
7 is exactly like asking consumers to
8 imagine that that 1956 Ford is really
9 exactly as good as a 2015 Prius. It is
10 not.

11 We strongly urge you to reject this
12 incredibly non-competitive, costly,
13 wasteful proposal without further ado.
14 Thank you.

15 MR. McKINNEY: Thank you.

16 Clint Powell.

17 - - - - -

18 TESTIMONY OF CLINT POWELL,

19 After having been first duly sworn, as
20 hereinafter certified, was examined and testified
21 as follows:

22 MR. McKINNEY: Thank you. You may
23 proceed.

24 MR. POWELL: Good evening members
25 of the Commission. I'm Clint Powell.

1 I'm the business manager of the
2 Laborers' International Union of North
3 America, Local 809, also known as LIUNA.

4 I appreciate the opportunity to
5 testify before you in support of
6 FirstEnergy's proposed Electric Security
7 Plan, Powering Ohio's Progress.

8 There are 24 local union halls
9 representing over 24,000 hardworking,
10 active and retired laborers in Ohio. We
11 install your water lines and sewer lines
12 and pave your roads which you drive on.
13 We build your schools and work in steel
14 mills, factories and on pipelines. In
15 addition, we work at FirstEnergy's W.H.
16 Sammis plant. Construction jobs are
17 temporary but provide a living for many
18 families in this great state. We count
19 on each and every construction job
20 that -- to put food on our tables, and
21 we depend on construction work that
22 occurs during plan outages every year in
23 the Sammis plant.

24 On behalf of the members of the
25 Laborers' International Union of North

1 America here in Ohio, I am asking for
2 your support of FirstEnergy's proposed
3 Electric Security Plan for the following
4 reasons: Ohio's power plants create
5 thousands of union jobs and produce
6 major infrastructure projects that put
7 union members to work. As members of
8 LIUNA, our livelihood is impacted by the
9 rise and fall of the state's economy.
10 And since my union also has a strong
11 working relationship with the Sammis
12 plant, I know a large number of base
13 load powers plants across the region are
14 being permanently retired due to
15 regulatory issues and work pressures,
16 and more retirements are expected.

17 Further decline in Ohio's electric
18 power plant industries can cost
19 thousands of union jobs and discourage
20 industrial development opportunities
21 across the state. That's why I'm here,
22 for the security of the W.H. Sammis
23 plant and the long-term benefit of the
24 state's economy. I ask that you support
25 FirstEnergy's proposed Electric Security

1 Plan.

2 Our union is in favor of the plan
3 because over the long term, we think it
4 will keep electricity affordable. It
5 also will ensure that Ohio power plants
6 continue to operate, create substantial
7 economic opportunities and support
8 quality jobs. This is a win/win for my
9 brothers and sisters at LIUNA and me.

10 In addition, Sammis and two other
11 FirstEnergy plants associated with
12 powering Ohio's progress pay more than
13 52 million annually in taxes that help
14 support other local services. The plant
15 also provides up to 21.5 million in
16 funding for economic development, job
17 retention and energy efficiency
18 assistance that will benefits the
19 businesses. At the same time, it will
20 help create more quality jobs in Ohio,
21 attract new business growth, which
22 benefits Laborers' International Union
23 of North America, Local 809.

24 Thank you for the opportunity to
25 testify in front of you today.

1 MR. McKINNEY: Thank you. Kyle
2 Brown.

3 - - - - -

4 TESTIMONY OF KYLE BROWN,

5 After having been first duly sworn, as
6 hereinafter certified, was examined and testified
7 as follows:

8 MR. McKINNEY: Thank you. You may
9 proceed.

10 MR. BROWN: Chairman and members of
11 the Commission, I'm Kyle Brown, Vice-
12 President of the Upper Ohio Valley
13 Building and Trades Council, Business
14 Manager for the International
15 Brotherhood of Electrical Workers, Local
16 Union 246, located in Steubenville,
17 Ohio.

18 The Upper Ohio Valley Building and
19 Trades Council represents over 4,000
20 skilled craftsmen and their families
21 throughout the Upper Ohio Valley. We
22 have serviced the Steel Mills, our
23 commercial customers, and especially our
24 American Electric Power and FirstEnergy
25 facilities for well over 50 years. We

1 have provided trained, safe and skilled
2 construction workers to complete
3 projects on time and on budget, time and
4 time again.

5 The Sammis facility and its
6 construction contractors have provided
7 safe work places, a living wage, good
8 health care benefits, and fair
9 retirement plans to well over 10,000
10 families during this time.

11 On behalf of these building and
12 trades members and their families,
13 they're requesting your support of
14 FirstEnergy's proposed Electric Security
15 Plan for the following reasons: We have
16 an effective partnership with the Sammis
17 facility for over 50 years. They have
18 provided quality employment for a well-
19 qualified workforce. Their support of
20 our apprenticeship and training programs
21 through hourly contributions and on-the-
22 job training opportunities provide a
23 strong foundation for skilled
24 construction workers in the Ohio
25 Valley.

1 A further decline in the industrial
2 base in the Valley will have a
3 detrimental affect not only on the
4 construction trades programs, but also
5 on the local economy and local school
6 systems. Without the stability of
7 employment, which the Sammis plant
8 provides, not only to construction
9 trades men and women, but to local
10 vendors and supply houses, there will be
11 an even greater decline in the local
12 economy.

13 As you and I are aware, a large
14 number of base load power plants
15 throughout the area are being threatened
16 for shut down due to market pressures
17 and stringent regulatory issues, and
18 more difficult times are anticipated.

19 We need a stable industrial base in
20 the Ohio Valley, not only for our
21 members and Sammis employees, but also
22 as a strong base for our public school
23 systems, community colleges and local
24 commerce. As such, I am pleased with
25 the security of the FirstEnergy Sammis

1 facility proposed Electric Security
2 Plan, Powering Ohio's Progress. We
3 believe over the long term this proposal
4 will keep electricity affordable to its
5 customer and sustain our local economy
6 and families.

7 Powering Ohio's Progress ensures
8 job retention, energy efficiency
9 assistance, it benefits businesses, and
10 will most assuredly benefit the working
11 men and women of the Upper Ohio Valley
12 Building and Trades.

13 For the previously mentioned
14 reasons and numerous additional
15 benefits, too long to list at this
16 forum, I respectfully request your
17 support of FirstEnergy's proposed
18 security plan, Powering Ohio's
19 Progress.

20 I want to thank the Public
21 Utilities Commission for scheduling this
22 hearing and allowing me to testify on
23 behalf of my members, my community, and
24 my family. Thank you again.

25 MR. McKINNEY: Thank you. I would

1 like to note, if have you a written copy
2 of your statement and you would like to
3 introduce that into record, you can
4 leave a copy of it with our court
5 reporter.

6 With that, Tim Weigle?

7 - - - - -

8 TESTIMONY OF TIM WEIGLE,

9 after having been first duly sworn, as
10 hereinafter certified, was examined and testified
11 as follows:

12 MR. WEIGLE: Tim Weigle. My
13 address is 105 South Market Street,
14 Lisbon, Ohio. That's my office
15 location.

16 Commissioner Slabey, Commission
17 members, I'm Tim Weigle, Columbiana
18 County Commissioner and Board
19 President. I'm pleased to offer my
20 testimony in support of FirstEnergy's
21 proposed Electric Security Plan, which
22 includes an economic stability program
23 that's predicted to save customers
24 approximately two billion dollars over
25 15 years.

1 As a background, FirstEnergy serves
2 more than 22,000 residential and
3 commercial customers in the central
4 northern part of Columbiana County.
5 FirstEnergy has been an exceptional
6 partner in supplying a steady,
7 uninterrupted flow of electricity to
8 families and businesses in the county.
9 We are fortunate to have an energy
10 provider that shows pride in serving its
11 customer.

12 Locally, FirstEnergy has provided
13 very positive economic impact in our
14 county with recent upgrades to the W.H.
15 Sammis plant; six million in
16 transmission projects in the Ohio Edison
17 service area, and three million in
18 upgrades to a substation supplying
19 energy to Utica East Ohio Gas processing
20 facility in Kensington. These are just
21 a few of the projects that have created
22 jobs that has helped our county's
23 economy recover by contributing to the
24 financial stability of many of my
25 constituents.

1 FirstEnergy has become a valuable
2 partner to the gas and oil industry in
3 our county by investing new, long-term
4 developments. These projects are part
5 of a \$250 million investment in
6 transmission infrastructure throughout
7 the county's service area designated to
8 support 1,100 megawatts of proposed
9 electric load growth over the next few
10 years. This will directly benefit the
11 Utica Shale region.

12 FirstEnergy's proposed rate plan,
13 Powering Ohio Progress, will contribute
14 significantly funding for economic
15 development, job retention and energy
16 efficiency, while benefiting businesses
17 and providing opportunities for economic
18 growth.

19 On behalf of the Columbiana County
20 Board of Commissioner, I offer my full
21 support of FirstEnergy's proposed
22 Electric Security Plan, and ask the
23 Commission for its support in helping
24 keep the energy affordable and
25 protecting our economy.

1 Thank you for allowing me to offer
2 this testimony this evening.

3 MR. MCKINNEY: Thank you.

4 Rick Rebadow.

5 - - - - -

6 TESTIMONY OF RICK REBADOW,

7 After having been first duly sworn, as
8 hereinafter certified, was examined and testified
9 as follows:

10 MR REBADOW: Thank you. Good
11 evening, Commissioner Slabey, staff
12 members. My name is Richard Rebadow.
13 I'm the Executive Vice-President of the
14 Greater Akron Chamber.

15 I'm here today to share the
16 chamber's perspective on the importance
17 of FirstEnergy's proposed Electric
18 Security Plan, Powering Ohio's
19 Progress.

20 The Greater Akron Chamber is a
21 non-profit regional economic development
22 organization that has been in existence
23 for over 100 years. The mission of the
24 Greater Akron Chamber is to drive
25 economic development and prosperity for

1 the people of the Greater Akron region
2 in particular, those in Medina, Portage,
3 and Summit Counties within Northeast
4 Ohio.

5 The more than 1,700 members include
6 universities, hospitals, government,
7 manufacturers, service providers and
8 small businesses. The current focus of
9 the chamber, as outlined in our new
10 five-year strategic plan, is centered
11 around talent, innovation and
12 leadership.

13 In our efforts to create an
14 environment of innovation in financial
15 growth, we focus on economic
16 development, entrepreneurship and
17 workforce development to create and
18 retain jobs in capital investment.
19 FirstEnergy has and continues to be one
20 of our key strategic investors in all of
21 our domestic and international economic
22 development efforts, and we expect this
23 commitment to continue for this
24 important work under Powering Ohio's
25 Progress. The investments that

1 FirstEnergy has made, be it financially
2 or dedicating staff to lead and support
3 our strategic efforts, have been
4 critical to not only our success but
5 that of our region.

6 In the past ten years, FirstEnergy
7 has helped attract nearly \$30 billion in
8 capital investment while creating more
9 than 62,000 jobs in its service area.
10 FirstEnergy's commitment to economic
11 development and community enhancement
12 has been independently verified by their
13 ranking as one of the nation's leading
14 utilities for economic development for
15 the 11th time in the past 13 years by
16 national publication Site Selection
17 Magazine.

18 In today's global economy, it is
19 essential for the State of Ohio to
20 remain competitive in order to attract,
21 retain, expand and create business
22 enterprises. A key ingredient in
23 providing a business climate that
24 supports such activity is affordable,
25 reliable and stable utilities, in

1 particular, electricity.

2 As one of the region's largest
3 energy providers, FirstEnergy plays an
4 essential role in providing this vital
5 commodity. While the state and region
6 looks to diversify its businesses
7 cluster, we need to recognize that
8 manufacturing, which continues to be our
9 region's strength, or computer coding,
10 that these industries are heavily
11 dependent on energy.

12 Over the past several years there's
13 been numerous external factors that have
14 impacted the electric industry, which is
15 placing pressure and making it more
16 difficult to achieve stability and
17 reliability. Whether it be the extreme
18 weather fluctuations, environmental
19 protection regulations, an economic
20 downturn, the Electric Security Plan
21 features a 15-year Economic Stability
22 Program that ensures vital base load
23 power plants in and near Ohio remain
24 available to support the state's
25 economic future by serving electric

1 customers.

2 We are concerned that the closings
3 of many of the Ohio largest power plants
4 could drive up electric prices and
5 threaten service reliability just as our
6 region is finally beginning to recover
7 from the economic downturn. However,
8 we're optimistic on the prospects that
9 the shale output in the state will
10 provide as another energy pathway, but
11 we're also realistic that this industry
12 is in its infancy and will take several
13 more years to mature.

14 Additionally, our support of Senate
15 Bill 310 will provide a comprehensive
16 look into the alternative energy market
17 to re-evaluate the policies to ensure a
18 more competitive marketplace.

19 As one of Ohio's largest employers,
20 FirstEnergy's impact is significant.
21 One billion dollars in an estimated
22 3,000 direct and indirect jobs at the
23 Davis-Besse, W.H. Sammis, and the Ohio
24 Valley Electric Corporation power
25 plants.

1 The Greater Akron Chamber
2 advocates, as outlined in our public
3 policy agenda, for a regulatory
4 structure to achieve a fair balance
5 within keeping prices reasonable, stable
6 and affordable for customers while
7 ensuring utilities have the resources
8 they need to make the appropriate
9 investments in service reliability.

10 As a former utility economic
11 development executive in New York, I
12 have witnessed the impact of divesting
13 financial resources to economic
14 development efforts within communities
15 by other utilities. We're very
16 fortunate to have a partner and
17 community leader such as FirstEnergy
18 proactively willing to maintain this
19 commitment within our region.

20 I urge your favorable consideration
21 to this request. Thank you very much.

22 MR. McKINNEY: Paul Thomarios.

23 - - - - -

24 TESTIMONY OF PAUL THOMARIOS,

25 After having been first duly sworn, as

1 hereinafter certified, was examined and testified
2 as follows:

3 MR. THOMARIOS: My name is Paul
4 Thomarios, and I own and operate a
5 company headquartered in the Akron area.
6 The company was established in 1948 by
7 my father to provide services, including
8 construction, commercial and industrial
9 painting coatings. Growing up in the
10 Thomarios family, I learned how to paint
11 long before I learned how to drive.

12 Thomarios includes four divisions,
13 including general construction division,
14 with recent projects including Akron
15 Children's Hospital parking garage, the
16 University of Akron's new students
17 parking garage, a 500-bed student
18 housing dormitory on East Exchange
19 Street, and also our specialty group
20 restored the Saturn Apollo Rocket for
21 NASA for the Smithsonian at Cape
22 Kennedy.

23 We operate two commercial painting
24 divisions, one here and one in
25 Pittsburgh. Our projects range

1 including FirstEnergy Stadium in
2 Cleveland, Mahoning Valley Casino, two
3 Sea World aquariums in Florida, bass Pro
4 Shop in Missouri and the Minnesota Zoo.

5 In the ten years we've created and
6 established one of the largest powder
7 coating facilities in the eastern United
8 States. We receive projects as far away
9 from Florida, Alabama and Texas, and we
10 ship American-finished products as far
11 as Madagascar and Norway.

12 I would like to offer a few words
13 of testimony in support of FirstEnergy's
14 Electric Security Plan currently pending
15 before the Public Utility Commission of
16 Ohio.

17 I reviewed the proposed rate plan
18 and accounts about it in the media and
19 believe it to be good for Thomarios and
20 the FirstEnergy customers in our region
21 and throughout the State of Ohio. I
22 believe there are two things more
23 important in the fragile business
24 environment than a constant, affordable
25 and safe supply of electricity(sic).

1 The economic benefits and conveniences
2 are realized every day in individual
3 homes, at small businesses, vital
4 organization institutions such as
5 schools, hospitals, and large commercial
6 and industrial operations.

7 We need to keep a broad base plant
8 like Davis-Besse, Sammis plants along
9 the Ohio River in top operating
10 condition suitable for our economy and
11 anchor on the electrical grid. My
12 company has performed work all over the
13 country and throughout the world in many
14 capacities, and I have come to
15 appreciate the importance of a reliable
16 energy source in planning and execution
17 of every project we do.

18 In addition to the work we -- in
19 addition to working on the southern
20 company's local nuclear plant in Georgia
21 and the Davis-Besse plant for
22 FirstEnergy, I realize how important
23 these operations are not only for the
24 service reliability, but for the
25 economic development view. The two

1 plants provide vital jobs and engage the
2 local suppliers, vendors, trade and
3 craft unions throughout the region,
4 making an even larger impact on the
5 economy.

6 I urge the Commission to support
7 FirstEnergy's ESP IV program. I believe
8 it good for the customers -- for our
9 customers and the companies throughout
10 the region of the State of Ohio, and it
11 is -- and this is how we can keep the
12 United States a leader in energy
13 delivery, resourcefulness and
14 independence. Thank you.

15 And I would like to say one thing
16 that I think we can all agree to in this
17 room, Go Bucks.

18 MR. McKINNEY: Thank you.

19 Beth Rupert-Warren.

20 - - - - -

21 TESTIMONY OF BETH RUPERT-WARREN,

22 After having been first duly sworn, as
23 hereinafter certified, was examined and testified
24 as follows:

25 MS. RUPERT-WARREN: Members of the

1 Commission, I'm Beth Rupert-Warren, the
2 Executive Director of United Way of
3 Jefferson County, Ohio.

4 I'd like to thank you for giving me
5 this opportunity to present our agency's
6 perspective on the importance of
7 supporting FirstEnergy's proposed
8 Electric Security Plan, Powering Ohio's
9 Progress.

10 Our mission at the United Way of
11 Jefferson County is to increase the
12 capacity of people to care for one
13 another through the support of the local
14 United Way agency. There are 19 social
15 service agencies providing food,
16 clothing, shelter and more for those in
17 need in Jefferson County.

18 In addition, there are community
19 impact services that's include 211
20 information and referral, the 50-member
21 Community Partners Coalition, and the
22 Jefferson County Neighborhood Watch
23 Program. These combined services build
24 a stronger and safer Jefferson County.

25 Because of our current unemployment

1 rate of 6.1 percent, many of our social
2 service agencies are exhausting funds as
3 they attempt to meet the needs of those
4 seeking services. This ongoing process
5 of building a stronger, safer community
6 can only happen when residence and
7 businesses come together and support the
8 United Way.

9 FirstEnergy is one of our biggest
10 supporters in both the workplace
11 fundraising campaign and our corporate
12 sponsorship. In addition, the company
13 provides important employee manpower to
14 support our countywide Day of Caring.

15 The United Way of Jefferson County
16 fully supports FirstEnergy's proposed
17 Electric Security Plan. It would help
18 to ensure vital base load power plants
19 in Ohio remain available to support the
20 state's economic future. It also will
21 help preserve the significant volunteer
22 and financial resources FirstEnergy and
23 its employees contribute each year to
24 non-profit organizations like ours.

25 FirstEnergy's ongoing commitment to

1 the United Way of Jefferson County
2 fosters the development of a stronger
3 and safer community.

4 FirstEnergy and FirstEnergy
5 Foundation benefits hundreds of
6 organizations such as ours, impacting
7 the lives of thousands of people.

8 FirstEnergy also promotes the
9 quality of life projects that provide
10 our community with growth and stability
11 and encourages its employees to
12 volunteer and take on community and
13 leadership roles.

14 FirstEnergy's proposed Security
15 Plan contributes up to \$7 million to
16 help low-income customers pay their
17 electric bills, which would relieve some
18 of the burden currently placed on
19 non-profits, as we help those in need.

20 People often forget the word unity
21 is in community. FirstEnergy is an
22 example of a corporation that sets the
23 template for unity, working together and
24 building a stronger, safer Jefferson
25 County.

1 While we rely on FirstEnergy to
2 serve our regions electrically, it also
3 improves the quality of life in our
4 region. That's why I respectfully urge
5 you to support Powering Ohio's
6 Progress. Thank you.

7 MR. MCKINNEY: Thank you.

8 Evan Scurti.

9 - - - - -

10 TESTIMONY OF EVAN SCURTI,

11 After having been first duly sworn, as
12 hereinafter certified, was examined and testified
13 as follows:

14 MR. SCURTI: Good evening,
15 Commissioner Slabey. My name is Evan
16 Scurti, and I'm the Executive Director
17 of the Jefferson County Port Authority.
18 I appreciate this opportunity to present
19 our organization's perspective on the
20 importance of supporting FirstEnergy's
21 proposed Electric Security Plan,
22 Powering Ohio's Progress.

23 The Jefferson County Port Authority
24 was incorporated in 2012 and hired me as
25 their first executive director in 2013.

1 Community leaders have presented us with
2 the mission of serving as the county's
3 primary economic development authority,
4 striving to assist our communities as
5 they continue to reinvent themselves
6 within a new 21st century Ohio Valley
7 economy.

8 In my professional opinion,
9 FirstEnergy's Sammis plant is a critical
10 component of our overall economic
11 health, especially in terms of future
12 industrial development and the creation
13 of new employment positions throughout
14 our county.

15 Before I discuss this current
16 economic development framework we're
17 facing, I would like to present my
18 strong support for Powering Ohio's
19 Progress for the following reasons:
20 Number one, FirstEnergy's leadership is
21 thoroughly explained to me how Electric
22 Security Plan creates a 15-year economic
23 stability program that not only
24 preserves important base load plants
25 like Sammis, but ensures price stability

1 for rate payers.

2 Number two, from an environmental
3 perspective, researching FirstEnergy's
4 resent actions has lead me to the
5 conclusion that economic and
6 environmental stewardship is at the
7 forefront of their business plan,
8 including this ESP.

9 It is important to remember that
10 the company recently closed six coal-
11 based plants not meeting federal
12 pollution standards, while investing
13 over \$1.8 billion in a scrubber system
14 at Sammis, making it Clean Air Act
15 compliant. These action steps should be
16 recognized or rewarded with approval of
17 an ESP that will stabilize the compliant
18 power plants for our future.

19 Number three, in terms of
20 governmental revenue and local
21 employment, please keep the following in
22 mind: The Sammis plant is Jefferson
23 County's largest taxpayer with more than
24 \$5.5 million in annual real estate tax
25 payments. Also, with over 400 direct

1 jobs, a payroll of over \$34 million and
2 hundreds of subcontracting opportunities
3 each year, the plant is now a preferred
4 employer in the county and throughout
5 the region. Aside from a Wal-Mart
6 distribution center employing
7 approximately 900 and Timet's titanium
8 processing facility in Toronto,
9 employing approximately 500, Sammis is
10 the major industrial employer. This is
11 a far cry from a local economy 40 to 50
12 years that saw tens of thousands of
13 steel workers employed at good-paying
14 jobs on both sides of the Ohio River.

15 I would like to be clearly
16 illustrate the economic development
17 scenario confronting my colleagues and
18 me throughout the Ohio Valley. The rise
19 and fall of industries like steel
20 production and coal mining have taught
21 us the perils of the modern global
22 economy. However, our history has also
23 taught us the Ohio Valley is a premier
24 location to manufacture and distribute
25 products to the rest of the world.

1 Many expert studies are explaining
2 that as wages rise in markets like
3 China, the prospect for renewed
4 manufacturing throughout the Midwest is
5 very strong. And with current maritime
6 improvements such as the widening of the
7 Panama Canal, the Ohio Valley's
8 excellent combination of road, river,
9 and rail resources will place us
10 prominently on the map for 21st century
11 American industry.

12 Couple all of this with the very
13 real possibility of one or more oil and
14 gas cracker plants along the river, and
15 we are truly poised for manufacturing
16 renaissance. This is because it is
17 well-known that manufacturing industries
18 like chemicals and plastics
19 strategically want to locate near these
20 processing plants.

21 In conclusion, I firmly believe our
22 area can and will become more of a
23 manufacturing center in the next to 10
24 to 20 years. I'm already seeing it
25 firsthand with increase in calls from

1 real estate brokers searching for
2 industrial locations. But the loss of
3 reliable electric generation and
4 transmission infrastructure at plants
5 like Sammis would surely negatively
6 impact the Valley's ability to
7 accommodate this quality growth. The
8 prospects we are hearing from all
9 require a high degree of reliability and
10 supply of power. Vital infrastructure
11 trumps all other considerations during
12 the site selection process.

13 I ask that you please consider this
14 overall economic development framework,
15 in addition to FirstEnergy's clear focus
16 on rate stability, the company's own
17 economic health and environmental
18 stewardship. I hope all of these
19 factors lead to your approval of
20 Powering Ohio's Progress. Thank you for
21 your time.

22 And I would like to also insert
23 into the public record the written
24 testimony of Mr. Terry Bell. Terry is
25 the president of our County Township

1 Association, representing all 14
2 townships.

3 MR. McKINNEY: Leave that with the
4 court reporter. Thank you.

5 Russell Pry.

6 MR. PRY: Commissioner Slabey, I'm
7 Russ Pry, the Summit County Executive,
8 and I appreciate the opportunity to
9 testify before you in support of
10 FirstEnergy's proposed Electric Security
11 Plan, Powering Ohio's Progress.

12 The County of Summit is the fourth
13 largest county in Ohio with more than
14 540,000 residence. The county has a
15 long history of working with our
16 government partners and business
17 partners to promote business development
18 and job growth. Keeping and growing
19 existing business in our community and
20 attracting new businesses to our county
21 is a critical mission of Summit County.

22 On behalf of the County of Summit,
23 I'm asking for your support of
24 FirstEnergy's proposed Electric Security
25 Plan for Powering Ohio's Progress for

1 the following reasons: It is important
2 to keep affordable and reliable
3 electricity available to support our
4 local economy and our region's quality
5 of life in the years ahead, and
6 FirstEnergy has long played an important
7 role in this effort.

8 As you know, a number of -- a
9 significant number of base load power
10 plants across the region are being
11 permanently retired due to regulatory
12 issues and market pressures, and more
13 retirements are expected. I am
14 concerned these factors could drive up
15 the cost of electricity and threaten
16 service reliability at a time when we
17 are still recovering from a difficult
18 economy. That's why I'm urging your
19 support of FirstEnergy's purposed
20 Electric Security Plan, which will keep
21 future price increases in check while
22 enabling Ohio to preserve vital
23 resources.

24 Implementing this program is
25 predicted to save customers

1 approximately \$2 billion over a 15-year
2 period through a purchased power
3 agreement involving power plants that
4 have historically served Ohio customers,
5 including Summit County residents.

6 Powering Ohio's Progress also
7 provides up to \$21.5 million in funding
8 for economic development, job retention,
9 and energy efficiency assistance that
10 will benefit businesses while keeping --
11 helping -- while helping create more
12 family-sustaining Ohio jobs and attract
13 new business growth. We truly
14 appreciate FirstEnergy's hometown
15 involvement and leadership in these
16 important areas.

17 According to an economic impact
18 study conducted by Applied Economics,
19 the proposed plan also preserves \$52
20 million annually in local and state
21 property and payroll taxes.

22 FirstEnergy is one of the region's
23 largest energy providers, one of our
24 counties top employers, and a long-time
25 supporter of economic growth in our

1 community. Powering Ohio's Progress
2 will help provide a valuable safety net
3 against market volatility while
4 enhancing service reliability and
5 promoting local economic growth and
6 development.

7 I respectfully request your support
8 of FirstEnergy's Electric Security Plan
9 which reflects the diverse interests of
10 our community and will help keep Ohio
11 strong.

12 As the County Executive, I've
13 worked with officials at FirstEnergy
14 over the last seven-and-a-half years on
15 projects that have kept and created jobs
16 in Summit County. Maintaining a stable
17 and reliable electrical supply is
18 critical to our ongoing progress and
19 development.

20 Thank you for allowing me to
21 provide this testimony.

22 MR. SAUER: Couple questions,
23 sir.

24 MR. McKINNEY: Are you available
25 for a couple clarifying questions from

1 the counsel of the Ohio Consumers'
2 Counsel?

3 MR. PRY: I really wasn't prepared
4 to answer any questions.

5 MR. McKINNEY: Clarifying questions
6 are allowed.

7 MR. PRY: Okay.

8 MR. SAUER: Mr. Pry, are you
9 testifying tonight as a utility rate-
10 making expert?

11 MR. PRY: I am not.

12 MR. McKINNEY: Mr. Sauer, that
13 sounds a lot like cross-examination. I
14 don't know if this is necessary.

15 MR. SAUER: Thank you.

16 MR. McKINNEY: Sined Wright.

17 - - - - -

18 TESTIMONY OF FREDERICK WRIGHT,

19 After having been first duly sworn, as
20 hereinafter certified, was examined and testified
21 as follows:

22 MR. McKINNEY: Thank you. You may
23 proceed.

24 MR. WRIGHT: Good evening, members
25 of the Commission. I'm Fred Right. I'm

1 President and CEO of the Akron Urban
2 League. Thank you for the opportunity
3 to present my organization's perspective
4 on the importance of supporting
5 FirstEnergy's proposed Electric Security
6 Plan, Powering Ohio's Progress.

7 The Akron Urban League is a
8 non-profit organization celebrating its
9 90th year of providing program services
10 and advocacy in the greater Akron
11 community.

12 The Akron Urban League serves
13 13,000 consumers annually. The Akron
14 Urban League, FirstEnergy, and the
15 FirstEnergy Foundation have been
16 partners in -- for a great number of
17 years in fund raising campaigns, and
18 FirstEnergy employees have been active
19 on the board of directors and committees
20 of the Akron Urban League.

21 FirstEnergy is a first-class
22 partner of the Akron community and the
23 State of Ohio. The Akron Urban League
24 fully supports FirstEnergy's proposed
25 Electric Security Plan because not only

1 will it help ensure vital base load
2 power plants in Ohio remain available
3 and support the state's economic future,
4 it also will help preserve significant
5 volunteer and financial resources
6 FirstEnergy and its employees contribute
7 each year to non-profit organizations
8 like ours.

9 As you may know, FirstEnergy shares
10 a strong commitment with the Akron Urban
11 League in fostering the development of
12 our neighborhoods and communities and
13 reaching out to help those in need.

14 FirstEnergy and the FirstEnergy
15 Foundation benefit hundreds of
16 organizations, such as the Akron Urban
17 League and thousands of people each year
18 by promoting quality of life and
19 economic development initiatives, as
20 well as projects to support the
21 community growth and stability,
22 encourage their employees to volunteer
23 and take on community leadership roles,
24 and providing financial support to
25 qualifying organizations which employees

1 hold leadership positions in those that
2 include employee volunteers.

3 As parts of an outreach to our
4 community, FirstEnergy Foundation awards
5 grants to qualify non profits tax exempt
6 organizations. These include United
7 Way, Habitat for Humanity, higher
8 education organizations, cultural and
9 art institutions, and organized civic
10 and economic development groups. In the
11 support -- in support of our community,
12 FirstEnergy's proposed Electric Security
13 Plan contributes up to \$21.5 million in
14 funding for economic development, jobs
15 retention and energy efficiency and
16 assistance that will benefit Ohio
17 communities and colleges and
18 universities, small businesses and low
19 income customers doing three-year term
20 of the plan. The plan also contributes
21 up to \$7 million to help low income
22 customers pay their electric bills,
23 which could relieve some of the burden
24 on non profits as they help those in
25 need and make ends meet during the year.

1 The Akron Urban League has worked
2 with FirstEnergy executives, such as
3 Chuck Jones, Joe Faga, Dee Lowery and
4 many others in helping make our
5 community a better place to live
6 throughout northeast Ohio and the State
7 of Ohio.

8 We rely on FirstEnergy to not only
9 serve our region's electrical needs, but
10 also to improve the quality of life in
11 our region. That's why I respectfully
12 urge you to support the Powering Ohio
13 Progress. Thank you.

14 MR. McKINNEY: Thank you. I
15 apologize to anyone, including
16 Mr. Wright, if I mispronounce your
17 name.

18 Katriel Isreal.

19 - - - - -

20 TESTIMONY OF KATRIEL ISRAEL,

21 After having been first duly sworn, as
22 hereinafter certified, was examined and testified
23 as follows:

24 MR. ISRAEL: Hi. My name is
25 Katriel Israel, 821 Harvard Street. I'm

1 the health care leader for Organized For
2 Action, Summit County Chapter.

3 Your Honor, to the Public Utilities
4 Commission, raising consumer electric
5 bills to compensate for unsecured
6 investments is an issue that renewable
7 energy sources can make up for. As
8 Ohioians, our hard-earned dollars in
9 support of our energy costs can be
10 invested into more suitable options for
11 the betterment of our environment.

12 Dangerous fuels are known to cause
13 air pollution in which puts our citizens
14 in the State of Ohio health at risk
15 while contributing to the disruption of
16 our eco systems.

17 We need our energy companies to
18 invest in more energy efficient measures
19 to sustain our economy while protecting
20 our environment.

21 Alternative energy is becoming the
22 new trend to which the State of Ohio can
23 take the initiative to create clean
24 energy revenue for energy companies
25 while maintaining a market price that

1 Ohioians can be satisfied with.

2 In conclusion, we as Ohioians
3 deserve better, our children deserve
4 better, and our futures deserve better.
5 Peace, love, and God bless.

6 MR. MCKINNEY: Colleen Orsburn.

7 - - - - -

8 TESTIMONY OF COLLEEN ORSBURN,

9 After having been first duly sworn, as
10 hereinafter certified, was examined and testified
11 as follows:

12 MS. ORSBURN: Commissioner Slabey,
13 Attorney McKinney, my name is Colleen
14 Orsburn. I'm an Akron resident and an
15 Ohio Edison customer, a FirstEnergy
16 stockholder, and a retired evaluator in
17 the electric energy industry.

18 I'm requesting today that you would
19 deny the economic stability program
20 which is a key component of
21 FirstEnergy's proposed 2016/2019 ESP.

22 The proposed consumer-paid long-
23 term power purchase for the output of
24 Davis-Besse Nuclear Power Station and
25 the Sammis plant is nothing more than

1 and end run around deregulation.

2 Sammis is, according to the EPA and
3 others, one of the most polluting power
4 plants in the country, a hazard to the
5 health of all those who live near or in
6 the great downwind. It is no longer
7 economically viable and cannot stand on
8 its own merits in a competitive energy
9 market. And according to the Nuclear
10 Regulatory Commission, Davis-Besse has
11 been the source of two of the five most
12 dangerous nuclear incidents in the
13 United States since 1979.

14 One can understand that FirstEnergy
15 misses the days in which it had
16 guaranteed customers for the output of
17 these white elephants. But their
18 efforts to reclaim those days in the
19 name of economic stability does not pass
20 the straight-face test. Surrounding
21 Ohio in every state, safe and clean
22 energy sources are replacing dirty and
23 dangerous sources in electricity
24 generation. The cost of these sources
25 drops every year. Clean energy has

1 created a home-grown energy industry
2 that is providing far more jobs than
3 coal and nuclear. FirstEnergy's
4 Economic Stability Program assume that
5 somehow these trends will be reversed in
6 a fantasy future in which we turn to
7 them and thank them for resisting
8 progress.

9 In the name of rate payers and
10 citizens who have consistently voiced
11 their support of energy future, please
12 refuse FirstEnergy's attempt to require
13 rate payers to prop up two of the worst
14 relics of the energy past. Thank you.

15 MR. McKINNEY: Michael Shields.

16 - - - - -

17 TESTIMONY OF MICHAEL SHIELDS,

18 After having been first duly sworn, as
19 hereinafter certified, was examined and testified
20 as follows:

21 MR. SHIELDS: Mr. McKinney,
22 Commissioner, thank you.

23 FirstEnergy has asked the PUCO for
24 a customer bailout for two inefficient
25 plants in what it calls an Electric

1 Security Plan. But electric security
2 has long been a policy concern for
3 Ohio. And the clean energy standards
4 passed six years in SB-221 addressed
5 this matter by laying out a plan for the
6 reduction of waste and giving Ohio
7 utilities an opportunity to move into
8 sustainable generation sources.

9 Efficiency standards mandated a
10 22-percent reduction in energy usage,
11 electric usage, a way to trim the waste,
12 and the renewable portfolio standards
13 required utilities to get 12-and-a-half
14 percent of their electric from renewable
15 sources, both to phase in incrementally
16 by year 2027.

17 Energy users paid a surcharge to
18 make these standards a reality. That
19 was a charge that made sense for
20 consumers. Naturally, energy efficiency
21 cost an average of 2.8 cents per
22 kilowatt hours saved, but those are
23 kilowatt hours the consumers saved money
24 on.

25 This month the PUCO listed rates

1 for FirstEnergy service territory
2 customers ranging from 6 cents to 11.9
3 cents per kilowatt hour. That means
4 every kilowatt hours not wasted saves
5 FirstEnergy customers from 3 to 9 cents.
6 Efficiency programs not only helped to
7 sure our energy future, they also save
8 Ohio families money.

9 Ohioians have already saved over a
10 billion dollars, and FirstEnergy
11 customers alone saved some \$300 million
12 dollars by the time the clean energy
13 standards were frozen last summer.

14 Those standards represented an
15 opportunity for FirstEnergy to reshape
16 its energy sources responsibly, cost
17 effectively and sustainably.

18 The rate case now pending before us
19 is the result of FirstEnergy's decision
20 to waste that opportunity. Almost
21 immediately following the passage of
22 SB-221, FirstEnergy began efforts to
23 lobby the legislature to overturn it.
24 The firm has spent \$1.7 million on
25 lobbying these past four years. In

1 September 2014, the legislature approved
2 a temporary freeze of the clean energy
3 standards.

4 Not only did FirstEnergy lobby for
5 the repeal, but just as though the
6 standards had never been passed into
7 law, FirstEnergy completed a merger in
8 2011 with Allegheny Energy, which
9 increased its exposure to coal
10 generation. But FirstEnergy has since
11 figured out that investing in outmoded,
12 inefficient generation technology is not
13 just bad policy, it's bad economics as
14 well. And that's the reason that we're
15 here.

16 Following the merger with Allegheny
17 Energy, FirstEnergy has shut down eight
18 plants which were operating at a loss.
19 Amidst concern that Sammis and Davis-
20 Besse plants are unable to clear the PGN
21 competitive regional market, FirstEnergy
22 is now petitioning the PUCO to protect
23 those plants and outmoded coal plant
24 operating at between 30 and 40 percent
25 efficiency, and a dangerous nuclear

1 plant that has been shut down several
2 times and already cost rate payers
3 billions from the operating losses that
4 they're projected to pay over the next
5 three years, at least.

6 Disregarding efficiency standards
7 and going all in on outmoded
8 technologies, which are both wasteful a
9 dangerous for public health, was a bad
10 business decision for FirstEnergy and
11 one that has cost them financially.

12 Now that FirstEnergy has fumbled
13 its business strategy and it's refocused
14 its attention from the market to the
15 political and regulatory arena, where it
16 has come today to ask you to change the
17 rules, but just for FirstEnergy. Other
18 power generators, including wind farms,
19 continue to sell into the regional
20 market, and consumers realize cost
21 savings when their utilities buy from
22 that market.

23 But FirstEnergy wants the PUCO to
24 by-pass the market that gives consumers
25 the best rate and plenty of energy and

1 sell to its own utilities all the power
2 produced by these plants, then pass the
3 cost on to Ohio families and
4 businesses.

5 FirstEnergy wants a guaranteed
6 market for all the power they can
7 produce and waste at Sammis and Davis-
8 Besse, no matter the cost.

9 Ohio families cannot afford that.
10 A third of Ohio households, 1.4 million
11 in all, spend more than 30 percent of
12 their annual income on housing
13 utilities. Another 300,000 -- total of
14 300,000 pay over 30 percent of their
15 earnings on home energy bills alone.

16 If FirstEnergy is concerned about
17 electric security, then it should
18 support unfreezing the clean energy and
19 portfolio standards which reduce waste
20 and dependency on irreplaceable fossil
21 fuels. But FirstEnergy has opposed
22 those standards and undertook a
23 different business model, and now
24 finding that model unsustainable, has
25 asked the PUCO to shield it from the

1 rocky consequences of its own poor
2 choices. That's poor corporate
3 stewardship and it's a poor business
4 model as well.

5 By removing market incentives for
6 FirstEnergy to invest in efficiency, a
7 decision to allow the power purchase
8 agreement that FirstEnergy has requested
9 as part of the proposed ESP, would
10 create a space for more than a decade
11 for FirstEnergy to create waste, which
12 Ohio consumers don't need but would be
13 forced to pay for.

14 Wasted energy is wasted money for
15 Ohio families. I urge the PUCO to
16 reject this plan. Thank you.

17 MR. McKINNEY: Thank you.

18 MR. BURKE: Your Honor, do you mind
19 if I ask a clarifying question?

20 MR. McKINNEY: Sure.

21 MR. BURKE: I'm sorry, sir. I
22 forgot. Who are you testifying on
23 behalf of at this hearing?

24 MR. SHIELDS: Michael Shields. I'm
25 a researcher at Policy Matters Ohio.

1 MR. MCKINNEY: Thank you very
2 much.

3 MR. SHIELDS: Thank you, sir.

4 MR. MCKINNEY: Thank you.

5 Lou Berroteran.

6 - - - - -

7 TESTIMONY OF LOU BERROTERAN,

8 After having been first duly sworn, as
9 hereinafter certified, was examined and testified
10 as follows:

11 MR. BERROTERAN: Thank you very
12 much for this opportunity. My name is
13 Louis Berroteran. I'm the Executive
14 Director of the Mayors Association of
15 Portage, Stark and Summit County and
16 President of the Berroteran Group, a
17 Community and Government Affairs
18 Consulting Firm.

19 I am grateful for the opportunity
20 to testify before you in support of
21 FirstEnergy's proposed Electrical
22 Security Plan, Powering Ohio's
23 Progress.

24 I served as the Executive Director
25 for the Mayor's Association for more

1 than 11 years. For eight years it was
2 the Summit County Mayor's Association.
3 Three years ago we invited the Mayors of
4 Portage and Stark to join our
5 association. Prior to starting my own
6 community and government affairs
7 consulting business, I served as the
8 Director of Administration for Summit
9 County Executive Tim Davis, the District
10 Director for U.S. Representative Tom
11 Sawyer, and the Senior Director of
12 Government Affairs for the Greater Akron
13 Chamber. In every job I have held it
14 has been my pleasure to work with both
15 public and private sector leaders.
16 FirstEnergy has always been one of our
17 region's strongest leader. Its
18 leadership has always been there to work
19 with community leaders to improve the
20 quality of life in our region.

21 The members of MAPPS have asked me
22 to attend this meeting today to show
23 their support for FirstEnergy's proposed
24 Electrical Security Plan, Powering
25 Ohio.

1 The members of MAPPS are concerned
2 about keeping affordable and reliable
3 electricity available in our community.
4 The members of MAPPS are also concerned
5 with keeping future price increases in
6 check while enabling Ohio to preserve
7 its vital resources. Powering Ohio's
8 Progress will do this. It will also
9 help our Mayors look in to economic
10 development opportunities, job retention
11 for our existing businesses, and energy
12 efficiency assistance that will benefit
13 businesses that are here. MAPPS truly
14 appreciates FirstEnergy's hometown
15 involvement and leadership in all its
16 region.

17 The members of MAPPS respectfully
18 request your support of FirstEnergy's
19 Electric Security Plan, which reflects
20 the diverse interests of our community,
21 and will help keep Ohio strong. Thank
22 you.

23 MR. McKINNEY: Mary Lynn Evans.

24 - - - - -

25 TESTIMONY OF MARY LYNN EVANS,

1 After having been first duly sworn, as
2 hereinafter certified, was examined and testified
3 as follows:

4 MS. EVANS: I've listened really
5 attentively to all the corporations and
6 organizations talk about their various
7 needs and the good things that
8 FirstEnergy has done in this community
9 in the past. But we're not here to talk
10 about the past. We're here to talk
11 about the future, and we're here to talk
12 about people.

13 To say that FirstEnergy who has
14 made this decision to continue to keep
15 this coal-fired power plant and others
16 open in this day of continuing and
17 growing EPA regulations, making it clear
18 after 38 coal-fired power plants have
19 been shut in this country that coal
20 burning power plants is not economical
21 and it's not environmentally safe. And
22 FirstEnergy knows that. That's why
23 they're asking for a bailout from
24 people, because it economically doesn't
25 work, and it's not going to work. Coal

1 is not a reliable source of energy.

2 In West Virginia, where I come
3 from, the true cost of coal is measured
4 by this: West Virginia is one of
5 sickest and poorest places in this
6 country. There have been over 23 peer-
7 reviewed health studies of the affects
8 of mountaintop removal coal mining,
9 coal-fired power plans on people. The
10 rate of childhood asthma is
11 astronomical. Many people die an
12 average of eight years younger than
13 their cohorts across the country. And
14 as far as jobs, in the 1950s there were
15 150,000 coal mining jobs. Today there
16 are less that 20,000. And of those,
17 approximately a thousand are union
18 government jobs.

19 The coal companies that have
20 followed the business model of
21 FirstEnergy, like Alpha Natural
22 Resources, have seen their stock go in
23 three years from \$77 a share to trading
24 at a \$1.40. Coal is not a reliable
25 source, and it's certainly not a safe

1 source. And there -- that is why the
2 EPA has made these regulations after
3 years and years of investigation. And
4 you know, to continue to do this -- if
5 this is what FirstEnergy wants to do,
6 which it's clearly economically and
7 environmentally a very bad business
8 decision, they should bear the weight.
9 They should bear the entire cost of
10 that. Not only are they contaminating
11 the health of many people, polluting,
12 violating EPA standards, but then
13 they're asking people in this state who
14 already are paying around 30 percent of
15 their entire income for housing and
16 utilities, this multi-billion dollar
17 corporation is saying to us, we want to
18 keep this coal-fired power plant open
19 but we can't do it economically or
20 environmentally, and we're asking the
21 people to pay it. It is outrageous, and
22 I hope this Commission will oppose this
23 request. Thank you.

24 MR. BURKE: Your Honor, I just --
25 the same question. Who are you

1 testifying on behalf of?

2 MS. EVANS: Mary Lynn Evans.

3 MR. BURKE: Individual resident?

4 MS. EVANS: Yes.

5 MR. BURKE: Okay. Thank you.

6 MS. EVANS: I'm not a corporation.

7 Just a person.

8 MR. MCKINNEY: Darrita Davis. Is
9 there a Darrita Davis here?

10 Ken Mathis.

11 MS. MATHIS: It's Kia.

12 - - - - -

13 TESTIMONY OF KIA MATHIS,

14 After having been first duly sworn, as
15 hereinafter certified, was examined and testified
16 as follows:

17 MR. MCKINNEY: Thank you. You may
18 proceed.

19 MS. MATHIS: My name is Kia Mathis.
20 I'm testifying for myself. I'm a
21 community leader. I am a taxpayer. I'm
22 a resident of Summit County.

23 I wanted to testify against the
24 strategies, you know, that FirstEnergy
25 has. I'm a living witness that say we

1 should not bail them out.

2 I live in Highland Square, and I
3 live in an older building. And a lot of
4 people in my building are, like, grad
5 students and, you know, various things
6 like that. So most of us have, like,
7 two, three jobs, paying for school, you
8 know, that type of thing.

9 Last year my bill went from 45, 50
10 dollars to -- when the wintertime came,
11 to \$586. Now, mind you, I'm not late on
12 my bills. That's my monthly bill.
13 Every time I inquired about the cost of
14 this bill, FirstEnergy would say, oh,
15 that's just how much it is. Your
16 building is old.

17 I live in, like, an 800-square foot
18 apartment building. I'm a single
19 woman. I work and go to school. So I
20 would say from, like, 1:00 in the
21 afternoon last year until midnight I'm
22 not at home. And I'm frugal, so my
23 bill -- my heat goes down to, like, 69
24 degrees. And I don't need to be in
25 there until the evening. The only thing

1 I have there running is a computer and a
2 fish tank during the day. That's it.
3 No one comes in and out of my house
4 except me, and my bill is \$586. So
5 their solution to that last year, after
6 they told me -- after I kept trying to
7 get someone to come out and read the
8 meter, maybe someone's stealing -- you
9 know, maybe -- I don't know what it is.
10 They tell me that, well, if they update
11 the system, then my bill would be higher
12 every month. So their solution to that
13 for me was to get on their payment
14 plan. So their payment plan is -- my
15 bill wouldn't be \$586. It would be more
16 of the 200 range. But it's still \$586 a
17 month. It's just I have 12 months to
18 pay the rest of that. How is that a
19 solution? That's not a solution.

20 I got the package -- every year you
21 get the energy efficient package that
22 FirstEnergy -- like their light bulbs
23 and power surgers and all that. I go
24 around my house every day and I unplug
25 everything except the fish tank, because

1 they got to breathe. And my bill this
2 year for the wintertime went from \$586 a
3 month to more \$545 a month. So it's
4 still a very expensive bill, still.

5 I believe that their alternative
6 that they offer us -- you know, in the
7 past, and especially now in the future,
8 you know, how can we trust their ideas
9 now when this is what they offer me.
10 You know, my building -- I am one of
11 your future leaders here in Summit
12 County. So for me to have to pay what I
13 pay now and I am working, I survive, and
14 I live on my own by myself -- if we bail
15 them out, to think about me and everyone
16 else like me that, in the future, Summit
17 County is going to have to pay for
18 because it's going to go up. We don't
19 know how much it's going to go up, but
20 it's going to go up. So if it goes
21 outside my price range, and of course
22 I'm going to be coming to Summit County,
23 I'm going to be, like, you know, can you
24 help me out. So not only are we going
25 to have to bail out FirstEnergy, but

1 then we're going to have to bail out the
2 very people that pay their taxes here,
3 that live here, that raise their
4 children here still. So I say no.
5 Let's not bail them out for their
6 mistakes.

7 MR. McKINNEY: Dex Sims.

8 - - - - -

9 TESTIMONY OF DEX SIMS

10 After having been first duly sworn, as
11 hereinafter certified, was examined and testified
12 as follows:

13 MR. SIMS: Keep it short and
14 sweet. I oppose what FirstEnergy is
15 trying to do. You know, it's funny they
16 campaign for deregulation so much and
17 it's what they wanted. And now it's not
18 going the way they wanted it to go.
19 They want to throw this on us. These
20 old power plants, they want, you know,
21 their subsidiaries and make us pay for
22 this. No, I don't think this is the way
23 to go. I believe in clean energy. I
24 believe in green energy. I don't
25 believe in FirstEnergy. So please

1 oppose this plan. Thank you very much.

2 MR. MCKINNEY: Andy Pyle.

3 - - - - -

4 TESTIMONY OF ANDY PYLE

5 After having been first duly sworn, as
6 hereinafter certified, was examined and testified
7 as follows:

8 MR. PYLE: My name Harold A. Pyle.

9 Everybody calls me Andy. My address is
10 7924 Fulton Street, Clinton, Summit
11 County, Ohio, 44216.

12 FirstEnergy is proposing what it
13 calls an Electric Security Plan as if it
14 is doing this to provide security to the
15 public.

16 The actual reason for this plan is
17 transparent. The owners of FirstEnergy
18 do not have as much money as they would
19 like to have.

20 There is no reason to adopt this
21 convoluted plan to satisfy FirstEnergy.
22 If this plan is implemented, FirstEnergy
23 will, at the very end, not have achieved
24 its goal. Its owner will still not have
25 as much money as they would like to

1 have.

2 Their primary obligation is, by
3 statute, to their shareholders, to get
4 their shareholders as much money as they
5 can. Do not be deceived by the labors
6 of their public relations expert about
7 electric security for the public. We
8 have all seen how frantic they get to
9 avoid paying costs that do not generate
10 a profit. One only needs to look at the
11 dam left behind with the closing of the
12 Gorge Power Plant here in Akron on the
13 Cuyahoga River. They have stalled and
14 made ridiculous proposals for years to
15 avoid tearing down this dam and
16 performing the associated environmental
17 cleanup. To this day, the dam still
18 stands to no purpose, the lake covering
19 up the beautiful Cuyahoga Falls for
20 which that city is named.

21 When the State of Ohio wisely made
22 the utility monopolies divide their
23 businesses into two segments in order to
24 open electricity and gas supplies to
25 competition, FirstEnergy ended up with a

1 power transmission business on the one
2 side and a power generation business on
3 the other. The power generation
4 business is saddled with two legacy
5 plants which are full of big problems
6 and are a drag on corporate profits.
7 That's what this plan is all about,
8 their precious, precious profits. They
9 want to shift the cost of their bad
10 business decisions of having these
11 plants on the power generation side over
12 onto each of their captive rate payers
13 on the transmission segment.

14 The Davis-Besse nuclear plant has
15 been full of safety problems and is
16 expensive to operate. Akron lies
17 directly downwind from it, so another
18 incident might send radio activity
19 directly to us. Fukushima comes to
20 mind. That was naturally unlikely to
21 happen, yet it did. It's risky.

22 The Davis-Besse plant is nearing
23 the end of its designed life span. Its
24 operating license from the Nuclear
25 Regulatory Commission expires April

1 22nd, 2017, a little more than two years
2 from now. But the Electric Security
3 Plan is to run for three years. Of
4 course they want that license renewed,
5 even though key parts of the plant have
6 been exposed to damaging radiation for
7 40 years. Maybe it will be, maybe it
8 won't. But as it stands, the plant is
9 slighted to go dark in April of 2017.
10 And I'm not clear on this: Will the
11 Electric Security Plan put the huge cost
12 of decommissioning a nuke plant onto
13 every rate payer's bill?

14 The Sammis coal-fired plant is also
15 full of problems. The EPA demanded it
16 be closed and that expensive-to-build
17 and expensive-to-operate scrubbers be
18 installed to cut down on the unhealthy
19 pollutants that should have been
20 abandoned a long time ago. Again, who
21 is going pay for these upgrades. These
22 plants produce power that is expensive
23 beyond what the growing market for
24 electricity is. They are old, sick
25 dogs. They need to be put out of their

1 misery. Instead, FirstEnergy wants to
2 extend their life with subsidies from
3 every rate payer. There is plenty of
4 power on the grid to supply us without
5 the presence of these two plants. And
6 new gas generated, wind and solar power
7 is coming online all the time. The
8 future lies with wind and solar. The
9 costs are dropping drastically every
10 year, not with these obsolete mega
11 plants.

12 The Electric Security Plan proposal
13 provides no public benefit and should
14 not be adopted.

15 MR. McKINNEY: Thank you.

16 Andrew LaVogue.

17 - - - - -

18 TESTIMONY OF ANDREW LaVOGUE,

19 After having been first duly sworn, as
20 hereinafter certified, was examined and testified
21 as follows:

22 MR. LaVOGUE: Commissioner, after
23 hearing some of the other ones, I wish I
24 had more of a poetic narrative like some
25 of you guys. But this will be short and

1 sweet for you from a rate payer's
2 perspective.

3 Me and my family are responsible,
4 working people and rate payers of
5 FirstEnergy. And when I heard that
6 FirstEnergy, along with other Ohio
7 energy companies were seeking a deal to
8 essentially bail out their old, dirty
9 forms of energy, immediately I had
10 become frustrated, along with many other
11 people here today.

12 The situation is kind of like a
13 borderline comedy. Actually, the
14 company that spearheaded and lobbied for
15 Senate Bill 310, the bill that froze the
16 green energy standards in Ohio, a green
17 fuel that boomed in term of jobs, a fuel
18 that also was going to save rate payers
19 money are now the same companies that
20 will cost the rate payers money, jobs,
21 and a cleaner Ohio.

22 FirstEnergy claims that a proposed
23 deal between its regulated Ohio
24 utilities and their unregulated
25 generation affiliate would create a

1 windfall for rate payers. The only
2 number I've heard so far is that it will
3 cost rate payers \$3.1 to \$3.2 billion if
4 this proposed deal is made.

5 I hope to be standing in front of a
6 group of people that know a bailout of
7 any sort would be wrong. Signing a bill
8 with old, dirty forms of energy when
9 Ohio had new, cleaner energy within its
10 grasp is kind of insulting to the people
11 of Ohio. Thank you.

12 MR. McKINNEY: Jackie Easley.

13 - - - - -

14 TESTIMONY OF JACKIE EASLEY,

15 After having been first duly sworn, as
16 hereinafter certified, was examined and testified
17 as follows:

18 MS. EASLEY: My name is Jackie
19 Easley. I'm a resident of Akron and a
20 small business. And on behalf of the
21 residents and small businesses of Akron,
22 I would like to request that a fair
23 decision, non-political, non-greed
24 decision would be made in regard to this
25 application. That's all I have to say.

1 Thank you very much.

2 MR. MCKINNEY: Thank you.

3 Elizabeth Vild or Wild?

4 - - - - -

5 TESTIMONY OF ELIZABETH VILD,

6 After having been first duly sworn, as
7 hereinafter certified, was examined and testified
8 as follows:

9 MS. VILD: My name is Elizabeth
10 Vild, and I'm a local health equity
11 organizer in the City of Akron. And
12 while I could stand up here and talk
13 about the carelessness of choosing to
14 keep up this gray infrastructure of in
15 the face of failing health for the State
16 of Ohio, I choose to stand here as a
17 consumer.

18 While working to create healthy
19 communities in Ohio is not something
20 that particularly pays well, when it
21 pays, it is something that I have an
22 undying dedication for. And in that, I
23 was living by myself in Highland Square,
24 and as a college educated woman, as most
25 people my age, was very frugal about the

1 amount of energy that I used while, mind
2 you, everything in my apartment was
3 connected to electric. In the
4 summertime my bills were about \$12 a
5 month, because I am that frugal about
6 making sure things are not plugged into
7 the wall. And during the wintertime, my
8 bills were anywhere between \$450 to \$500
9 a month.

10 When I tried to speak with
11 FirstEnergy about what to do, they put
12 me on a payment plan. But times being
13 as they were and job insecurity as it is
14 for most people in my generation that
15 have went to school and do attempt to
16 pay something on their college loans, we
17 pay almost all of our income to bills.
18 So hearing that 30 percent of income
19 goes to our energy costs every year is
20 not surprising to me. I would say that
21 for some of us it's even more than
22 that.

23 I eventually had to move out of
24 that apartment because of the cost of
25 energy, and have been housing insecure

1 ever since then. I do not think that
2 this is -- that us paying for gray
3 infrastructure through increase of rates
4 is going to help to keep my generation
5 in this area. Not only is my generation
6 looking towards the future and towards a
7 more sustainable green future, and
8 looking towards states that support that
9 and move out of this state in order to
10 go to places like that, but we also
11 cannot afford to bail out these
12 corporations any longer that choose to
13 live in 1950 forever. Thank you for
14 your time.

15 MR. MCKINNEY: Geniro Dingle.

16 - - - - -

17 TESTIMONY OF GENIRO DINGLE,

18 After having been first duly sworn, as
19 hereinafter certified, was examined and testified
20 as follows:

21 MR. MCKINNEY: Did I mispronounce
22 that?

23 MR. DINGLE: Geniro.

24 MR. MCKINNEY: Okay.

25 MR. DINGLE: My name is Geniro

1 Dingle. I'm an Akron resident, and I'm
2 here speaking on behalf Akron residents,
3 specifically the economically deprived
4 residents of this city.

5 I heard a lot of people come here
6 today and give testimony to a lot of the
7 great deeds and good deeds that
8 FirstEnergy has provided to the county,
9 as well the city. And to me it is very
10 troubling to hear some of the things
11 that they've done to help us, because it
12 is -- it's very saddening to me that
13 they would know the situation of a lot
14 of the residents in the City of Akron
15 and the people of Summit County and
16 still push this legislation that will be
17 a great harm to our health, as well as
18 our financial well-being.

19 So I'm going to keep it short and
20 just say that I oppose FirstEnergy's
21 plan, and I think it is in the best
22 interest of everybody here in opposition
23 to it and that we do not support them.
24 Thank you.

25 MR. McKINNEY: Daniel Nelson.

1 - - - - -

2 TESTIMONY OF DANIEL NELSON

3 After having been first duly sworn, as
4 hereinafter certified, was examined and testified
5 as follows:

6 MR. NELSON: My name is Daniel
7 Nelson. I live in Bath Township, and
8 I've been a FirstEnergy customer for
9 about almost 50 years. I'm here to
10 oppose this plan to pass onto rate
11 payers the cost of corporate
12 mismanagement.

13 Under the proposed plan, the
14 customers would pick up the bill for
15 FirstEnergy's effort to ring the last
16 dollar from its obsolete, high-cost
17 operations. In this era of cheap
18 natural gas and even cheaper wind
19 energy, this proposal seems quite
20 remarkable and remarkably bizarre.

21 If FirstEnergy executives cannot
22 cut the mustard, if they cannot manage
23 their operations in a responsible way
24 and make money, it's the stockholders'
25 responsibility and obligation to replace

1 them with competent employees. It is
2 emphatically not the rate payers
3 responsibility to help them cover up
4 problems that are and have been wholly
5 preventable. The very idea is
6 inconsistent with the idea -- with the
7 notion of a free enterprise economy.

8 In summary, I and many others say
9 no to rate increases, no to filthy
10 energy, no to managerial incompetence,
11 and no to corporate cynicism, and no to
12 bailouts. Thank you.

13 MR. McKINNEY: Thank you.

14 Lori Babbey.

15 TESTIMONY OF LORI BABBEY,

16 After having been first duly sworn, as
17 hereinafter certified, was examined and testified
18 as follows:

19 MS. BABBEY: Good evening. My name
20 is Lori Babbey. I live in Newton Falls
21 Ohio, Portage County. I'm here tonight
22 representing not only myself, but my
23 husband who is unable to attend due to a
24 conflict with his work schedule. I
25 would like to note that my husband is an

1 electrician and also a member of the
2 steel workers union. And we are both in
3 very strong opposition to FirstEnergy's
4 proposed purchase power agreement to
5 bail out their failing power plants.

6 This agreement clearly would harm
7 all Ohioans and dramatically increase
8 the monthly cost to all-electric
9 homeowners. We own an all-electric
10 home.

11 The plan will impose a very real
12 financial burden on all families and
13 customers of FirstEnergy. I believe the
14 Ohio Consumers Counsel has shown this
15 bailout will be a \$3 billion rate
16 increase. \$3 billion. It simply forces
17 the public to subsidize two unprofitable
18 power plants. Ultimately, this action
19 would reverse all progress made since
20 the deregulation of electricity
21 generation, and will quash competition
22 even further. It will also encourage
23 the continued use of expensive,
24 non-renewable fuels that have been
25 proven to harm our environment, and more

1 importantly our public's health.

2 FirstEnergy is morally obligated to
3 use their corporate profits to pay to
4 keep these plants running if they choose
5 to do so, but it is not the consumers'
6 obligation to subsidize those plants.

7 As an all-electric customer, over
8 the years we've continually been forced
9 to fight for our contractual rights from
10 FirstEnergy. And this agreement is
11 simply one more example of their
12 corporate overspill. We ask that you do
13 not approve FirstEnergy's proposed
14 purchase power agreement. Thank you.

15 MR. McKINNEY: Thank you.

16 John Beaty.

17 - - - - -

18 TESTIMONY OF JOHN BEATY,

19 After having been first duly sworn, as
20 hereinafter certified, was examined and testified
21 as follows:

22 MR. BEATY: I'm John Beaty, citizen
23 of Akron and I'm a retired clergy,
24 grandfather and great grandfather. And
25 my granddaughter has asthma, my youngest

1 son has asthma, and I'm aware that it's
2 the coal-fired power plants that are a
3 chief contributor to our unhealthy air
4 in Summit County and elsewhere in Ohio.

5 Mr. Slabey and other members of the
6 Public Utilities Commission,
7 Mr. McKinney, I am totally opposed to
8 the FirstEnergy Corporation's Electric
9 Security Plan for the following
10 reasons: One, the Davis-Besse nuclear
11 power plant's 40-year license to operate
12 will expire in April 2017. The license
13 should not be renewed because of the
14 deterioration of the plant's
15 infrastructure over that 40-year
16 period. Concrete decays, steel
17 corrodes.

18 Two, FirstEnergy's operation of
19 Davis-Besse has been filled with
20 violations of safety over its almost
21 40-year duration.

22 Three, the Sammis coal-fired plant
23 is the 23rd most carbon dioxide
24 polluting power plant in the USA.
25 According to some study that I've read,

1 the Sammis plant is killing
2 approximately 162 people a year and
3 costing millions of dollars in health
4 care due to its fine particle pollution.

5 According to another study I've
6 read, the Sammis plant is producing
7 millions of tons of waste, sludge that
8 threatens ground water and surface
9 water.

10 Six, I am using wind power
11 generation for my electricity, yet if
12 this plant is approved, I will be forced
13 to support two of the most dangerous and
14 unhealthy plants in Ohio with higher
15 rates on my utility bills. Thank you
16 for allowing me to give this testimony.

17 MR. McKINNEY: Thank you.

18 Susan Hauda.

19 MS. HONDA: Susan Honda, 887 Hunter
20 Ridge Circle in Fairlawn.

21 MR. McKINNEY: We need to swear you
22 in.

23 TESTIMONY OF SUSAN HONDA

24 After having been first duly sworn, as
25 hereinafter certified, was examined and testified

1 as follows:

2 MS. HONDA: My husband and I
3 returned to Akron three years ago and
4 bought a home in Fairlawn Heights, and I
5 was quite excited by the fact that we
6 had an east/west access on our home, a
7 large roof area that was southern
8 exposure, which we intended to put solar
9 panels on.

10 I contacted FirstEnergy and I was
11 informed that, yes, there would be a
12 connection fee to the grid, but that
13 they certainly would support that. I
14 was very happy. But do you know how
15 much solar they want to buy back from
16 me, how much electricity generated by
17 clean energy? They want to only
18 purchase as much as I use. That means
19 if I could provide enough electricity to
20 power three of my neighbors' houses as
21 well, it would be wasted. I couldn't do
22 that.

23 I don't feel that FirstEnergy has a
24 commitment to the future sources of
25 energy so much as they do to their

1 corporate model. And I would point out
2 that the Public Utility Commission has a
3 responsibility not to enable sloppy
4 management decisions. We have seen that
5 in the financial area with banks, and
6 that is enough to ruin an economy, not
7 just a business. So please don't let
8 our dollars be used to subsidize poor
9 future choices for FirstEnergy, which
10 will continue to be an important part of
11 this community. Thank you.

12 MR. McKINNEY: Thank you.

13 Michele Titmus.

14 - - - - -

15 TESTIMONY OF MICHELE TITMUS,

16 After having been first duly sworn, as
17 hereinafter certified, was examined and testified
18 as follows:

19 MS. TITMUS: Chairman Johnson and
20 members of the Commission, I'm Michele
21 Titmus, vice president of Control
22 Systems Company located at 1217 Norton
23 Road in Hudson, Ohio.

24 I appreciate the opportunity to
25 present my perspective on the importance

1 of supporting FirstEnergy's proposed
2 Electric Security Plan, Powering Ohio's
3 Progress.

4 We are a small manufacturing
5 company, a member of the Women's
6 Business Enterprise National Council and
7 a supplier to our utility customers for
8 43 years. We are located in Hudson,
9 Ohio, and all of our manufacturing and
10 assembling is done under the same roof.
11 We ship our products to customers across
12 the United States, as well as
13 internationally. Our 17 employees
14 manufacture replaceable ignition
15 equipment for the electric utility
16 industry.

17 We provide the utilities with the
18 alternate source to the OEMs for
19 equipment used in their boiler units.
20 We also provide our customers with
21 custom-built ignition equipment and
22 rebuilds on their existing equipment to
23 aide in the never-ending battle to save
24 money while keeping the lights on.

25 FirstEnergy has been our customer

1 since 1982. We are directly affected by
2 the decision that it must make regarding
3 whether to shut down plants or install
4 new, needed equipment at plants that are
5 operating.

6 Control Systems Company supports
7 FirstEnergy's proposed Electric Security
8 Plan because our company and its 17
9 hardworking Ohio employees and their
10 families depend on affordable, reliable
11 electricity to support our business and
12 the local economy.

13 As one of the region's largest
14 energy providers, I believe FirstEnergy
15 does a great job keeping electricity
16 prices affordable for businesses like
17 ours.

18 As you know, several of Ohio's
19 largest power plants have closed in
20 recent years due to market changes,
21 tougher regulations, and more
22 retirements are expected. We're
23 concerned this could drive up the
24 utility prices -- electricity prices and
25 affect the reliability of our service at

1 the time when we are still recovering in
2 this fragile economy.

3 The proposed Electric Security Plan
4 provides up to \$21.5 million in funding
5 for the economic development, job
6 retention, energy efficiency assistance
7 that will benefit businesses such as
8 ours, while creating more Ohio jobs.

9 FirstEnergy's plan will help
10 safeguard businesses like ours from
11 electricity price increases if the
12 prices rise in the future.

13 The plan also includes a 15-year
14 economic stability program, which
15 supports service reliability by helping
16 to keep vital base load power plants
17 available in and near Ohio to serve Ohio
18 customers.

19 We truly appreciate FirstEnergy's
20 commitment to serving Ohio's need, and
21 we hope you will support this solid plan
22 for our state's energy future. Thank
23 you.

24 MR. McKINNEY: Thank you.

25 At this time, that concludes the

1 list of names that I have for people who
2 have signed up. I'll ask if our public
3 representatives can bring forward any
4 additional names that have signed up to
5 testify.

6 Cynthia Bailey?

7 Kevin Kamps?

8 - - - - -

9 TESTIMONY OF KEVIN KAMPS

10 After having been first duly sworn, as
11 hereinafter certified, was examined and testified
12 as follows:

13 MR. McKINNEY: Thank you. You may
14 proceed.

15 MR. KAMPS: Thank you very much.

16 My name is Kevin Kamps, and I serve as
17 radioactive waste specialist at Beyond
18 Nuclear. And I'm testifying on behalf
19 of our members in the FirstEnergy
20 service area.

21 Our organization, in coalition with
22 an Ontario group, as well as Don't Waste
23 Michigan and the Green Party of Ohio,
24 have intervened against Davis-Besse's
25 20-year life extension since December

1 27th of 2010. And our point is that
2 Davis-Besse should retire on time, and
3 that is on Earth Day of 2017, April
4 22nd, if not earlier, given the safety
5 and economic risk.

6 And what are these risk? It's been
7 mentioned tonight, but Davis-Besse's
8 concrete shield building has severe and
9 worsening cracking going on. This is an
10 essential part of the radiological
11 containment.

12 In October of 2011, the cracks were
13 first announced. In 2012 the supposed
14 fix was to whitewash the shield
15 building. And I should mention that the
16 root cause theory -- we refer to as the
17 snow job of 1978. The theory is that
18 the blizzard of 1978 caused the
19 cracking. And we've been dubious about
20 this from the start. But that's the
21 only explanation. So this whitewash of
22 2012, this weather sealant that was
23 applied 40 years too late to the
24 exterior of the shield building, against
25 our warnings, actually served to lock

1 water in the walls of the shield
2 building. And so in 2013, FirstEnergy
3 announced -- had made it public that the
4 cracking is growing, something that they
5 previously had said was not possible.
6 And then just this past July 2014
7 FirstEnergy gave the root cause theory
8 for the cracking propagation, the
9 cracking growth. It's the ice wedging
10 that's caused every time it freezes at
11 Davis-Besse, and the cracks grow by 0.4
12 to 0.7 inches each and every time it
13 freezes at Davis-Besse. And in the
14 course of this intervention before the
15 Nuclear Regulatory Commission, we,
16 through the Freedom of Information Act,
17 have gotten ahold of Nuclear Regulatory
18 Commission staff documents, internal
19 e-mails, where staffers are concerned
20 about the structural integrity of the
21 shield building itself. And so in this
22 regard, Davis-Besse has the severe
23 cracking of a Crystal River Florida, an
24 atomic reactor that was closed
25 permanently in 2013 due to severe

1 cracking of its shield building, its
2 concrete containment. A multi-billion
3 dollar fiasco.

4 In addition to all this, Davis-
5 Besse also has underway now, despite our
6 efforts to stop it in coalition with the
7 Sierra Club of Ohio, an experimental
8 steam generator replacement that costs
9 many hundreds of millions of dollars.
10 And we'll see how it goes, but it should
11 be remembered that in 2013 two reactors
12 in California, the San Onofre Nuclear
13 Power Plant were shut down permanently
14 because of a botched experimental steam
15 generator replacement, again a multi-
16 billion dollar fiasco, with attempts to
17 hoist these fiascoes on the rate payers
18 in the respective states, despite the
19 problems being caused by the companies
20 themselves.

21 In addition to this, Davis-Besse is
22 uncompetitive, as we've heard tonight,
23 as is obvious from the attempted subsidy
24 grab by the company. It's also age
25 degraded in its systems, structures, and

1 components. And in this regard, it has
2 the age degradation and the
3 non-competitive nature of a Vermont
4 Yankee, an atomic reactor that was shut
5 down permanently on December 29 of 2014.
6 And also Kewaunee Wisconsin, another
7 age-degraded, uncompetitive reactor shut
8 down in 2013.

9 So you can see the trend. And I
10 should mention that Vermont Yankee and
11 Kewaunee Wisconsin had 20-year license
12 extensions from the Nuclear Regulatory
13 Commission. So we will continue to
14 oppose this 20-year license extension.
15 We still have live intervention
16 contentions before the Nuclear
17 Regulatory Commission. And I just want
18 to close for now with some figures from
19 the Nuclear Regulatory Commission itself
20 that show the significance of having a
21 solid containment and preventing
22 meltdowns at reactors. This is from a
23 report called CRAC II, which stands for
24 Calculation of Reactor Accident
25 Consequences. The report is also

1 referred to as NUREG/CR-2239, or the
2 1982 Sandia Siting study. And it gives
3 casualty figures and property damage
4 figures for the event of a meltdown and
5 catastrophic radioactivity release from
6 atomic reactors across the country.

7 In Davis-Besse's particular case,
8 the estimate was for 1,400 peak early
9 fatalities. These are cancer -- these
10 are -- I'm sorry -- radiation poisoning
11 deaths; 1,400.

12 In terms of peak early injuries,
13 73,000. In terms of peak cancer
14 deaths -- these are latent cancer
15 fatalities -- 10,000. And in terms of
16 property damage, when adjusted for
17 inflation, around \$200 billion. So an
18 important thing to keep in mind is that
19 since these figures of the early 1980s,
20 populations have soared in the area as
21 well. So actually, it would be worse.
22 And as a previous speaker did testify,
23 the Fukushima nuclear catastrophe shows
24 what can happen when reactors melt down
25 and when containments fail.

1 Hundreds of billions of dollars in
2 property damages are put at risk, as
3 well as thousands of lives. Thank you
4 very much.

5 MR. MCKINNEY: Thank you.

6 William Mars.

7 - - - - -

8 TESTIMONY OF WILLIAM MARS,

9 After having been first duly sworn, as
10 hereinafter certified, was examined and testified
11 as follows:

12 MR. MARS: My name is Williams
13 Mars. My address is 1943 Old Forge Road
14 in Brimfield, Ohio. And I'm here
15 representing myself and my wife who is
16 unable to attend because of a conflict
17 with a school board meeting.

18 We are all-electric homeowners and
19 have been for about 35 years. We are
20 opposed to the proposed bailout and the
21 associated rate hikes. We cannot afford
22 continued bill increases because I hope
23 to be able to retire in the near
24 future. Thank you for your
25 consideration of my comments.

1 MR. McKINNEY: Lisa Christopher?

2 Is Lisa Christopher here?

3 Geniro Dingle again?

4 Sable Foster?

5 - - - - -

6 TESTIMONY OF SABLE FOSTER,

7 After having been first duly sworn, as
8 hereinafter certified, was examined and testified
9 as follows:

10 MR. McKINNEY: Thank you. You may
11 proceed.

12 MS. FOSTER: I am from a little
13 hamlet that is yoked by the chains of
14 poverty, poor health, and unemployment.
15 The people of East Liverpool, Ohio, much
16 less Columbiana County, we'll say, for
17 example, exists. They do not by any
18 common standard of any person in this
19 room live a life.

20 Many families are dependent upon
21 programs of HEAP and PIP, in that their
22 percentage of income payment plans and
23 housing energy assistance payment plans
24 are what the initials of HEAP and PIP
25 stand for, but these are tax dollar

1 funded programs. And this \$4.2 billion
2 bailout will in turn, I submit, in this
3 respect tax the tax payers dually. In
4 what universe is that fair.

5 One-third -- as you've heard many
6 times over, one-third of people have 30
7 percent plus of their incomes already
8 going to FirstEnergy. When I did have a
9 home, I -- I think my highest electric
10 bill -- this is with everything being
11 unplugged -- was probably about \$232.
12 I, too, unplug everything. I, too,
13 practice a green life, as green as can
14 be in that area. I'm still paying out
15 the nose.

16 These programs that keep families
17 alive and warm, I believe, in time will
18 become such a pecuniary burden of such
19 magnitude that the state and counties
20 will have no other avenue to take but to
21 dispense with them altogether.

22 FirstEnergy have the unmitigated
23 gaul, after bestowing upon us such gifts
24 as Little Blue and a Chernobylian amount
25 of fly ash waste that blanket all that

1 encompasses it, citizenry and
2 environment alike, now have the cheek to
3 ask us to fund a bailout. The people
4 need the bailout. There must be no such
5 thing as too big to fail, because the
6 people can no longer afford this
7 practice. The very idea of asking the
8 people to fund their own demise is
9 outlandishly offensive.

10 There was a great leader that once
11 responded with "nuts" when given a bunk
12 deal. Well, that is the only reply
13 suitable for an equally despicable
14 proposal. They have taxed our lungs and
15 longevity. Must they now tax our
16 wallets as well. Thank you.

17 MR. MCKINNEY: At this time it
18 concludes the list of names that I have
19 of people who have signed up to
20 testify.

21 Is there anyone else here this
22 evening who would like to testify. Yes,
23 sir. Please, you may step forward.

24 - - - - -

25 TESTIMONY OF STEVE POSTLA

1 After having been first duly sworn, as
2 hereinafter certified, was examined and testified
3 as follows:

4 MR. MCKINNEY: Please state your
5 name and address for the record.

6 MR. POSTLA: All right. My name is
7 Steve Postla. I'm a West Akron
8 resident.

9 I just want to say a few words
10 here. It's going to be a little
11 disjointed because I didn't bring a
12 printed statement.

13 Electric Security Plan, Powering
14 Ohio's Progress, I think that's a very
15 cleverly worded misnomer for this
16 program. It involves perpetuating what
17 someone called good quality jobs. At
18 this time I don't consider any jobs in
19 the tobacco industry, or the coal
20 industry, or actually the natural gas
21 industry, as well as oil industry to be
22 -- well, maybe I'm getting too carried
23 away here. But I don't consider most of
24 those to be good quality jobs.

25 I think we have an opportunity in

1 this country to be a leader in energy,
2 in new energy, especially. Why should
3 Germany lead the world in solar
4 electric, rooftop solar? And why should
5 China lead the world in production of
6 solar panels? Why did I have to quit
7 FirstEnergy to sign up for a green
8 program, which is wind powered
9 electricity. I had to actually pay them
10 \$25 to quit FirstEnergy and sign up with
11 AEP who does have a wind program. There
12 are other companies, as well. I would
13 like to ask FirstEnergy why they are not
14 leading the way in this? Why are they
15 not first in wind energy and solar
16 power? And why are they dragging us
17 through the early 19th century -- 20th
18 century with their current programs of
19 what they call -- what has been called
20 today base load power plants, which I
21 understand to mean coal-fired power
22 plants, and their boasting of these as
23 having environmental stability. Well,
24 it may be stable in that it's not
25 improving, but is it really

1 environmentally a good thing or feasible
2 to continue with these kind of plants,
3 to keep these plants operating?

4 I am stringently opposed to the
5 Electric Security Plan, Powering Ohio's
6 Progress. I think it's unconscionable
7 for them to expect the rate payers to
8 fund it and to continue to use these
9 types of fuels, nuclear and coal, in
10 this day and age. We're in the 21st
11 century. This country does have a
12 chance to be a leader in energy
13 progress. But at this rate, we're not
14 going to make it. We're going to be --
15 we're going be continuing in this vain
16 until we are out of -- out of these
17 types of fuels -- fossil fuels and that
18 we're forced through a catastrophe to --
19 to begin an all-out effort to save our
20 economy, save our jobs, and save our
21 planet as well.

22 Anyway, that's about all I can say
23 on this. Thank you very much.

24 MR. McKINNEY: Is there anyone else
25 here this evening that would like to

1 provide public testimony?

2 Yes, ma'am.

3 - - - - -

4 TESTIMONY OF SHIRLEY NOURJIAN,

5 After having been first duly sworn, as
6 hereinafter certified, was examined and testified
7 as follows:

8 MR. McKINNEY: Thank you. You may
9 proceed.

10 MS. NOURJIAN: I don't have too
11 much to say, but whichever way the PUCO
12 decides to go, it's going cost money.
13 So why not at least invest in clean
14 energy. People just can't -- we just
15 can't afford dirty energy with coal and
16 nuclear, and it's just too risky. And
17 so now we need to move forward and do
18 the right thing. I mean, that's the
19 choice.

20 Do you want to, you know, exploit
21 the environment or do the right thing.

22 MR. McKINNEY: Can I get your name
23 and address?

24 MS. NOURJIAN: Shirley Nourjian,
25 N-O-U-R J-I-A-N. 162 Wichita, Akron.

1 MR. McKINNEY: Thank you.

2 Is there anyone else here this
3 evening that would like to provide
4 public testimony?

5 Seeing no one at this time, we will
6 adjourn for the evening. I would like
7 to note just one more time for the
8 record that this is just one step in the
9 process to evaluate FirstEnergy's
10 Electric Security Plan application.
11 Following this hearing, there will be
12 two more hearings; one in Toledo and one
13 in Cleveland. After that there will be
14 an evidentiary hearing followed by a
15 briefing scheduled before the Commission
16 to receive the opinions in this case.

17 You all have a nice evening. Thank
18 you. We are adjourned.

19 - - - - -

20 (Hearing adjourned at 8:10 p.m.)

21 - - - - -

22

23

24

25

1

2 The State of Ohio,)
) SS: CERTIFICATE
3 County of Cuyahoga.)

4 I, Katrina L. Dearborn, Notary Public within
5 and for the State of Ohio, duly commissioned and
6 qualified, do hereby certify that the within-
7 named witnesses were first duly sworn to testify
8 the truth, the whole truth, and nothing but the
9 truth in the cause aforesaid; that the testimony
then given by him/her was by me reduced to
stenotypy in the presence of said witnesses,
afterwards transcribed on a computer, and that
the foregoing is a true and correct transcript of
the testimony so given by him/her as aforesaid.

10 I do further certify that this arbitration
11 was taken at the time and place in the foregoing
caption specified and was completed without
adjournment.

12

13 I do further certify that I am not a
relative, employee of, or attorney for any of the
parties in the above-captioned action; I am not a
relative or employee of an attorney for any of
the parties in the above-captioned action; I am
not financially interested in the action; I am
not, nor is the court reporting firm with which I
am affiliated, under a contract as defined in
Civil Rule 28(D); nor am I otherwise interested
in the event of this action.

18 IN WITNESS WHEREOF I have hereunto set my
19 hand and affixed my seal of office at Cleveland,
Ohio on this 26th day of January, 2015.

20

21

22

23

24 Katrina L. Dearborn, Notary Public
In and for the State of Ohio.
25 my commission expires 11-02-15.

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Case No(s). 14-1297-EL-SSO

Summary: Transcript Testimony presented at the January 12, 2015 hearing in Akron, Ohio.
Sign-in sheets attached electronically filed by Ms. Katrina Dearborn on behalf of Dearborn
Reporting Services