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3 PUBLIC UTILITIES COMMISSION OF OHIO

4 PUBLIC HEARING

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6 CASE NUMBER: 14-1297-EL-SSO

7 ~ ~ ~ ~

8 Tuesday, January 20, 2015

9 Toledo, Ohio

10 ~ ~ ~ ~

11 In the Matter of the Application of Ohio

12 Edison, the Cleveland Electric Illuminating

13 Company, and the Toledo Edison Company, for

14 authority to provide for a standard service offer

15 pursuant to RC 4928.143 in the form of an

16 Electric Security Plan.

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APPEARANCES

Bryce McKenney, Hearing Officer.  
Megan Addison, Law Clerk at PUCO  
Bethany Adams, Intern  
Michael Schuler, Consumers' Counsel of Ohio  
Carrie M. Dunn, FirstEnergy Counsel

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1           MR. McKENNEY: 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, Cleveland Electric  
7           Illuminating Company and Toledo Edison  
8           Company for authority to provide for a  
9           standard service offer pursuant to RC  
10          4928.143 in the form of an Electric  
11          Security Plan.

12          My name is Bryce McKenney. I'm an  
13          attorney examiner. I've been assigned  
14          by the Commission to conduct tonight's  
15          public hearing. Also with me this  
16          evening, we have Megan Addison who is a  
17          law clerk with the Commission's legal  
18          department. Bethany Adams, she's an  
19          intern with the legal department.

20          Outside in the hall we have  
21          representatives from our Public Affairs  
22          staff that can help you get signed in  
23          and get set up to be ready and be  
24          prepared to testify this evening. We  
25          also have the distinct privilege of

1           having with us one of the five  
2           commissioners who will be making the  
3           final decision in this case. So with us  
4           this evening is Commissioner Haque.

5           And he's going to be helping us  
6           out. I believe he has some comments he  
7           would like to make.

8           MR. HAQUE: Good evening. My name  
9           is Asim Haque. I'm the Vice Chairman of  
10          the Public Utilities Commission of  
11          Ohio. I just wanted to grab the mic and  
12          thank all of you for attending this  
13          evening.

14          This is a very, very important part  
15          of these proceedings. The lawyers will  
16          have their day in Columbus, so there are  
17          parties to an actual case that will  
18          actually litigate this case in Columbus,  
19          Ohio. But this is really the chance for  
20          Commissioners, like myself, to hear from  
21          the general public about their concerns  
22          or their support of the case that we  
23          have pending before us. It's a very  
24          important part of the process. It's a  
25          very impactful part of the process. So

1           thank you for being here tonight.

2           I'm very excited to be here. I  
3           actually spent four plus years as an  
4           undergraduate here in Cleveland, so I  
5           have a special kinship with the city and  
6           the people of this -- I'm not quite a  
7           Brown, but I'm very happy to be here,  
8           nonetheless.

9           So thank you again. I look forward  
10          to hearing your commentary this  
11          evening. Thank you.

12          MR. McKENNEY: Well, at this time I  
13          would like to take the appearances of  
14          the parties that are granted  
15          intervention in this case. So is the  
16          representative from the companies here?

17          MS. DUNN: Good evening. Carrie  
18          Dunn, counsel for Ohio Edison Company,  
19          the Cleveland Electric Illuminating  
20          Company, and the Toledo Edison Company.

21          MR. McKENNEY: Thank you, Miss  
22          Dunn.

23          On behalf of OCC?

24          MR. SCHULER: Thank you, Your  
25          Honor. Mike Schuler on behalf of the

1 Office of the Ohio Consumers' Counsel,  
2 and the residential customers of the  
3 FirstEnergy Electric Distribution  
4 Facility.

5 MR. MCKENNEY: Thank you.

6 Are there any other parties present  
7 here this evening that have been granted  
8 intervention in this case? Thank you.

9 As the Commissioner noted, the  
10 purpose of this evening's public hearing  
11 is to receive comments from the public  
12 about the application filed by the  
13 companies in this case. This is not a  
14 question-and-answer session. This is an  
15 opportunity for the public to provide  
16 public testimony to the Commission.  
17 After this public hearing, there will be  
18 an evidentiary hearing in Columbus, in  
19 which parties who have been granted  
20 intervention in this case will be  
21 provided an opportunity to make the case  
22 for the ratepayers like myself.

23 I would note at this time that if  
24 anyone here represents -- or represents  
25 the interest of a party that has been



1 granted intervention in this proceeding,  
2 I would caution you against providing  
3 public testimony this evening so as not  
4 to forfeit your right to make your case  
5 in Columbus at the evidentiary hearing.

6 When each of you arrived here this  
7 evening, you were provided the  
8 opportunity to sign up to testify. I  
9 will read through this list one by one  
10 and ask you to come forward to provide  
11 public testimony in this public  
12 hearing. When you come forward -- I'll  
13 ask you to come forward to the  
14 microphone. I'll have you raise your  
15 right hand. At that time you must swear  
16 an oath that what you are going to say  
17 is the truth, the whole truth, and  
18 nothing but the truth. At that time  
19 everything you say will be considered a  
20 part of the record in this case.

21 Should you decide not to testify  
22 when I call your name, simply say  
23 "pass," or stand up and let me know.  
24 We'll move on.

25 At this time I'm going to begin

1 calling the names of the people who have  
2 signed up to provide public testimony in  
3 this hearing.

4 Gayle Deadwyler?

5 - - - - -

6 GAYLE DEADWYLER,

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

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

12 MS. DEADWYLER: I am here today  
13 speaking on behalf of AARP Ohio in  
14 opposition to the FirstEnergy Purchased  
15 Power Agreement request.

16 AARP, with 1.5 million members in  
17 Ohio, is challenging FirstEnergy's  
18 efforts to force consumers like me to  
19 subsidize the cost of energy generated  
20 by three old, obsolete and dirty power  
21 plants. These plants are expected to  
22 operate, and output from these outdated  
23 plants does not provide FirstEnergy the  
24 competitive edge that it needs to profit  
25 in today's marketplace. They simply do

1 not measure up against newer, cleaner  
2 and more efficient energy producers.  
3 But FirstEnergy has a plan.

4 The company proposed to adding a  
5 fee to every consumer's electric bill  
6 for the next 15 years so that  
7 FirstEnergy can make money. It's kind  
8 of like a bailout. This surcharge will  
9 be added even if you live in an NOPEC  
10 community, like I do, or receive  
11 electric power from an alternative  
12 supplier.

13 FirstEnergy claims that its 15-year  
14 surcharge proposal would benefit  
15 consumers in the long run. But there is  
16 no evidence of this, and there is no  
17 guarantee. FirstEnergy can back out at  
18 any time.

19 According to NOPEC and the Ohio  
20 Consumers' Counsel, the proposal would  
21 have a net cost to consumers of between  
22 \$3.1 and \$3.2 billion over 15 years.  
23 And yes, I said billion with a "B."

24 AARP is fighting against excessive  
25 utility rate increases and convoluted

1 pricing schemes like this one. We're  
2 here to help older Ohioans who spend a  
3 disproportionately higher percentage of  
4 their income on utility bills to pay  
5 only what is fair and reasonable, and  
6 not one penny more.

7 As it stands, this FirstEnergy  
8 proposal will raise bills for Ohioans on  
9 fixed incomes whose incomes are already  
10 stretched to make ends meet.

11 AARP Ohio ask the PUCO to protect  
12 Ohio consumers by rejecting this  
13 FirstEnergy request for a subsidy.  
14 Thank you.

15 MR. McKENNEY: Thank You.

16 Bob Parker?

17 - - - - -

18 BOB PARKER,

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

22 MR. PARKER: Last year, the Ohio  
23 General Assembly voted to put a freeze  
24 on renewable energy requirements in  
25 Ohio. The stated reason was that

1           renewable energy costs more, which would  
2           result in a loss of jobs for Ohio.

3           Now it seems FirstEnergy wants what  
4           is, in effect, a subsidy for two of its  
5           inefficient fossil fuel plants, one coal  
6           and one nuclear. The logic behind this  
7           is completely at odds with their support  
8           of the renewable freeze last year.

9           Before, FirstEnergy supposedly  
10          wanted to save consumers money. This  
11          year they want consumers to bail them  
12          out of bad economic decisions.

13          If there are going to be subsidies,  
14          they should be for things that are  
15          promoting health and the general welfare  
16          for the state as a whole. Instead, what  
17          FirstEnergy wants is a subsidy for two  
18          plants whose safety record and/or  
19          emissions are not good for Ohio or the  
20          country as a whole.

21          The Federal Government  
22          Environmental Protection Agency, EPA,  
23          has required states to come up with  
24          plans to limit carbon emissions. For  
25          Ohio to comply, the state needs to look

1           at ways to reduce output of outmoded  
2           power plants, not subsidize them. In  
3           addition to carbon, the Sammis Plant  
4           that FirstEnergy wants us to subsidize  
5           also emits particulates and pollutants  
6           such as sulfur dioxide and nitrogen  
7           oxides. These are unhealthy to people  
8           who live around the plant, and should  
9           definitely not be subsidized.

10           The Davis-Besse Nuclear Plant has  
11           had many safety problems over the years  
12           and is reaching the end of its planned  
13           life. The risk of a catastrophic  
14           accident continues. This is not the  
15           type of plant that deserve a taxpayer  
16           subsidy.

17           In short, the State of Ohio should  
18           be looking to the future. If these two  
19           outmoded plants cannot make it on their  
20           own, then let the company that has made  
21           profits from them pay the cost of their  
22           failures.

23           MR. MCKENNEY: Kathy Schaefer?

24           MS. SCHAEFER: Yes. I'm against  
25           the bailout and the increase --

1 MR. MCKENNEY: Ms. Schaefer --

2 MS. SCHAEFER: Yes.

3 MR. MCKENNEY: I need to ask you to  
4 raise your right-hand.

5 - - - - -

6 KATHY SCHAEFER,

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

10 MR. MCKENNEY: Thank you.

11 MS. SCHAEFER: Kathy Schaefer. I'm  
12 a social worker.

13 I'm here testifying out of concern  
14 that these ancient coal plants and  
15 nuclear power plants are going to be  
16 kept online and running. I am sure you  
17 are aware that this country is ranked  
18 the lowest -- I said the lowest, and  
19 I've read this more than several  
20 times -- in the industrialized world for  
21 healthcare; whether it be accessibility  
22 cost or any other category in  
23 healthcare, we are below the other  
24 industrialized countries. That being  
25 said, you are exasperating the problem

1 by running old coal-fired plants and  
2 outdated nuclear plants, which, in turn,  
3 can cause so many health problems. But  
4 besides this, your rate increase will  
5 hurt those who have no healthcare or  
6 those who have huge deductibles.

7 I have a friend who has a \$1,500  
8 deductible, and she can't afford to get  
9 her care. So we don't have a chance.  
10 Even if we suffer from a health-related  
11 respiratory problem, the cost to get  
12 medical treatment can be beyond the  
13 reach of many people. Then, on top of  
14 this, rate increases for coal plants is  
15 unacceptable.

16 Do the right thing: Dump these  
17 plants. Invest in clean energy. Stop  
18 being un-American and making so many  
19 people sick who can't afford medical  
20 care, and fight back.

21 I have to say this -- I have to say  
22 this: FirstEnergy reminds me of an old  
23 car that can't get out of first gear to  
24 the 21st Century. We need 21st Century  
25 energy. That's what we want, and that's



1           what we want to pay for. Thank you.

2           MR. MCKENNEY: Harold Pyle.

3           Mr. Pyle, before you testify, I  
4           have to ask, have you previously  
5           provided public testimony in this case?

6           MR. PYLE: Yes. This is all  
7           different.

8           MR. MCKENNEY: This is all new?

9           MR. PYLE: This is all new.

10                   - - - - -

11                   HAROLD PYLE,

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

15                   MR. PYLE: My name is Harold Andrew  
16           Pyle. Everybody calls me "Andy." My  
17           address is 7924 Cleveland-Massillon  
18           Road, also known as Fulton Street,  
19           Clinton, Summit County, Ohio, 44216.

20                   I'm here to testify against the  
21           proposed Electric Security Plan.

22                   I can't very well just invite  
23           FirstEnergy over to discuss it over  
24           coffee, even though we are both persons  
25           in the eyes of the law. It's hard to

1           conceive of a person being a public  
2           utility.

3           FirstEnergy, what kind of person  
4           are you that you can just ask the  
5           government for \$2 billion aggregated  
6           from several million people and expect  
7           to get it?

8           Maybe I should ask for \$2 billion.  
9           I'm a person, too, as are you, you, and  
10          you. I'd have a really good time with  
11          my \$2 billion. I would put it right  
12          back into the economy, and that would  
13          all make us more secure. I want my \$2  
14          billion.

15          My friend Rosie, she tells me about  
16          the -- that by the 15th year of this  
17          three-year plan, she can guarantee that  
18          I will get my money back, and more.

19          Rosie, I have trouble believing  
20          you. I may be dead, or have moved out  
21          of the state, or the rules of the game  
22          may have changed by then, or the money,  
23          it might just be gone. But it's hard  
24          not to be swept off my feet by your  
25          boldness and your beguiling charm. I

1 will never forget you, Rosie Scenario.

2 I am a retired steelworker, 32  
3 years in the mill. I am speaking only  
4 for myself and not for the union. As a  
5 retired steelworker, I know the large  
6 amounts of electricity that go into the  
7 making of steel, especially in electric  
8 arc furnaces. It's a rough business to  
9 be in, and profit margins are low.

10 Sometimes operations run at a loss  
11 waiting for better times. The steel  
12 industry needs for electricity to be  
13 reasonably priced, not to pay inflated  
14 costs to subsidize some other industry.

15 When the steel industry was saddled  
16 with old, obsolete plants and a lack of  
17 foresight about new technology, nobody  
18 bailed it out. There was a wave of  
19 bankruptcies. But steel continues to be  
20 made. Why should the electric power  
21 industry be treated any differently?

22 In closing, I want to say, this is  
23 a self-serving, bad Electric Security  
24 Plan, and it should not be adopted.

25 MR. MCKENNEY: Jessica Smith

1 Szabo.

2 - - - - -

3 JESSICA SMITH SZABO,

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

7 MS. SZABO: My name is Jessica  
8 Smith Szabo. I am the Field Canvas  
9 Director and a community organizer for  
10 Ohio Citizen Action, an environmental  
11 and consumer rights advocacy group. We  
12 use grassroots organizing to inform the  
13 public on issues they may otherwise not  
14 become informed of during their day-to-  
15 day lives. Since August we've been  
16 running our field campaign on the issue  
17 that sits before us today, the  
18 FirstEnergy bailout. Our objective in  
19 the field is to inform community members  
20 and have them take action. This action  
21 that I'm referring to is the piling up  
22 of public comments you have received of  
23 opposition to the docket 14-1297-EL-  
24 SSO.

25 Many of the comments people have

1           made about FirstEnergy's bailout  
2           proposal include: Criminal,  
3           unbelievable, unjust, and downright  
4           crazy. Others have included the  
5           phrases: Go figure, no surprise here,  
6           just fueling the already unfortunate  
7           disposition of hopelessness or the lack  
8           of say amongst the general public when  
9           it comes to big business decision  
10          making.

11                 We also get questions like, "What  
12           can I do," leading to inspiration to  
13           write public comments that have kept  
14           them away from the dinner table or kept  
15           their children up an hour past bedtime  
16           to teach them about taking a stand as a  
17           concerned citizen. We've sent in over  
18           2,500 letters of opposition that have  
19           resulted because they've learned about  
20           FirstEnergy's bad plan when we came to  
21           their door.

22                 I ask you to take great heed to the  
23           thousands upon thousands of thoughtful  
24           public comments you are receiving as you  
25           make your decision. They are from

1 community members, family members,  
2 concerned citizens who have not been  
3 able to make it here tonight who took  
4 special care and time away from a  
5 child's soccer practice or a family  
6 movie to voice their say. These people  
7 are customers. They do not receive any  
8 financial compensation of any kind from  
9 FirstEnergy, unlike most of the  
10 supporters you've heard from.

11 I've brought numerous public  
12 comments against the proposed bailout  
13 for you to add to the FirstEnergy  
14 docket.

15 Now, I would like to finish by  
16 quoting a concerned Bay Village  
17 resident, age 7. "This is to everyone.  
18 Please don't do bad for our Earth. It  
19 may damage poor people. It may make the  
20 Earth not the same, and please do not  
21 set off pollution. All different types  
22 of pollution kill animals and people.  
23 My great grandparents got killed by a  
24 coal plant factory because it gave them  
25 cancer. And if you want to make this

1 land, the planet, a better place, then  
2 do this: Don't litter, and do things  
3 that you know is good. People really  
4 care about the Earth, like policemen.  
5 They say, don't litter. Also they help  
6 the Earth. You can help the Earth and  
7 be a better person now."

8 Even a seven-year old understands  
9 this is a bad deal. Thank you.

10 MR. MCKENNEY: Racheal Collyer?

11 - - - - -

12 RACHAEL COLLYER,

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

16 MS. COLLYER: All right. Well,  
17 there's not a whole lot, now, that I can  
18 say that hasn't already been said about  
19 FirstEnergy's lobbying to get renewable  
20 energy efficiency standards and about  
21 how coal plants pollute our air and our  
22 water and make our people sick. But the  
23 idea that the company can both lobby and  
24 pollute our environment here in Ohio and  
25 then expect us as tax payers to bail

1           them out of their own mess is absolutely  
2           despicable.

3           Expecting Ohio citizens to absorb  
4           the cost of keeping these inefficient  
5           plants running through raising rates is  
6           ridiculous. As a senior at Ohio State,  
7           I understand how debt works and  
8           understand that I'm liable for the debt  
9           accrued through my education.

10          Cleveland is home to many students  
11          like me, many of whom are struggling to  
12          make end meets, who are also responsible  
13          for thousands of dollars that they  
14          accrue in pursuit of their education,  
15          which is an honorable situation. So  
16          where's our bailout?

17          If we're responsible for paying the  
18          debt we incur in pursuit of education,  
19          FirstEnergy should be responsible for  
20          the debt that they accrue by making poor  
21          business decisions. That's all.

22          MR. McKENNEY: Gail Sparrow?

23          MS. SPARROW: I'm going to make  
24          this very, very brief, I promise you.

25          MR. McKENNEY: That's okay. You



1           need to swear an oath.

2                       - - - - -

3                       GAIL SPARROW,

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

7                       MS. SPARROW: I returned to  
8 Cleveland fairly recently, after 40  
9 years away from my idealized Cleveland.  
10 Part of that ideology was, public  
11 utilities really helped the public;  
12 they're interested in what the public  
13 needs are. So when this hearing came  
14 up, when this information came up, with  
15 the little time I had to put it  
16 together, I said, why. What is it that  
17 the Illuminating Company, that I  
18 remember as really loving us and caring  
19 for us and being good to us, what are  
20 they doing now? Why do they want this  
21 change? What is it that it will do for  
22 everyone?"

23                       What I've heard in a previous  
24 meeting from people who were supporting  
25 them was, my company is really good and

1           it's really good because FirstEnergy  
2           helped us out. Or FirstEnergy has given  
3           us money to help poor people. Or we  
4           have jobs from FirstEnergy. It seems  
5           that neither the people supporting them,  
6           nor FirstEnergy themselves have come up  
7           with reasons that would explain to me  
8           and to others in the room, I expect, how  
9           they can be a public utility, how they  
10          are helping the public. That's really  
11          what I'm interested in finding out. And  
12          I'm hoping maybe I'll hear some  
13          answers.

14                Basically, to say to people, that  
15                you pay for three years and after the  
16                three years, in 15 years, you're going  
17                to get your money back. It kind of  
18                reminds me of some e-mails I get.  
19                Okay. And basically they say, if you  
20                give us a certain amount of money, we've  
21                got some other money stashed for you,  
22                and we'll give it to you. I kind of  
23                think that their's is more promising. I  
24                don't have to wait 15 years for it.

25                Anyway, this is where I stand now.

1 I'm hoping that I can hear other sides  
2 of things and perhaps you can convince  
3 me. As I see it right now, it's -- it's  
4 something that really doesn't -- it  
5 doesn't work. It not fair. It's not  
6 being a public utility. Maybe I'm  
7 naive, but I think a public utility is  
8 to serve the public. I don't see it  
9 happening. Thank you.

10 MR. MCKENNEY: Thank you. Annie  
11 Meder?

12 - - - - -

13 ANNIE MEDER,

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

17 MS. MEDER: I am a FirstEnergy  
18 customer here in Cleveland, and like  
19 most people, I really don't want to pay  
20 more than I have to for anything, but  
21 especially my electric bills. I am  
22 usually willing to pay a premium for  
23 better product, but what FirstEnergy is  
24 asking me to do is pay a premium for an  
25 inferior product, one that dumps

1           thousands of pounds of mercury, arsenic,  
2           and lead into the air I breathe and the  
3           water I drink. They're asking me to pay  
4           to poison myself.

5           Why should I have to pay higher  
6           rates for their antiquated, outdated  
7           coal-fired power plants and just plain  
8           old bad business decisions. It might be  
9           one thing if the money was going to make  
10          a better, cleaner, more efficient  
11          technology available, but this is the  
12          opposite case.

13          Please deny FirstEnergy's request  
14          for a consumer bailout.

15          MR. McKENNEY: Jessica Kramer?

16                 - - - - -

17          JESSICA KRAMER,

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

21                 MS. KRAMER: My name is Jessica  
22                 Kramer. I live in Cleveland, Ohio, and  
23                 I am a FirstEnergy customer. When a  
24                 major polluting company, like  
25                 FirstEnergy, proposes to raise my rates

1 to pay to keep a handful of outdated  
2 facilities online, my concern is not my  
3 bill.

4 FirstEnergy raises our rates so  
5 often, I've already learned to ration my  
6 electric bill to fit my budget. But I  
7 don't own a business or have children,  
8 so I am a little more flexible than some  
9 of or perhaps most other consumers.  
10 However, I'm concerned -- actually  
11 outraged that such a proposal would even  
12 be considered by the Public Utilities  
13 Commission of Ohio, when we already know  
14 other alternative energy sources exists  
15 that are better for me, better for the  
16 economy, our health, environment and  
17 FirstEnergy worker safety.

18 Now, I'm not suggesting shutting  
19 down every single coal plant today,  
20 attempting to replace them all with the  
21 wind turbines tomorrow, as glorious a  
22 notion that is, because I am realistic  
23 and, obviously, well aware that a  
24 transition takes time. But why does  
25 FirstEnergy want to waste any more time

1 with this attempt to move backward and  
2 not keep up with other states'  
3 companies' progress. That doesn't even  
4 make good business sense.

5 And scaring their employees by  
6 threatening that they may lose their  
7 livelihood when FirstEnergy matures and  
8 expands its profile, like most other  
9 companies in the nation, is shameful.  
10 FirstEnergy can transfer jobs, and with  
11 the creation of new, cleaner, safer  
12 jobs, training for those jobs will  
13 logically follow.

14 Folks living in Appalachia have  
15 already appealed to the United Nations  
16 for help because nonprofitable coal  
17 mining is destroying their culture and  
18 killing them individually with illness,  
19 slowly and painfully. This is a blatant  
20 act of genocide. Coal kills. Ohio is  
21 already third worst in the nation for  
22 toxic air emissions.

23 To cling to a filthy and dying  
24 industry is pathetic, when Ohio's air is  
25 difficult enough to breathe, and Ohio's

1           water difficult enough to drink or,  
2           gosh, even bathe in already, with that  
3           facility 30 years past expiration, in  
4           some countries, continuing to  
5           contaminate our lives. We all know  
6           FirstEnergy has plenty of money to pay  
7           to repair their own mistakes anyway.  
8           Their CEO makes more money than most of  
9           us sitting here today will ever see.

10                 For these reasons, primarily on  
11           behalf of the civil rights of all people  
12           who are affected by this deleterious and  
13           violent effects of coal mining, the  
14           life-threatening effects of coal plant  
15           emissions and the sickening, poor and  
16           toxic waste disposals, and the lies and  
17           scare tactics of FirstEnergy's  
18           representatives to their employees and  
19           customers, I ask you, the Public  
20           Utilities Commission of Ohio, to please  
21           not approve this deplorable bailout  
22           request.

23                 Don't even get me started on the  
24           Davis-Besse Nuclear Power Plant. I  
25           worked on that campaign ten years ago

1           when they discovered a football-size  
2           hole in the reactor, rendering us 1/8th  
3           of an inch away from a major nuclear  
4           disaster. Shut that thing down. Thank  
5           you.

6           MR. McKENNEY: Katriel Isreal?

7           Mr. Israel, before you proceed, I  
8           need to ask, have you previously  
9           provided public testimony in this case?

10          MR. ISRAEL: Yes.

11          MR. McKENNEY: Is the public  
12          testimony you prepared different than  
13          what you previously presented?

14          MR. ISRAEL: Yes.

15          MR. McKENNEY: Thank you. Would  
16          you please raise your right-hand?

17                 - - - - -

18          KATRIEL ISRAEL,

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

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

24          MR. ISRAEL: To the Public  
25          Utilities Commission, hi. My name is



1           Katriel Israel. I'm a community  
2           organizer from the northeast Ohio area.  
3           I have organized local events in Akron,  
4           Ohio and participated in climate events  
5           all across the United States of  
6           America. I am inspired to make a better  
7           world for us to live in.

8                 Increasing customers' electric  
9           bills for unsecured investments is an  
10          issue that alternative energy sources  
11          can make up for to secure and stabilize  
12          the energy market. If the energy  
13          industry increases costs, this will  
14          increase residential and business costs,  
15          and employers may be required to cut  
16          jobs.

17                From generation to generation, the  
18          energy industry in Ohio has always  
19          invested in a booming market of endless  
20          opportunities. Local communities  
21          invested in our energy program to create  
22          new jobs, and hardworking families grew  
23          to create an efficient product of energy  
24          production.

25                Over the years, we have always

1 found a balance of managing the  
2 production of energy and maintaining the  
3 environment. With the EPA regulations  
4 and the flexibilities of cities creating  
5 Integrated Plans, the energy industry in  
6 Ohio was allowed to have options of  
7 including green infrastructure solutions  
8 that made our economy more sustainable  
9 and more affordable. For example, in  
10 the City of Akron, we have a city energy  
11 project that is regulated and integrated  
12 with a green infrastructure solution to  
13 stabilize our local economy without  
14 costing the hardworking taxpayers in our  
15 community. In the third ward that I  
16 live in, our councilwoman, Margo  
17 Summerville, has worked around the clock  
18 with our city planners, contractors, and  
19 our mayor to ensure that not only the  
20 project would be clean energy efficient,  
21 but the job opportunities for this  
22 project would be given to the people in  
23 our city. Akron is one of the cities in  
24 our state to engage with the USEPA,  
25 along with other energy companies, to

1 create a better environment at an  
2 affordable cost.

3 In conclusion, hardworking  
4 citizens, like Kea Mathis of Akron,  
5 shouldn't have to be overwhelmed by  
6 increasing energy bills. Ohioans are  
7 suffering to keep up with unreasonable  
8 energy costs, when there are alternative  
9 options to better our environment and to  
10 sustain our local economies. That being  
11 said, for anyone who doesn't think that  
12 we cannot make our economy better, I  
13 say, yes, we can to. For anyone who  
14 says that we cannot make our environment  
15 better, I say, yes we can to. And for  
16 anyone who says that we cannot make a  
17 difference in the lives of our families  
18 and communities, I finally say, yes we  
19 can to. Thank you and God bless.

20 MR. McKENNEY: Guy Taylor?

21 - - - - -

22 GUY TAYLOR,

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

1           MR. TAYLOR: My name is Guy Taylor.  
2           I come from a small town on the Ohio  
3           River called East Liverpool, Ohio. It's  
4           where of three states come together;  
5           Ohio, Pennsylvania, and West Virginia.  
6           I work three miles from there across the  
7           border in Pennsylvania at a plant called  
8           Bruce-Mansfield plant, owned by  
9           FirstEnergy.

10           I'm here today to oppose this rate  
11           hike -- or this bailout, as everyone  
12           keeps calling this. I suggest that  
13           maybe what we should be doing is getting  
14           the Attorney General here to investigate  
15           FirstEnergy.

16           I filed a lawsuit against them in  
17           the State of Pennsylvania for them  
18           violating the federal energy bill. And  
19           they supplemented the marketing project  
20           negotiations process by twisting that  
21           bill and illegally eliminating the  
22           contract. But the NORB sought to  
23           continue, so did the Human Rights  
24           Commission, so here we are.

25           Today I just wanted to -- I've

1           worked at FirstEnergy. It was Penn  
2           Power, located headquarters out of New  
3           Castle, Pennsylvania in 1979. I spent  
4           30 years as an IT tech and operator.  
5           Through that time, I've witnessed  
6           FirstEnergy's management -- upper  
7           management become a den of thieves,  
8           ending with our now CEO, Tony  
9           Alexander.

10                 I would like to read to you from  
11           his words from our company document that  
12           they sent out to us, dated February the  
13           26th, 2007.

14                 It says, "not only are we ready --  
15           the question is asked, "Are we ready to  
16           compete in a fully deregulated market?"

17                 Tony's answer at that time was,  
18           "Not only are we ready to compete. We  
19           are uniquely positioned to achieve  
20           unprecedented growth as we take our  
21           power to market. In fact, much of our  
22           recent financial progress is as a result  
23           of the record performance of our power  
24           plants," which is true. The power  
25           plants were great when they put money

1           into them and kept them up and running.

2           A few years later -- now, I'm not  
3           very smart, but I knew where we were  
4           going with our coal power plants. They  
5           were trading credits, pollution  
6           credits. They were being subsidized  
7           from one end to the other for their AQS  
8           systems, because I work there. I know  
9           they were. And they weren't putting the  
10          money back into the plants.

11          So now that we were having loaded  
12          coal-fired plants, three years later, in  
13          2010, they filed for a merger with  
14          Allegheny Power, who is 80 percent coal  
15          fired. And had not upgraded any of  
16          their coal power plants. I knew they  
17          were in trouble because the federal  
18          emission -- the EPA emissions are on the  
19          books. If I knew this, they had to know  
20          this. This is not an accident that  
21          we're here at this point. 2010, Tony  
22          goes on to say, "The application for the  
23          merger with Allegheny enables regulators  
24          and other unmentioned parties to  
25          understand our commitment to each state

1           and the benefits this merger will  
2           provide customers and consumers." His  
3           words.

4           Why I'm here is not for any of  
5           that. Why I'm here is because our  
6           union, Local 272, IBEW, started in  
7           1979. We had over 800 employees -- 800  
8           members. Now we have less than 350  
9           running -- doing the same jobs. Jobs  
10          weren't deleted. They were added. So  
11          you have less people doing more work,  
12          which is, you know, the FirstEnergy  
13          way.

14          This here is the names of my  
15          co-workers that have died from either  
16          heart attacks or cancers in the last 30  
17          years. 140 of them have either died  
18          from cancer or survived it. Now the  
19          company, in all their wisdom, has  
20          decided that after we've worked 35 and  
21          40 years for this company, that now  
22          they're going to take away our retiree  
23          healthcare at a time when we're trying  
24          to retire. Mind you that they haven't  
25          contributed an extra dime to most of our

1 pensions in over 25 years. The whole  
2 time all this is going on, the whole  
3 time, Tony Alexander, upper management  
4 in Akron, has purchased railroads, coal  
5 mines, gas companies and sold them,  
6 because they were cash poor. They sold  
7 a gas power plant, something that is the  
8 Marcellus Shale -- we're right in the  
9 middle of it and they sell it. They had  
10 to. They were broke. They're cash poor  
11 now, that's why they need the Ohioans to  
12 bail them out.

13 With all that said, in closing, the  
14 reason why I'm here is because this is  
15 the material safety data sheets for our  
16 plant. It's fairly mandated for every  
17 power plant, for every company that has  
18 chemicals on their plant. This is only  
19 -- this is just -- this isn't the real  
20 thing. I couldn't get -- this is the  
21 exact size -- actually, it's less. This  
22 is two-thirds of our material safety  
23 data sheets. These are the chemicals  
24 for 35 years, 40 years our members or  
25 our locals have been exposed to. These



1 chemicals are bad enough on their own,  
2 which you must understand that a lot of  
3 times they are mixed, and we are exposed  
4 to them. Not one person has filed --  
5 well, until recently -- a lawsuit  
6 against this company for our ailments.  
7 We are all sick and we are all dying,  
8 and we're not alone. We're not the only  
9 power plant. So do we ask for a million  
10 dollar bailout? No. We ask them to do  
11 what they promised, and that was to pay  
12 our retiree healthcare. And now I would  
13 like to see this PUCO stand up and do  
14 something about it. Thank you.

15 MR. McKENNEY: Sammi Tuckerman?

16 - - - - -

17 SAMMI TUCKERMAN,

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

21 MS. TACKERMAN: Thank you. First  
22 off, let me say, I really didn't want to  
23 follow that. Wow.

24 Hi, my name is Sammi Tuckerman. I  
25 live in Mentor, Ohio. I'm a FirstEnergy

1 customer, and I'm also a Natural  
2 Physical and Environmental Science  
3 Professor at Cleveland State University,  
4 Lakeland Community College, Ashford  
5 University, and Bryant and Stratton  
6 College online, for lack of an address.

7 So I oppose this bailout of  
8 FirstEnergy's oldest, dirtiest and most  
9 expensive power plant. I would urge you  
10 to do the same. As, probably, many of  
11 you know, coal-fired power plants, on  
12 average, are only about 33 percent  
13 efficient. Now, if I had a car that was  
14 only 33 percent efficient at, you know,  
15 burning gas that I put into it, I think  
16 all of us would be pretty upset about  
17 that. So it seems that this is a very  
18 wasteful practice to me. And  
19 considering that these are some of the  
20 older models, they probably don't even  
21 meet those standards.

22 As well, many of you also know that  
23 they contribute to about 30 percent of  
24 United States carbon dioxide emissions,  
25 one of the leading greenhouse gases

1 contributing to global climate change.  
2 Whether or not that's something that you  
3 really care about, in an effort to  
4 combat climate change, the U.S.  
5 government has, basically, all but  
6 implemented new carbon emission  
7 standards. And, basically, those are  
8 going to mean a 30 percent reduction in  
9 carbon emissions over the next 15 years  
10 for the power sector.

11 My question to FirstEnergy is, how  
12 do they plan to achieve the 30 percent  
13 reduction while keeping these plants  
14 open and subsidizing them and not  
15 progressing forward with technology that  
16 is going to cut these emissions.

17 I'll leave you with this: If you  
18 think for a moment of some of the most  
19 popular companies that we have today,  
20 what comes to mind? Things like Google,  
21 Apple, Costco, and all of these places  
22 have earned their status through their  
23 progressive and innovative strategies  
24 that they take in business, and they've  
25 had a great deal of success. So perhaps

1           if FirstEnergy employed some of those  
2           tactics as well, we wouldn't have to be  
3           here today having this conversation.

4           Thank you.

5                   MR. MCKENNEY: Rachael Belz?

6                           - - - - -

7                   RACHAEL BELZ,

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

11                   MS. BELZ: My name is Rachael  
12           Belz. I'm testifying in a work  
13           capacity, so my workplace address is 614  
14           West Superior Avenue, Suite 1200,  
15           Cleveland, Ohio. I'm the Executive  
16           Director of Ohio Citizen Action, Ohio's  
17           largest consumer and environmental  
18           organization, with over 30,000 members  
19           and supporters located just in the  
20           FirstEnergy service territory. Ohio  
21           Citizen Action is opposed to  
22           FirstEnergy's request for a power  
23           purchase agreement. Our organization  
24           has a long history with FirstEnergy and  
25           their predecessors. When utilities were

1 pushing hard 15 years ago for  
2 deregulation, only Ohio Citizen Action  
3 researched, organized, and successfully  
4 lobbied to include the shopping choice  
5 for customers through municipal  
6 aggregation. Municipal aggregation has  
7 been the best outcome to result from  
8 Ohio's deregulation.

9 When FirstEnergy wanted a bailout  
10 for their Davis-Besse Nuclear Plant, we  
11 fought them and helped save millions of  
12 dollars for Ohio consumers, until they  
13 got it anyway. We do know this company  
14 very well.

15 Ohio ratepayers spent billions of  
16 dollars to lobby utility companies,  
17 including FirstEnergy, to deregulate in  
18 the first place. Now they want us to  
19 spend billions of dollars again to allow  
20 them to re-regulate, but only to the  
21 extent they desire. What seems to be  
22 the motive? FirstEnergy's financial  
23 instability.

24 The coal plants and nuclear plants  
25 they want to be subsidized are and have

1           been struggling financially.  
2           FirstEnergy spun off their coal  
3           generation assets, and more and more of  
4           Ohio's customers chose to shop around,  
5           ironically, mostly from FirstEnergy  
6           Solutions, since they continue to be the  
7           most aggressive company bidding on these  
8           contracts across the state. When things  
9           are good for FirstEnergy's bottom line,  
10          there is no complaint. As soon as they  
11          saw their profit sliding south,  
12          especially as natural gas prices  
13          plummeted by comparison, they pumped up  
14          their years'-long effort to put a stop  
15          to Ohio's successful renewable and  
16          efficiency standard and then almost  
17          immediately stuck their hand out for  
18          these bailouts.

19                As you know, the Ohio Consumers'  
20          Counsel estimates just FirstEnergy's  
21          part of the bailout plan will cost us  
22          more than \$3 billion dollars over the  
23          next 15 years.

24                There is an easy way out of this:  
25          Just say no. Make them go back to the

1 drawing board. Don't go down the  
2 slippery slope. Remember the old  
3 saying, "If you give an inch, they'll  
4 take a mile"? That phrase could have  
5 been coined by FirstEnergy. Their PPA  
6 request is predicated on precisely two  
7 outcomes: One, a sweeping approval by  
8 the PUCO to guarantee profits for their  
9 aging and inefficient plants and, two,  
10 natural gas prices rising, making coal  
11 prices considerably more competitive.  
12 These are both long shots and Hail  
13 Mary's. Don't assist FirstEnergy with  
14 their bad business decisions. Say no  
15 now. Make them go back to the drawing  
16 board and come up with a plan that  
17 doesn't, once again, gouge their  
18 customers on behalf of their  
19 shareholders. Thank you.

20 MR. McKENNEY: Nick Sonny Nardi?

21 - - - - -

22 NICK SONNY NARDI,

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

1           MR. NARDI: Chairman and members of  
2           the Commission, I'm Nick Sonny Nardi, a  
3           resident of Broadview Heights in  
4           Cuyahoga County; president and  
5           principle officer of Teamsters Local 416  
6           at 707 Brookpark Road, Cleveland, Ohio;  
7           a teamster since 1981; trustee on the  
8           Board of the Greater Cleveland Transit  
9           Authority. I was also on Governor  
10          Taft's Labor Advisory Board 2003 to  
11          2006. I have had many numerous  
12          positions over the many years as a  
13          teamster.

14          Teamsters Local 416 represents  
15          industrial maintenance and vending  
16          service machine employees, around 1,000  
17          union members in all.

18          Speaking on behalf of Teamsters  
19          Local 416, I am asking for the support  
20          of FirstEnergy's proposed Electric  
21          Security Plan, Powering Ohio's Progress.

22          Ohio's plants -- power plants not  
23          only create thousands of good union  
24          jobs, each plant has a secondary  
25          effect: Payroll taxes. And in each



1 city and county, families being able to  
2 live a decent life, buying food at  
3 supermarkets, buying clothes at clothing  
4 stores. The list is endless when you're  
5 talking about having a job.

6 The further decline in Ohio's  
7 electric power industry does not only  
8 cost thousands of union jobs, it may  
9 also cause the State of Ohio,  
10 businesses, cities and counties around  
11 the plant to run into an economic  
12 downfall.

13 Powering Ohio's Progress should  
14 provide up to 21.5 million in funding  
15 for economic development, job retention,  
16 and energy efficiency assistance. That  
17 would benefit businesses by helping  
18 create more good, sustaining Ohio jobs,  
19 attract new business growth, which not  
20 only would benefit the Teamsters Local  
21 416, but all people of the State of  
22 Ohio.

23 Teamsters Local 416 is in favor of  
24 the plan. We think it will keep  
25 electricity affordable and also keep

1 Ohio's power plants operational.

2 The plants in Ohio provide \$52  
3 million in taxes annually and help  
4 support local services. A further  
5 decline in Ohio's electric power  
6 industry could cost thousands of union  
7 jobs and discourage industrial  
8 development and opportunities across the  
9 State of Ohio.

10 Teamsters Local 416 is in favor of  
11 the proposed Electric Security Plan. We  
12 believe securing the Davis-Besse and the  
13 Sammis Plant would be only a benefit,  
14 not for the state and local governments  
15 only, but for all people of Ohio. Thank  
16 you.

17 MR. McKENNEY: Tony George?

18 - - - - -

19 TONY GEORGE,

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

23 MR. GEORGE: Good evening,  
24 Commissioner Haque, members of the  
25 Commission. Thanks for the opportunity

1 to testify.

2 My name is Tony George. I'm the  
3 Chief Executive Officer of the George  
4 Group, a real estate investment company  
5 in Lakewood, Ohio.

6 My family members, partners, and I  
7 own companies that employ about 1,600  
8 Ohioans. I'm very proud to be an active  
9 member of the Cleveland's Business  
10 Community. We own Westside Jaguar, Land  
11 Rover, Range Rover; Montrose Volvo,  
12 Mazda, Kia; the Harry Buffalo Restaurant  
13 Chain; the Barley House; Town Hall  
14 Restaurant; Willoughby Brewing Company;  
15 Corporate Management Group; Apex  
16 Transportation Systems; George Family  
17 Enterprises; a commercial real estate  
18 company and various other companies  
19 headquartered in Ohio.

20 I'm here to ask for your support of  
21 FirstEnergy's rate plan, which will  
22 ensure we have affordable, reliable  
23 electricity to support our businesses  
24 and Ohio's economic economy in the years  
25 ahead.

1           In the past few years, many Ohio  
2           power plants closed during a difficult  
3           economy. With more plants set to close,  
4           this could drive up electricity prices  
5           and affect service reliability. This is  
6           the bottom line issue for our  
7           businesses.

8           We spend approximately \$100,000 a  
9           month on electricity. FirstEnergy has  
10          always done a great job keeping these  
11          electric prices affordable. And this  
12          plan will continue to keep affordable  
13          power flowing to Ohio customers around  
14          the clock.

15          Make no mistake, FirstEnergy's W.H.  
16          Sammis and Davis-Besse Plants are not  
17          dirty, old power plants. They are  
18          state-of-the-art facilities, and much  
19          like -- much like a valued older home,  
20          receives upgrades over the years. They  
21          have been under continuous improvement  
22          from their first days in service. For  
23          example, FirstEnergy enhanced the  
24          environmental performance of its Sammis  
25          Plant with the completion of one of the

1 largest emission control projects in the  
2 nation. And last year, the company  
3 installed new equipment at the Davis-  
4 Besse Nuclear Power Plant to help it  
5 deliver clean, carbon-free power for  
6 years to come.

7 FirstEnergy's plan will help  
8 protect businesses from rising energy  
9 prices, which will not only affect  
10 business interests, but the entire  
11 state's economic outlook. That's  
12 because the first thing that any company  
13 does when looking to expand or relocate,  
14 is to weigh the fixed cost of doing  
15 business, including the cost of power in  
16 one state versus another. And  
17 naturally, they are much more likely to  
18 choose a state where they're assured a  
19 safe, mostly reliable, affordable power  
20 supply.

21 FirstEnergy's plan makes sense and  
22 deserves your support. It's no  
23 coincidence that AEP and Duke, the  
24 state's two other largest utilities,  
25 have also proposed similar plans to the

1 Commission to keep efficient power  
2 plants running in Ohio.

3 Some have argued that we need to  
4 replace coal and nuclear power plants  
5 with wind and solar. I agree that  
6 incorporating more renewables into the  
7 grid makes sense. But we should not  
8 take reliable power plants offline  
9 quicker than we can replace it with  
10 renewables.

11 As a business owner, I know that  
12 one successful business tends to support  
13 many others, which is especially  
14 relevant when you consider the economic  
15 impact FirstEnergy's power plants have  
16 on Ohio's communities. The three plants  
17 included in FirstEnergy's proposal have  
18 a significant economic impact in the  
19 region and provide thousands of jobs.

20 In business, the best deals are  
21 win/win, and that's what this plan is  
22 for Ohio. Not only will it support  
23 existing businesses by keeping  
24 electricity affordable and reliable. It  
25 will support future economic development

1           efforts and more quality jobs while  
2           helping secure our state's energy  
3           future. For these and other reasons, I  
4           urge you to support FirstEnergy's  
5           proposed plan. Thank you.

6           MR. MCKENNEY: Tom Coyne?

7                         - - - - -

8           THOMAS COYNE,

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

12                 MR. COYNE: Mr. Chairman, I'm  
13          Mayor Tom Coyne, City of Brook Park.  
14          Let me preface my remarks, if I can --  
15          my testimony. As a young man growing up  
16          on the west side of the City of  
17          Cleveland, I can remember distinctly two  
18          signs coming on the shoreway. And maybe  
19          some of the people in the room will  
20          remember. One of them was Producers  
21          Milk pouring milk into a glass, and the  
22          other was Reddy Kilowatt. That was the  
23          figurine, I guess you'd say, for the  
24          Illuminating Company. And that's why  
25          I'm here today, because Reddy Kilowatt

1           meant what he said. He was ready. He  
2           was there. And he was reliable.

3           This is an unusual position for me  
4           testifying for you today. As I go  
5           through my testimony, I'll explain why.  
6           Because I have stood with most of the  
7           people in this room on most of these  
8           issues that are dear to their hearts,  
9           and I still support them in them.  
10          However, today, when you talk about the  
11          reliability and dependability of  
12          electric service, and those alternatives  
13          that are not quite ready yet to deliver  
14          to this region in this country, that's  
15          why I'm here today taking a stance that  
16          might be in opposition to some of the  
17          people who I have supported over the  
18          years.

19          Chairman and members of the  
20          Commission, I am Tom Coyne, Mayor of the  
21          City of Brook Park. I have served as  
22          Mayor for over 20 years. I have long  
23          been an advocate for reliable and  
24          affordable electric resources. It is  
25          paramount to our region's economic and



1           social development and is vital to our  
2           national security.

3           One of the hallmarks of my public  
4           career was the formation of NOPEC. I  
5           was a founding member of NOPEC, at that  
6           time the largest aggregation group in  
7           Ohio. Through that experience, I  
8           developed a keen understanding of  
9           consumer demand and provider's  
10          challenges in meeting those demands.  
11          This is why I appear today in support of  
12          FirstEnergy's proposed Electric Security  
13          Plan, Powering Ohio's Progress.

14          I believe all parties can agree  
15          that reliable and affordable electric  
16          service is critical to Ohio's economic  
17          security and quality of life. I don't  
18          think anyone could contest that our  
19          summer and winter weather events have  
20          exposed potential vulnerabilities on our  
21          electric grid system serving Ohio. It  
22          should be apparent that those problems  
23          will likely increase in severity and  
24          magnitude as a number of baseload power  
25          plants across the region are prematurely

1           retired.

2           In my view, this would place our  
3           energy future at great risk, as a  
4           result, burdening the consumer with  
5           ever-increasing costs. Most of us may  
6           agree on the problems and recognize  
7           their potential impact. But what is at  
8           issue today is what should be done to  
9           remedy the problems and who should pay  
10          for it. That gets to the heart of my  
11          reason for appearing before you today  
12          and offering my testimony for  
13          consideration during your  
14          deliberations.

15          To address these retail price  
16          volatility and reliability challenges,  
17          FirstEnergy's Ohio utilities are seeking  
18          the state's approval of our Powering  
19          Ohio's Progress Plan. This plan  
20          outlines how the company's Ohio  
21          utilities will provide electric service  
22          to consumers for a three-year period  
23          beginning June 1st of 2016. Powering  
24          Ohio's Progress also includes a 15-year  
25          economic stability program that supports

1 of state's economic future by helping  
2 ensure that critical baseload power  
3 plants are made available to serve  
4 electric customers.

5 Powering Ohio's Progress delivers  
6 significant benefits and savings  
7 opportunities to our state in the years  
8 ahead, including:

9 - Supporting service reliability by  
10 helping to keep vital baseload power  
11 plants available in and near Ohio to  
12 serve Ohio consumers.

13 - Two, helping safeguard consumers  
14 from volatility and retail price  
15 increases if energy and capacity prices  
16 rise in future years.

17 - While the typical residential  
18 customer using 750 kilowatt hours of  
19 electricity per month could expect to  
20 see a modest increase in the initial  
21 years, the economic stability program is  
22 projected to save customers  
23 approximately \$2 billion over 15 years.

24 - Promoting economic development,  
25 retaining local jobs, protecting local

1 tax revenues, and powering manufacturing  
2 and other industries in Ohio. It  
3 preserves more than \$52 million in tax  
4 revenues for Ohio communities. It  
5 retains approximately 3,000 family-  
6 sustaining Ohio jobs.

7 Powering Ohio's Progress reflects  
8 the diverse interests of the customers  
9 and communities that keep Ohio strong  
10 and helps provide a valuable safety net  
11 against market volatility, while  
12 enhancing service reliability,  
13 protecting jobs, and promoting jobs, and  
14 promoting the state's economic growth  
15 and development.

16 In conclusion, my public record  
17 shall reflect my disagreement with  
18 FirstEnergy companies on many issues. I  
19 have been in opposition to some matters  
20 before the PUCO. In this case, however,  
21 I support FirstEnergy's Security Plan IV  
22 and the provisions of Powering Ohio's  
23 Progress. Thank you.

24 MR. SCHULER: I just have a  
25 clarifying question.

1           MR. MCKENNEY: Mr. Coyne, we have a  
2           clarifying question from OCC.

3           Mr. Schuler.

4           MR. SCHULER: Mr. Coyne, thank you  
5           for your time this evening. I just  
6           wanted to ask one clarifying question.  
7           I believe I know the answer. But you're  
8           here testifying in your official  
9           capacity as Mayor, not as an individual  
10          citizen, correct?

11          MR. COYNE: I'm testify as mayor  
12          and as an individual citizen.

13          MR. SCHULER: So both capacities?

14          MR. COYNE: Yes.

15          MR. SCHULER: Thank you.

16          MR. COYNE: Thank you.

17          MR. MCKENNEY: Thank you,  
18          Mr. Schuler.

19          Thank you, Mr. Coyne.

20          Joe Jame?

21          - - - - -

22          JOE JAME,

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

1           MR. JAME: Commissioner Hague and  
2           members of the Commission, my name is  
3           Joe Jame. I'm here on behalf of Anthony  
4           D. Liberatore, Jr. who is the Business  
5           Manager of Laborers' Local 860, and the  
6           vice president of Laborers' District  
7           Counsel of Ohio. I appreciate the  
8           opportunity to testify in support of  
9           FirstEnergy's rate plan.

10          Laborers' Local 860 includes over  
11          2,500 members working in heavy highway,  
12          utility and various public sector units  
13          in Cuyahoga, Lake and Geauga Counties.

14          Ohio's power plants employ  
15          thousands of union workers in this  
16          state. They provide middle-class wages  
17          so union members can provide for their  
18          families.

19          A decline in Ohio's electric power  
20          industry would be devastating, not only  
21          to these families, but to the economy.  
22          FirstEnergy's plan will provide millions  
23          of dollars in funding for economic  
24          development, job retention and energy  
25          efficient assistance that will benefit

1 businesses. In addition, it will create  
2 more good jobs and attract new  
3 businesses.

4 Laborers' Local 860 is in favor of  
5 FirstEnergy's plan. We believe it will  
6 keep Ohio's power plants running. These  
7 plants provide millions of dollars in  
8 taxes annually. Their loss would be  
9 devastating to Ohio, it's people, and  
10 the economy.

11 Please approve this plan to help  
12 secure the future of Davis-Besse, Sammis  
13 Plant, and the thousands of well-paying  
14 jobs that they provide. Thank you.

15 MR. McKENNEY: Thank you. Rick  
16 Deliaro?

17 - - - - -

18 RICK DOLCIATO,

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

22 MR. DOLCIATO: Good evening,  
23 Commissioner Haque and members of the  
24 Commission. My name is Rick Dolciato.  
25 I'm the president of the Utilities

1 Construction Company based in South  
2 Euclid, Ohio.

3 Our company was started 61 years  
4 ago and we employ approximately 25  
5 hardworking individuals in well-paying  
6 construction jobs. We also hire  
7 numerous subcontractors to perform our  
8 work, which includes installing  
9 underground electric service, fiber  
10 optics, phone and TV lines in all of  
11 Ohio. Our success is built on our  
12 reputation for quality work and a  
13 promise kept. Our livelihood depends on  
14 the state's economic well-being and our  
15 ability to anticipate and meet the  
16 future needs of our customers.

17 FirstEnergy is one of our valued  
18 partners and provides an important  
19 source of revenue for our business. In  
20 the past year, we've installed a multi-  
21 conduit and manhole system encompassing  
22 the entire Cleveland Clinic Campus for  
23 FirstEnergy. We have also performed  
24 upgrades at several of the company's  
25 substations. FirstEnergy's continued



1 success plays an important part in our  
2 success. That's just one of the reason  
3 we are concerned that several Ohio power  
4 plants have closed recently and more  
5 plant retirements are possible.

6 These plant closures are also  
7 leaving a void in the amount of power  
8 available, which causes uncertainty with  
9 electricity, reliability, and prices.  
10 Reliable and affordable electricity is  
11 often overlooked as an important  
12 attribute to the health, vitality and  
13 success of a company, but it is  
14 crucial. After all, no one wants to  
15 locate their business or build a home in  
16 an area where the certainty of available  
17 electricity is in question.

18 Safely producing electricity at  
19 plants built to serve Ohio customers  
20 24/7 is in the best interest of all Ohio  
21 consumers. Not only will it help  
22 preserve local jobs, income and tax  
23 revenue and help stimulate economic  
24 growth, it will keep electricity  
25 affordable.

1           In addition to helping ensure  
2           reliable electric services at prices we  
3           can afford, FirstEnergy's plan saves  
4           Ohio customers billions of dollars and  
5           provides several million dollars in  
6           funding for economical development, job  
7           retention and energy efficiency. This  
8           will benefit businesses like Utility  
9           Construction, while help creating more  
10          high-quality jobs and attracting new  
11          business growth.

12          I support FirstEnergy's proposed  
13          plan. I truly believe it is in the best  
14          interest of all Ohioans. I encourage  
15          the Commission to approve this plan for  
16          the sake of our state's energy future.  
17          Thank you for this opportunity to  
18          testify.

19          MR. McKENNEY: Thank you.

20          Beth Nagusky?

21                   - - - - -

22                  BETH NAGUSKY,

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

1 MS. NAGUSKY: Thank you,  
2 Commissioner Hague and members of the  
3 Public Utilities Commission of Ohio.  
4 I'm Beth Nagusky.

5 I wanted to give some observations  
6 on how inconsistent the request before  
7 you in this rate case is with a state  
8 that has undergone electric utility  
9 restructure.

10 From my experience, the states  
11 where electric utilities have  
12 restructured and energy and capacity  
13 prices are set in a competitive market,  
14 long-term power purchase agreements  
15 should be the rare exception and not the  
16 rule. Long-term PPAs are antithetical  
17 to competition. They expose ratepayers  
18 to paying above-market prices and to  
19 also pay for stranded generation  
20 assets.

21 That being said, I am familiar with  
22 some states that have restructured, that  
23 allow long-term PPAs for energy and  
24 capacity purchases. But these are a  
25 result of long discussions at

1 legislature, as are setting public  
2 policy regions for allowing long-term  
3 PPAs. They're not made on an annual  
4 basis in a rate case.

5 I know that the issue of  
6 reliability and energy security has been  
7 raised here, and I think that's really a  
8 red herring. If you are in a market  
9 that has reliability of a must-run  
10 contract, then the reliability issue can  
11 be addressed effectively in the  
12 competitive market.

13 Generally, where long-term PPAs  
14 have been allowed in other states,  
15 they've been confined to new resources  
16 that help the state meet its energy and  
17 environmental policy goals, this is  
18 especially true with energy efficiency  
19 and renewable power. And it's done with  
20 generation that, but for the PPA, is  
21 unlikely to be able to get financing in  
22 the market. It's done, particularly,  
23 for assets with high capital and upfront  
24 costs, and not with older assets that  
25 may be largely or fully depreciated and

1           which the ratepayers have already paid  
2           for, and the competitive market was  
3           designed to let them either sink or  
4           swim.

5           So while long-term PPAs may make  
6           sense in some situations, I don't  
7           believe that that is the case here.  
8           These are old units. The ratepayers,  
9           presumably, have already paid for them,  
10          and they are polluting and do not  
11          advance our environmental goals.

12          Finally, I think that the  
13          legislature should be the ultimate  
14          decider, given the inconsistency of this  
15          proposal, with restructuring in the  
16          competitive market. Thank you,

17          MS. DUNN: Your Honor, can I ask  
18          one question?

19          MR. MCKENNEY: Ms. Nagusky, I'm  
20          sorry. One of the attorneys has a  
21          clarifying question. I have to permit  
22          them to ask you.

23          Ms. Dunn.

24          MS. DUNN: On whose behalf,  
25          tonight, are you testifying?

1           MS. NAGUSKY: I'm testifying as a  
2 private citizen.

3           MS. DUNN: Thank you.

4           MR. MCKENNEY: Larry Wagner --  
5 Lorry Wagner -- Larry Wagner. Sorry.

6           MR. WAGNER: Happens every day.

7           - - - - -

8           LORRY WAGNER,

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

12           MR. WAGNER: My name is Lorry  
13 Wagner. I'm a life-long resident of  
14 northeast Ohio. I am a small business  
15 owner, former member of the -- former  
16 public member of the Ohio Power Siting  
17 Board, and I'm president of Lake Erie  
18 Energy Development Corporation, the  
19 group bringing the first offshore wind  
20 project and building an industry in the  
21 Great Lakes. We are a public private  
22 organization, a nonprofit. And I have  
23 -- I'm also a customer of FirstEnergy,  
24 both residential, commercial and  
25 industrial through my relations. I get

1           three bills every month from a different  
2           rate structure, so I have a deep  
3           interest in what's going on here.

4           We do recognize that the PUCO has a  
5           responsibility to maintain the integrity  
6           of our system. And traditionally, that  
7           had been done through rate basing  
8           throughout the 20th Century, and gave us  
9           a very robust system.

10          However, the tool of rate basing,  
11          or shall we say a regulated market, was  
12          eliminated 15 years ago when Ohio went  
13          to a semi or deregulated market,  
14          depending on your semantic.

15          So the question is, what are we  
16          going to do. If we are going to go back  
17          to using a rate-based tool, which is  
18          what FirstEnergy is suggesting, if we  
19          are going to guarantee rates, then the  
20          PUCO must use it to invest in our future  
21          and not just prolong the past.

22          The public wants and is willing to  
23          pay for electricity that is affordable,  
24          clean, and creates jobs.

25          Our organization went to 15,000

1 homes across northeast Ohio in numerous  
2 counties and asked the public, "Do you  
3 support what we are doing?"

4 Ninety-two percent said they would  
5 support what we are doing to bring clean  
6 energy to Ohio.

7 And we asked that group, "Would you  
8 be willing to pay more for clean energy  
9 that creates jobs?"

10 Over 62 percent said "yes." So  
11 that is firsthand data that says the  
12 public is willing to do something for  
13 their future.

14 If you are going to force the  
15 public, the PUCO, to subsidize  
16 FirstEnergy for these old plants, then  
17 it is your duty to give the public that  
18 you serve what they want. The public  
19 wants new sources of affordable power  
20 that is good for our environment, good  
21 for our health and good for our  
22 economy.

23 In closing, I would like to say  
24 that dozens -- yes, dozens of other  
25 states, through either regulated or



1           unregulated systems, have achieved the  
2           ability to provide affordable, clean  
3           power that is reliable, and is more than  
4           willing to share this data with Ohio.  
5           Ohio should join the leaders rather than  
6           lead the whatevers. Thank you.

7           MR. MCKENNEY: Thank you.

8           At this time we have received  
9           testimony from 20 people. I have a list  
10          of over 80 people that have signed up to  
11          testify this evening, so I would like to  
12          note just to each of you that there are  
13          petitions outside the front doors.

14          If any of you feel like your  
15          thoughts and concerns have been  
16          adequately addressed, you're more than  
17          welcome to sign the petition. There is  
18          a petition in favor of the application,  
19          and there is a petition opposed to the  
20          application. You may do so, and those  
21          will be recorded into the record.  
22          However, if you desire to provide  
23          further testimony this evening, we will  
24          be here as late as we need to be.

25          The next name that I have on the

1 list is Hilary Vogelbaum.

2 - - - - -

3 HILARY VOGELBAUM,

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

7 MS. VOGELBUAM: Thank you very  
8 much. Good evening, Commissioner and  
9 all. My name is Hilary Vogelbaum, and I  
10 live at 40 North Strawberry Lane,  
11 Moreland Hills, Ohio, 44026. I am 16  
12 years old, and I am a senior at Hawken  
13 Upper School. And I am very grateful to  
14 have the opportunity to have my voice  
15 and opinion heard tonight.

16 I am extremely disappointed and  
17 saddened that anyone at FirstEnergy  
18 would, with a straight face, ask to keep  
19 the Sammis Coal Plant and the Davis-  
20 Besse Nuclear Power Plant uploading at  
21 full capacity for the next 15 years.

22 I feel very deeply about the  
23 environment. And facilities like the  
24 Sammis Coal-burning Power Plant are  
25 exactly the types of facilities we

1           should be seeking to phase out, not to  
2           subsidize, keeping them going at a full  
3           capacity for another 15 years by giving  
4           them special financial deals.

5           It is my greatest hope that the  
6           members of the Public Utilities  
7           Commission will remember that it is not  
8           okay to keep pushing the cost of energy  
9           today onto future generations by  
10          imposing on us terrible environmental  
11          costs.

12          I have had a unique personal  
13          experience that I would like to share  
14          with you. I have had the privilege of  
15          doing research on development of organic  
16          solar cells at Case Western Reserve  
17          University in the lab of Dr. Genevieve  
18          Salve. I cannot begin to tell you of  
19          the passion that the researchers in  
20          Dr. Salve's lab and similar labs have  
21          for moving our world to a new future of  
22          clean energy. But these labs are  
23          struggling for survival because of lack  
24          of funding. Often, our experiments  
25          would be put on hold because of lack of

1 supplies or broken equipment.

2 In a lab where the future of clean  
3 energy can be born, funds to simply  
4 complete these projects are very, very  
5 hard to come by. Unlike the executives  
6 of FirstEnergy, these researchers are  
7 barely making a living. It takes a long  
8 time to get meaningful research done  
9 when there is a lack of supplies,  
10 equipment, and personnel. If we had the  
11 same funds for renewable energy research  
12 that FirstEnergy is asking for as a  
13 subsidy for its outdated coal and  
14 nuclear plants, we would have  
15 innumerable new jobs, because we would  
16 create a thriving new renewable energy  
17 industry right here in Ohio.

18 Let me give you some idea of what  
19 I'm talking about. The average National  
20 Science Foundation grant is about  
21 \$150,000 a year to do new research.  
22 That will fund two grad students plus  
23 supplies for a year.

24 I am begging you not to approve  
25 FirstEnergy's request, which will only

1           prolong the life of a dirty, old coal  
2           plant and an outdated nuclear facility,  
3           which aren't even naturally profitable.  
4           Imagine what we could do if we took the  
5           \$3 billion that FirstEnergy wants  
6           consumers to pay over 15 years and put  
7           that money into renewable energy  
8           research. Instead, FirstEnergy is  
9           asking that you approve giving them  
10          unfathomable amounts of money to prop up  
11          old technology, when we could look to  
12          the future, my future, and the future of  
13          my generation, and create new, clean  
14          technology right here in Ohio, which  
15          would not have the same negative  
16          environmental impact as the Sammis Coal-  
17          burning Power Plant and the dangerous  
18          risk of the Davis-Besse Nuclear Plant.

19               Now, FirstEnergy may sing some sad  
20               song about needing to preserve jobs at  
21               the existing plants. Perhaps because I  
22               am only 16, I see the future more than  
23               the past. But I'm asking you to think  
24               about it. Think about the enormous  
25               number of jobs that would be created if,

1           instead of propping up old technology,  
2           we invested in the future of energy by  
3           creating labs, like the one I worked in,  
4           in which we could create cheap,  
5           efficient solar power and other forms of  
6           renewable energy.

7           Every time a new industry is  
8           created, we need new factories,  
9           engineers, management positions, line  
10          workers, marketing efforts, all kinds of  
11          things that create new jobs of every  
12          kind. Those are the new jobs we should  
13          be creating. I want to be sure that  
14          there are jobs for my generation in the  
15          industry. Not dirty coal jobs, or  
16          dangerous nuclear plant jobs, but clean  
17          tech engineering and production and  
18          sales jobs. To create these kinds of  
19          jobs, we need to let our old  
20          technologies die instead of propping  
21          them up.

22          I am asking you to turn down  
23          FirstEnergy's request to prop up its old  
24          energy plants and its use of old, dirty  
25          and dangerous technology, which have

1           huge environmental impacts and risks.  
2           And instead, only improve the measures  
3           that will help invest in a future of  
4           clean, renewable energy. Thank you.

5           MR. MCKENNEY: Judy Rosman?

6                         - - - - -

7           JUDY ROSMAN,

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

11                       MS. ROSMAN: My name is Judy  
12           Rosman, and I live at 40 North  
13           Strawberry Lane, Moreland Hills, Ohio.  
14           I'm here to ask you to reject  
15           FirstEnergy's request for an Electric  
16           Security Plan to support the Sammis Coal  
17           Plant and the Davis-Besse Nuclear Plant.

18                       I am an entrepreneur. I've built  
19           my own business over the past ten years  
20           while raising two children. I currently  
21           employ 13 people, and I am proud to run  
22           a profitable company, which I built  
23           myself. I'm also a happy owner of a  
24           solar array, which produces  
25           approximately 80 percent of the energy

1           for my home.

2           First and foremost, and most  
3           importantly, as a mother who cares about  
4           the environment and keeping the planet  
5           healthy for my children and your  
6           children, if you have any, I am  
7           disgusted that FirstEnergy would ask  
8           consumers to subsidize the revenues of  
9           its coal-burning power plant.

10          Coal-burning plants and the process  
11          of coal mining produce incredible damage  
12          to our environment. And far from  
13          wanting to subsidize the cost of  
14          operating these plants, I would much  
15          prefer to see this plant closed. In  
16          addition, I have no desire to keep a  
17          nuclear plant running. Nuclear plants  
18          impose on all of us the risk of a  
19          radioactive nuclear accident, which  
20          neither you nor anyone else in this room  
21          could assure me or guarantee will not  
22          happen. And it produces dangerous  
23          nuclear waste, which nobody can really  
24          dispose of cleanly.

25          Second, as a business owner, I am



1           disgusted that FirstEnergy would ask us  
2           to subsidize these plans. I am, as a  
3           business owner, a believer in the free  
4           market. But a free market only works if  
5           companies are forced to internalize  
6           their external costs and if our  
7           government subsidizes the production of  
8           public goods which benefit everyone and  
9           which nobody pays for, such as a clean  
10          environment. In order to run the Sammis  
11          Coal Plant and the Davis-Besse Nuclear  
12          Plant, FirstEnergy should be required to  
13          pay all of the costs that they impose on  
14          society, the cost of cleaning up the  
15          environmental damage they did, and they  
16          should be required to pay for the public  
17          healthcare costs that they impose.

18                 FirstEnergy is a publicly-owned  
19          for-profit corporation which generates  
20          and sells electricity as a regulated  
21          utility. It is owned not by the public  
22          at large, but by shareholders. It  
23          obtains capital by issuing shares, and  
24          when needed, it obtains operating funds  
25          by borrowing. The Ohio Public Utilities

1 Commission regulates rates to provide a  
2 fair rate of return while charging  
3 reasonable rates to consumers.

4 FirstEnergy's share price in 2014 rose  
5 from about \$32 a share in January 2014,  
6 to almost \$40 a share at year end. It  
7 paid a dividend of \$2.20 per share six  
8 consecutive years, 2008 through 2014,  
9 and a dividend of \$1.44 per share in  
10 2014. It is a highly profitable  
11 enterprise.

12 Some of FirstEnergy's generation  
13 facilities are antiquated and rely on  
14 old technology. They are inefficient  
15 and they are polluting. The cost to  
16 cure these facilities and make them  
17 efficient, clean, and profitable, must  
18 be exclusively born by FirstEnergy as  
19 their expense, not a public bailout or a  
20 subsidy by their consumers. If  
21 FirstEnergy needs more funds to  
22 modernize, it can and should issue more  
23 shares or borrow at today's historically  
24 low rates. It does not need my money or  
25 yours or the money of anybody in this

1 room to artificially pump up their  
2 profitability and ultimately be  
3 distributed in the form of dividends to  
4 its own shareholders. What they wind up  
5 doing is tacking surcharges on to  
6 everybody's bill, and those costs wind  
7 up getting distributed in the forms of  
8 dividends to their shareholders. So  
9 their privatizing the gain that they are  
10 spreading out among all of their  
11 consumers. FirstEnergy is using its  
12 political power to ask for a special  
13 financial deal for its for-profit  
14 business, which will provide benefits to  
15 its shareholders rather than to the  
16 public.

17 I would also like to point out that  
18 FirstEnergy can take an income tax  
19 deduction for depreciation of their  
20 plants to the tune of millions and  
21 millions and millions of dollars. The  
22 depreciation deductions should logically  
23 have been used for replacement and  
24 modernization costs for these  
25 facilities. If FirstEnergy cannot

1           produce clean and efficient energy from  
2           modernizing its plants through the  
3           savings it has enjoyed through very  
4           substantial income tax deductions for  
5           depreciation, then it must simply face  
6           the fact that its facilities are  
7           outdated and outmoded and will become  
8           obsolete as more efficient and less  
9           expensive ways of producing electricity  
10          come onto the market.

11                 Again this is a public-traded and  
12           profitable enterprise which is seeking a  
13           bailout that will ultimately benefit its  
14           shareholders rather than the public.  
15           And that brings me to my last point.

16                 As the owner of my own solar array,  
17           which provides 80 percent of the power  
18           to my home, I can tell you firsthand  
19           from my own personal experience, there  
20           are beautiful alternatives out there. I  
21           realize that solar alone is not going to  
22           meet the full demand for the electricity  
23           that we need. However, it is feasible,  
24           even with today's technology, for solar  
25           to provide a substantial component of

1 energy production in our region, just as  
2 it does in Germany, which is just as  
3 cloudy as it is in Cleveland, where  
4 solar is approaching seven percent of  
5 all-electric generation. Public  
6 interest would be better served by  
7 providing incentives for solar  
8 installation than for all other types of  
9 renewable energy than for supporting  
10 the outdated and environmentally  
11 destructive technologies FirstEnergy is  
12 using.

13 I can also tell you that what you  
14 do as regulators really matters to  
15 consumers and to our society.  
16 Incentives matter and regulations  
17 matters. It took me two-and-a-half  
18 years to get my solar panels approved  
19 because my town council put up such a  
20 fuss about aesthetic concerns. But the  
21 public support for our project in our  
22 little tiny township was amazing.  
23 Within three weeks I had over 130  
24 signatures on my petition to allow  
25 homeowners to install solar systems in

1           the best possible place on the home to  
2           provide energy, regardless of the  
3           aesthetics. In our little, tiny  
4           township of Moreland Hills we had nearly  
5           40 people show up to our town hall  
6           meeting in support of allowing solar,  
7           and many of them wore bright yellow  
8           t-shirts that said "Solar is Beautiful."

9           If you have ever tried to get  
10          people to show up at any public meeting  
11          in a little township, you know that most  
12          people simply will not take the time.  
13          So the fact that so many people showed  
14          up in our little town shows that this is  
15          important to people. People do not want  
16          to pay more for dirty energy that they  
17          do not need. People want our  
18          regulators -- they want you to make it  
19          easier, not harder, for people to move  
20          to clean sources of energy which are  
21          environmentally friendly. You as  
22          regulators have the power to not let  
23          FirstEnergy off the hook by providing  
24          dirty energy. If you as regulators  
25          think it harder rather than easier for

1 utility companies to make new, dirty,  
2 outmoded and environmentally dangerous  
3 energy plants, then you are naturally  
4 also providing incentives for new  
5 technology to develop and become  
6 attractive to consumers.

7 So I ask you to please deny  
8 FirstEnergy's request to charge  
9 consumers more in order to make its coal  
10 and nuclear plants artificially  
11 profitable. And I ask you, as  
12 Commissioner, to look for ways to  
13 provide incentives for FirstEnergy and  
14 all energy companies to move its energy  
15 production to clean, environmentally  
16 friendly sources of energy.

17 Thank you very much for your time.

18 MR. McKENNEY: Beulah Carter?

19 FEMALE AUDIENCE MEMBER: I'm sorry.

20 There was still applause, so I'm not  
21 sure what name you said.

22 MR. McKENNEY: Beulah Carter.

23 - - - - -

24 BEULAH CARTER,

25 After having been first duly sworn, as

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

3 MS. CARTER: My name is Beulah  
4 Carter, and I stand to represent the  
5 seniors from concerned citizens of the  
6 Lamont/Kinsman neighborhood, and also  
7 citizens from the Garden Valley  
8 neighborhood.

9 When I looked at this, FirstEnergy,  
10 one of the biggest power companies in  
11 the country, I thought -- I said, "now  
12 what? What are they asking for now?"  
13 It took me back to during the time when  
14 the housing boom and the banks and what  
15 those banks did when they bought all  
16 those properties and sold it to the  
17 consumers, put it up for the consumers,  
18 and then they went AWOL, and then the  
19 consumers had to pay for all of this.  
20 And that's what that reminds me of.

21 See, FirstEnergy power plants in  
22 Ohio, the most electricity they make  
23 comes from burning coal. Burning coal  
24 involves strip mining and thousands of  
25 pollutants.



1           FirstEnergy owns two nuclear power  
2           plants. FirstEnergy's Davis-Besse  
3           Nuclear Power Plant has had many  
4           dangerous accidents, including the  
5           football-sized hole in the reactor core  
6           in 2002 and the coolant pump leak in  
7           2012. And I remember that.

8           FirstEnergy is losing money on  
9           their outdated Sammis Coal Plant and  
10          Davis-Besse Nuclear Plant. They're  
11          trying to get PUCO to allow them to take  
12          on an additional charge to all of our  
13          electric bills.

14          FirstEnergy has proposed an  
15          Electric Security Plan, ESP, to the  
16          PUCO. The Ohio law say ESPs are  
17          supposed to last for three years and  
18          save consumers money. FirstEnergy's  
19          plan does neither of those. FirstEnergy  
20          has proposed a 15-year power purchase  
21          agreement where they will run Sammis and  
22          Davis-Besse at full capacity and sell  
23          only electricity to a wholesale power  
24          market. Even if they lose money selling  
25          it, the money they want us to pay will

1           make up for the money they lose when  
2           they sell their power -- their power for  
3           less than it cost them to make it. They  
4           want us to pay for them to lose money.

5           Now, we suffer to try to pay these  
6           utility bills. And right now we pay  
7           one-third of our utility bills. It's  
8           hard for us to make it now. FirstEnergy  
9           is saying this plan will save customers  
10          money in the long run. But if that's  
11          true, why don't they want to take the  
12          risk and realize those cost savings for  
13          themselves. They're asking PUCO to  
14          force customers to take a risk they're  
15          not willing to take themselves.

16          FirstEnergy has successfully  
17          petitioned the PUCO not to release costs  
18          and revenues to the public so the public  
19          can learn the full story. If this plan  
20          will really benefit customers, then what  
21          do they have to hide? FirstEnergy is  
22          asking the government to enforce a  
23          monopoly. Even though customers may  
24          want to choose a different supplier,  
25          those served by FirstEnergy power lines

1           would still have to pay the surcharge,  
2           even though this surcharge is for  
3           subsidizing unprofitable plants, not for  
4           grid maintenance. And I say it's  
5           nothing but greed. That's all it is.

6                     And like I first said, you know, we  
7           saw what happened to the housing  
8           market. And when they go and make this  
9           gamble and they lose, then they want the  
10          public to pay -- they want the customers  
11          to pay for it. That's not fair. It's  
12          not fair for us to have to pay for when  
13          they go out and gamble for things.

14                    So I'm against it. And I'm asking  
15          PUCO to deny them their request. It's  
16          not fair to the consumers. We are all  
17          trying to make it the best we can.  
18          We're paying higher -- it's a monopoly,  
19          that's what it is. And what are they  
20          trying to do, gain the whole  
21          everything? They already got the  
22          biggest part of the market of the  
23          electric. So they want it all? That's  
24          what it is. You know, they say, you  
25          give a person a little bit, they want it

1           all. As my grandmother used to say to  
2           me, you give them an inch, they'll take  
3           a foot. So I don't understand what they  
4           are trying to do. And in a sense, I  
5           understand it, too. But it's not fair.

6                   And I'm asking PUCO -- I'm asking  
7           PUCO to deny them, and let us live as  
8           comfortable as we can. I'm pleading for  
9           seniors. Let us live as comfortable as  
10          we can. These high bills that we have  
11          to pay -- we're already paying high  
12          bills, so it's not fair for them to  
13          raise it. Thank you.

14                   MR. McKENNEY: Did you write some  
15          testimony? Could the court reporter  
16          have a copy of that?

17                   Reverend Barbara Maxwell?

18                   - - - - -

19                   REVEREND BARBARA MAXWELL,

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

23                   REVEREND MAXWELL: My name is  
24          Reverend Barbara Maxwell. I'm a deacon  
25          in the Episcopal Diocese of Ohio. My

1 churches, one is on 78th and Lake in  
2 Cleveland, St. Luke's and one is called  
3 St. Barnabas in Bay Village. I also  
4 spent 15 years as a case manager in the  
5 Cleveland Catholic Diocese working in  
6 emergency services. So that means I  
7 stood with the poor. Most of my days I  
8 feed the hungry, clothe the naked, and  
9 counsel those that are broken and  
10 marginalized.

11 Today I'm standing before you as  
12 one of those, poor in the federal and  
13 state sense. I'm in that category, the  
14 category of being in poverty. There is  
15 no sin in being in poverty. There is no  
16 sin in being wealthy. But there is a  
17 sin if we cannot afford the basic  
18 necessities of life.

19 I have retired. Now I'm over 70,  
20 and I live on a fixed income, like many  
21 other senior citizens in this country  
22 do -- in this state. I have a hard time  
23 paying my utility bills. I've even  
24 applied for PIPP. And I know how --  
25 what a wonderful program that is because

1 I have spent, like I said, 15 years  
2 providing those programs for people that  
3 came to my office at Cleveland Catholic  
4 Charities.

5 Last year my PIPP bill was \$49.  
6 This year my PIPP bill is \$77 dollars.  
7 I can't afford \$77 dollars. I can't  
8 afford a lot of things. I'm just saying  
9 that I'm one of the 99 percent, and I'm  
10 getting really sick of the one percent  
11 that are running this country. And I  
12 don't know what to tell you.

13 You have the scientific  
14 information. You have the technology  
15 and all the things that people are  
16 saying. I'm saying, there are a lot of  
17 poor people in this county, in this  
18 state, and they're being misused. Not  
19 because they can't do anything. It's  
20 just because things happen to them.  
21 Some of them are mentally ill. Some of  
22 them are in recovery. Some of them are  
23 felons. Some of them have jobs, two or  
24 three jobs, part-time jobs that don't  
25 pay enough money to come in -- you know,

1           it's just, wages are horrible. So I  
2           shouldn't have been, you know -- I  
3           shouldn't be homilizing here.

4           So poverty is a problem, and some  
5           of us cannot afford to live with the  
6           expenses that are given to us by utility  
7           companies, as well as medical companies  
8           and everybody else down the road that  
9           think that there is something wrong with  
10          people that live in poverty. Thank  
11          you.

12          MR. McKENNEY: Thank you.

13          Dr. Patricia Blochowiak?

14                       - - - - -

15          DR. PATRICIA BLOCHOWIAK,

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

19                 DR. BLOCHOWIAK: I'm Dr. Patricia  
20                 Blochowiak. I live at 1894 Farmington  
21                 Road in East Cleveland, Ohio. Although  
22                 my training is in family medicine, and  
23                 I'm a member of the Ohio Academy of  
24                 Family Physicians Legislative  
25                 Commission, and although I am a member

1 of the East Cleveland School Board, I  
2 stand here as an individual and not  
3 representing any of those  
4 organizations.

5 I'm sure anyone who has been paying  
6 attention to the news understands some  
7 of the issues that we have in East  
8 Cleveland that would make it more  
9 difficult for people to pay higher  
10 electric rates. But that's not my major  
11 concern.

12 In East Cleveland, our infant  
13 mortality rate is comparable to that in  
14 Jordan, Syria, and Gaza. Our absentee  
15 ratio in our schools is very high in  
16 part because of asthma. And our senior  
17 citizens, of course, die of heart  
18 attacks and strokes and the other things  
19 that are made worse by air pollution.  
20 The air pollution comes in part from  
21 coal-fired power plants. The Public  
22 Utilities Commission has failed to close  
23 the coal-fired power plant in the  
24 vicinity of East Cleveland. But I hope  
25 that you will do better in not



1 encouraging the air pollution that comes  
2 from coal-fired power plants.

3 We have enough air pollution. We  
4 have too much air pollution. We don't  
5 need to continue to subsidize air  
6 pollution. We need to do what we can to  
7 make the children of East Cleveland, the  
8 infants of East Cleveland, the seniors  
9 of East Cleveland be as healthy as  
10 possible. And we don't do that by  
11 encouraging additional pollution. We do  
12 that by supporting energy efficiency,  
13 and we do that by supporting clean and  
14 renewable energy, not coal.

15 I urge you to turn down this  
16 request for a bailout. Thank you.

17 MR. McKENNEY: David Beach?

18 - - - - -

19 DAVID BEACH,

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

23 MR. McKENNEY: My name is David  
24 Beach. I'm a resident of the City of  
25 Cleveland. I'm a FirstEnergy customer,

1           and I direct the Green City Blake  
2           Institute, which is a local  
3           sustainability that's done a lot of work  
4           on climate change plans and carbon  
5           emissions here in northeast Ohio.

6           I want to thank the PUCO for  
7           holding this hearing in Cleveland. But,  
8           honestly, I don't know why we're here.  
9           This bailout request by FirstEnergy is  
10          simply ridiculous. You should just say  
11          so and save us all the time. But since  
12          we're here, I would like to give you my  
13          proposal for what we need FirstEnergy to  
14          do to be a responsible company and help  
15          lead Ohio into the future.

16          I believe the most pressing issue  
17          facing you and me today is climate  
18          change. It's a moral issue about  
19          whether we will leave an inhabitable  
20          planet for our kids, and there is  
21          nothing more important. Climate change  
22          is already affecting us in disastrous  
23          ways, as was documented recently by the  
24          latest reports by the IPCC and the U.S.  
25          National Climate Assessment. And the

1 news keeps getting worse. Just in the  
2 last week there were stories about how  
3 last year was the warmest year on  
4 record. And there was also a front-page  
5 story in the New York Times that  
6 confirms that life in the world's oceans  
7 is reaching a tipping point and -- the  
8 point where we can have a disastrous,  
9 cataclysmic extinction about wiping out  
10 much of the life in the world's oceans.  
11 And much of that is related to climate  
12 change observations caused by carbon  
13 emissions.

14 So to reduce the risk of climate  
15 change, we must reduce our carbon  
16 emissions dramatically and quickly. In  
17 Ohio, that means reduction on the order  
18 about 90 percent. So we need to act  
19 now. The longer we wait, the harder  
20 it's going to be to reduce the emissions  
21 and bring climate change back under  
22 control. This is really an emergency  
23 situation. And we need to change our  
24 energy system and phase out fossil  
25 fuels.

1           So instead of bailing out dirty,  
2           uncompetitive power plants, I think you  
3           should require Ohio's utilities,  
4           FirstEnergy and the others, to produce  
5           transition plans from moving to near 100  
6           percent renewable energy in very short  
7           order. The plan should be completed  
8           quickly, in a year or two, and the  
9           transition should begin right away. For  
10          a good scenario on what this could be  
11          like, I recommend Solutions Project out  
12          of Stanford University.

13          They show how Ohio can meet all its  
14          energy needs, including transportation,  
15          with 100 percent renewable energy, wind  
16          power and solar. The transition will  
17          allow us to use 30 percent -- 36 percent  
18          less energy because of efficiency gains,  
19          as we move away from these fossil  
20          fuels. It will also create thousands of  
21          jobs, help us avoid \$24 billion a year  
22          in healthcare costs in Ohio, and reduce  
23          energy costs in the future. So the  
24          plans are there. We know how we do  
25          this. There is nothing impossible about

1 scenarios like this. The technology  
2 exists. It's only a matter of political  
3 will. It's the ability to stand up to  
4 companies that keep us mired in the  
5 dirty, uncompetitive past.

6 So I ask the PUCO to have the  
7 political courage. Stand up to these  
8 companies. The dirty fossil fuel  
9 economy needs to die. And your job is  
10 to -- is not to save it, but to provide  
11 Hospice care. You need to figure out  
12 how Ohio can transition away from coal  
13 and natural gas and oil as quickly and  
14 painlessly as possible. Painless for  
15 us, not just for the utilities, like  
16 FirstEnergy, that want to continue  
17 endangering our future. So I don't know  
18 if you have kids or grand kids, but one  
19 day they will look you in the eye and  
20 ask you what you did to stop climate  
21 change when you had a chance. And I  
22 hope you will have a good answer. Thank  
23 you.

24 MR. MCKENNEY: Fred Welty?

25 - - - - -

1 FRED WELTY,

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

5 MR. WELTY: My name is Fred Welty.

6 I'm a retired science teacher. The  
7 governor of one of our western states  
8 said it very well. He said, "We are the  
9 first generation to be aware of climate  
10 change, and we're the last generation  
11 that can do anything about it."

12 People just don't understand the  
13 severity of this situation. Now, I know  
14 that -- okay. When I was -- before I  
15 began to become aware of what climate  
16 change was doing, back around the year  
17 2000, if I had to put a date to it, I  
18 would have to say that I was very  
19 skeptical of people who were saying, you  
20 know, this is really the end of the  
21 world coming. Chicken Little came to  
22 mind when I heard those words. Don't  
23 anymore. And I'll tell you the reason.

24 I taught science. I've been  
25 reading science since I was a teenager,

1           maybe even earlier. One of the things I  
2           find that is true about scientists, and  
3           that is, they have to be very cautious.  
4           They try not to overstate what their  
5           data is telling them. They would much  
6           prefer to air on the side of caution and  
7           find out that, you know, it's worse than  
8           they had perhaps thought. Smoking is a  
9           little more dangerous than, maybe, they  
10          thought it was. But now the scientists  
11          who studied, the climatologists -- and  
12          this, of course, was over the other  
13          science, which is biology; physics, my  
14          own science, which perhaps gave the  
15          first warning more than 100 years ago  
16          about the insulated property of the  
17          carbon dioxide -- they always are  
18          cautious. But now they aren't. And  
19          they're talking about the sixth  
20          extinction. We've had five  
21          extinctions. Extinction is a pretty  
22          serious thing. As a species, we would  
23          not survive the sixth extinction.

24                 One of them, 97 percent of all  
25          living things -- of all living species

1 parish. So I'm going to follow up on  
2 the last speaker via it's very much  
3 understood the severity of the problem.

4 See, the problem, what it is, the  
5 math is very difficult. In physics, we  
6 like the math to be very much laid out  
7 and as precise as possible. But this is  
8 not all that precise. And that's what  
9 scares us, because we have these couple  
10 equations. One equation depends upon  
11 input of the one before that, which  
12 depends upon input of the one before  
13 that, and there are variables all  
14 throughout, functions throughout it. So  
15 it's equations within equations. And we  
16 really don't understand exactly how all  
17 of this is going to pan out. But we  
18 know that it could be very bad. And  
19 here is one of the ways in which it  
20 could be very bad, and that is, the  
21 arctic thaw.

22 There is a tremendous amount of  
23 carbon tied up in the arctic. In two  
24 ways: In the tundra, and in methyl  
25 hydrate. And as that part of the world



1           warms, methane is released. Methane is  
2           a much more powerful greenhouse gas than  
3           is carbon dioxide. Actually, that is  
4           being kept track of. And they find that  
5           there is methane being released at an  
6           increasing rate in the arctic circle.  
7           There is no comfort there.

8                 There will come a point,  
9           unfortunately -- we don't know exactly  
10          how close we are to it, but this is a  
11          risk we really don't want to play --  
12          take playing Russian Roulette with the  
13          planet. There will come a point that  
14          when the warming of the arctic circle  
15          gets severe enough, methane will be  
16          released in sufficient quantities, that  
17          even if we cut our CO2 emissions back to  
18          zero, which, of course, we can't do,  
19          it's too late. The planet is cooked.

20                And yes, I have sympathy for the  
21          people who see their jobs gradually  
22          displaced; coal miners, people working  
23          in construction servicing the power  
24          plants. And I'd be all for programs  
25          that help them. I'm also very

1           sympathetic to people who are worried,  
2           are we going to get a sufficiently  
3           robust power supply to keep our  
4           businesses going. But 100 years from  
5           now, those problems will seem utterly  
6           trivial compared to the problems that we  
7           are fortunately entering into.

8           So I hope that you will consider  
9           the future of the planet, as you  
10          consider whether or not to give a  
11          bailout to the Sammis Power Plant,  
12          which, on the list of polluting power  
13          plants, is No. 21. Not in the state.  
14          In the country.

15               MR. McKENNEY: Bishop Eugene Ward?

16               - - - - -

17               BISHOP EUGENE WARD,

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

21               BISHOP WARD: Mr. Chairman, members  
22               of the Commission, I'm speaking in  
23               opposition to the rate hike from the  
24               backs of the poor and already  
25               economically-challenged people in the

1 City of Cleveland, as well as in  
2 Cuyahoga County.

3 I have two bills that I brought  
4 here this evening: One for \$2,600 for  
5 our church for electricity, which, when  
6 I complained about it, was reduced to  
7 \$261; a bill at my home for \$600 that,  
8 when I complained about it, was reduced  
9 to \$131. Those bills were estimated  
10 bills. If I had done nothing, if I had  
11 not complained, nothing would have been  
12 done. I would have probably paid it,  
13 thinking that I did own it. But because  
14 I did call and make a complaint,  
15 something was done.

16 This increase will affect our  
17 communities, as well as the parishioners  
18 in all of our churches who are already  
19 deprived. And we're trying to help  
20 those parishioners with things, like  
21 electric bills. Within our church, we  
22 helped an individual pay a \$300 electric  
23 bill because he could not pay it himself  
24 because he cares for a wife who is on  
25 dialysis.

1           As I speak, there are 50 pastors in  
2           the city that we met with this morning  
3           who are taking petitions out to their  
4           parishioners to make sure that they sign  
5           them being opposed to this rate hike.

6           The salaries of corporate  
7           executives at FirstEnergy, some of them  
8           making \$100,000 a week, I think that we  
9           should let them pay for this cost and  
10          the rate hike. Let them reduce their  
11          salaries and begin to educate people or  
12          put the money back into the company. I  
13          think a pay cut would be alright for  
14          individuals who are making over two and  
15          three million dollars a year.

16          FirstEnergy's efforts remind me of  
17          the game of Monopoly when I was a kid,  
18          you bought up all the utilities. And  
19          when you did that, if you landed on  
20          them, you had to pay. All of us have to  
21          pay the utility company. We have to  
22          pay. And the fat cats keep getting  
23          richer, and they keep making us even  
24          poorer.

25          The poor are already paying for

1 cars, homes, loges, names on football  
2 stadiums, hotels, travel, probably  
3 planes, yachts, definitely lawyers,  
4 golden parachutes and corrupt  
5 politicians. My prayer is that this is  
6 not an exercise in futility, that money  
7 is being quitely paid to those who make  
8 decisions and that no back-room and  
9 under-the-table deals are being made.

10 I know that -- I know that union  
11 leaders are here lobbying for their  
12 members who work for FirstEnergy in some  
13 capacity. But take that money that they  
14 have now for retraining and not to  
15 continue to break the backs of the poor  
16 and disadvantaged. I give to you -- if  
17 I can get it up quickly. I give to you  
18 from the Book of Michael, the sixth  
19 chapter. It asks, Will the Lord be  
20 pleased with thousands of rams or with  
21 ten thousand rivers of oil? Only will  
22 he love the gift of the rate hikes of  
23 FirstEnergy? Shall I give my firstborn  
24 for my transgressions, the fruit of my  
25 body for the sin of my soul? He hath

1           showed thee, old man, what is good; and  
2           what doth the Lord require of thee,  
3           FirstEnergy, but to do justly and to  
4           love mercy, and to walk humbly with thy  
5           God.

6                 I have a letter here from Dr. E.T.  
7           Caviness, Pastor of the Greater  
8           Abyssina Baptist Church, who is also  
9           president of the Southern Christian  
10          Leadership Conference, who is the vice  
11          president of the NAACP, who is in  
12          opposition to this rate hike.

13                I also have here a letter from  
14          Reverend Dr. David Hunter, Pastor of the  
15          Bright Star Baptist Church and senior  
16          pastor and President of the Baptist  
17          Ministers Conference of Cleveland. We  
18          will be submitting records -- signatures  
19          of opposition to this rate hike. It's  
20          time for the poor to get something  
21          back. We have already paid too much.  
22          Thank you.

23                MR. McKENNEY: Nathan Rutz?

24                - - - - -

25                NATHAN RUTZ,

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

4               MR. RUTZ: I pay for electricity  
5               from FirstEnergy at 1583 East 43rd  
6               Street, Cleveland, Ohio.

7               I work for Full Disclosure, Ohio  
8               Organizing Collaborative, though my  
9               opinions are my own. I am on the Church  
10              Council of St. Luke's Episcopal on the  
11              Detroit Shoreway in Cleveland, Ohio.

12              I have six points I'm going to be  
13              showing you.

14              I own a house that was built in  
15              1883. It's old. It has some issues. I  
16              would much rather spend my money on  
17              improvements to efficiency than lining  
18              the pocket of FirstEnergy.

19              Two, St. Luke's is on the west side  
20              of Cleveland; West 78 Street. You met  
21              Deacon Barb earlier. We have a very  
22              diverse congregation, both in terms of  
23              income and risk. And many of our  
24              parishioners can't afford their utility  
25              bills, and so our church helps them with

1           their utility bills that are already  
2           plenty high. Many of them have been  
3           exploited over the years and have  
4           thousands and thousands of dollars of  
5           bills following them around all the  
6           time.

7           Third, it's totally unnecessary to  
8           give FirstEnergy the Electric Security  
9           Plan. We know that there is enough  
10          energy for them to compete against  
11          interconnection markets because we've  
12          seen a battle between FirstEnergy and  
13          PJM in the Federal Energy Regulatory  
14          Commission, where FirstEnergy opposes  
15          PJM's communication that prevents the  
16          need for more power plants to be built.

17          Fourth, there are legal problems  
18          with the electric service -- Electric  
19          Security Plan as proposed. The Ohio  
20          Revised Code section 4928.143(C)1 says  
21          that an Electric Security Plan ought to  
22          be more favorable in the aggregate as  
23          compared to the expected results that it  
24          would otherwise require.

25          So, basically, FirstEnergy's plan



1 is supposed to benefit the aggregate of  
2 consumers with its Electric Security  
3 Plan, and it does not do that because,  
4 as we've heard, FirstEnergy admits  
5 themselves that it will cost consumers  
6 \$400 million in the first three years of  
7 the Electric Security Plan. Less biased  
8 sources say that it should be \$500 to  
9 \$600 over three years and a cost, not a  
10 savings, of three billion dollars over  
11 15 years under FirstEnergy's proposed  
12 Power Purchase Agreement, which is very  
13 unusual, because an Electric Security  
14 Plan is supposed to be for three years,  
15 not 15.

16 Fifth point, that there are  
17 environmental issues with the Electric  
18 Security Plan. Obviously, we've heard  
19 already that keeping the damaged coal-  
20 fired plants open would be disastrous in  
21 terms of climate. It's also disastrous  
22 in terms of its use of the mountaintop  
23 removal of coal, which kills people. We  
24 know this from the scientific research  
25 and from meeting anybody that has ever

1 lived downstream from a mountaintop  
2 removal site when it rains.

3 And last, FirstEnergy is calling  
4 this plan "Powering Ohio's Progress."  
5 If the company actually believed that  
6 their old power plants would be making  
7 power at a lower price than a market  
8 rate from 2019 to 2031, they would not  
9 propose this plan. They would make the  
10 power at a cheaper price and sell it in  
11 the wholesale market and keep the  
12 profits. Instead, they're not doing  
13 that. They want us to pay for it.  
14 FirstEnergy is lying. They are  
15 pillaging Ohio's progress, asking the  
16 PUCO to give them permission to steal  
17 from the public, as they continue to  
18 lobby against efficiency and clean  
19 energy. Thank you.

20 MR. McKENNEY: Randy Cunningham?

21 - - - - -

22 RANDY CUNNINGHAM,

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

1           MR. CUNNINGHAM:   My name is Randy  
2           Cunningham.   I live at 3623 West  
3           Boulevard in Cleveland.   I'm a member of  
4           The Common Good Ohio, the Northeast Ohio  
5           Sierra Club, and Cleveland Environmental  
6           Action Network.

7           I wish to speak against the  
8           FirstEnergy rate hike.   Yesterday was  
9           the Martin Luther King holiday, and the  
10          movie Selma was in many theaters.   It  
11          describes conflict between Martin Luther  
12          King and Alabama Governor George Wallace  
13          who once famously said, "Segregation  
14          yesterday, segregation today,  
15          segregation forever."

16          Today we are dealing with  
17          FirstEnergy.   And their motto is, Dirty  
18          energy yesterday, dirty energy today,  
19          dirty energy forever.

20          George Wallace defended the  
21          indefensible, just as today FirstEnergy  
22          defends the indefensible.   George  
23          Wallace lost and so will FirstEnergy.

24          I attended the admin hearing on  
25          this proposed rate hike last week.   One

1 of the points that supporters of the  
2 rate hike made was that it would promote  
3 energy efficiency. My only surprise was  
4 that the room did not burst into  
5 laughter whenever this statement was  
6 made.

7 FirstEnergy was one of the  
8 strongest backers of Senate Bill 310.  
9 It built and made Ohio the first state  
10 in the union to roll back a renewable  
11 energy program that promoted energy  
12 efficiency. With the passage of Senate  
13 Bill 310, FirstEnergy started climbing  
14 the stairs to the nursery of a clean air  
15 future -- clean energy future, with a  
16 pillow in its hand and murder on its  
17 mind.

18 If you approve this rate hike, you  
19 will take away the pillow and give them  
20 a pistol so that they can be sure to do  
21 the job.

22 You will hear a lot of arguments  
23 tonight on economic reasons that you  
24 should turn down this rate hike. I  
25 would like to put into the deliberations

1           some moral arguments, some questions of  
2           right and wrong that are so often  
3           shuddered aside by the bean counters of  
4           conventional economic wisdom. So let us  
5           ask some questions you do not hear too  
6           often.

7           Is it right that in the face of the  
8           overwhelming evidence of the reality of  
9           global warming and that this warming  
10          will cause great harm to us, our planet  
11          and all the creatures we share it with?  
12          Is it right that we should subsidize the  
13          further destruction of our climate by  
14          subsidizing FirstEnergy's dinosaur coal  
15          plants? Is it right that we should  
16          allow FirstEnergy's coal plants to  
17          spread asthma, heart and lung disease to  
18          our populous? Is it right that we  
19          should allow FirstEnergy's waste  
20          products from mining and burning coal to  
21          poison our water, our land, and our  
22          communities? Is it right that in the  
23          face of all these abuses that we,  
24          including many who can barely afford to  
25          pay utilities, should pay more money to

1           those who are already incredibly rich so  
2           that they can continue to poison us  
3           while they work on making the planet  
4           uninhabitable? Is it even sane to do  
5           this?

6           I hope you will conclude that it is  
7           not right and not sane, and start to say  
8           yes to a clean energy future and no to  
9           the dirty energy past by saying no to  
10          this rate hike. Thank you.

11                 MR. McKENNEY: Steve Holecko?

12                         - - - - -

13                         STEVE HOLECKO,

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

17                 MR. HOLECKO: My name is Steve  
18                 Holecko. I'm a retired teacher and a  
19                 very concerned citizen. My concern is  
20                 for my three daughters, my grandson, and  
21                 for the kids and grand kids of not only  
22                 everybody in this room, but for the kids  
23                 and the grand kids born and unborn of  
24                 all the billions of people around the  
25                 world.

1           My concern is twofold. First of  
2           all, the environment. As my fellow  
3           retired teacher so eloquently testified,  
4           global warming is here. We are the last  
5           generation that can solve it. I don't  
6           think I'm going to see this in my  
7           lifetime. But I don't want my kids or  
8           your kids, my grand kids or your grand  
9           kids to see it.

10          Davis-Besse and the Sammis Plant  
11          are contributing to global warming. We  
12          shouldn't be talking about propping them  
13          up. We should be talking about closing  
14          them.

15          My concern is also economic. I was  
16          stunned when I looked into this issue to  
17          find that one-third of Ohio families are  
18          utility-cost burdened. Meaning, they  
19          pay over 30 percent of their income for  
20          housing and utilities. And this is not  
21          to mention other essential costs, like  
22          healthcare, transportation, food. It  
23          almost seems like we're becoming a  
24          futile society. The middle classes and  
25          the lower classes are becoming servants,

1           paying tribute to the lords and nobles,  
2           like FirstEnergy.

3                 Now, I'm not going to give a lot of  
4           facts and statistics. What I would like  
5           to offer is some commonsense questions  
6           with some commonsense answers.

7                 Commonsense makes me wonder why  
8           there are numerous concerned citizens  
9           and folks from non-profit organizations  
10          testifying against this plan but none  
11          testifying for this plan.

12                Commonsense suggests that unless  
13          you have a vested interest in  
14          FirstEnergy, you cannot possibly be in  
15          favor of this plan.

16                Commonsense makes me wonder why  
17          FirstEnergy spent \$1.7 million in  
18          political contributions to fight the  
19          clean energy standards that were  
20          established in 2008. Ultimately, they  
21          were successful with the passage of  
22          Senate Bill 310 last year, and this  
23          comes immediately afterwards.

24                Commonsense suggests that these  
25          proposals, without that money, cannot



1 possibly stand on their own merits.

2 Commonsense makes me wonder why  
3 FirstEnergy filed a confidentiality  
4 claim to prevent public disclosure of  
5 costs and organizational data.

6 Commonsense suggests that maybe  
7 because this data would reveal that this  
8 proposal is going to have huge costs  
9 that are going to be passed on to  
10 consumers. If not, perhaps they  
11 wouldn't need a confidentiality claim.

12 Commonsense make me wonder why, if  
13 Davis-Besse and the Sammis Plant could  
14 be made to run efficiently and provide  
15 FirstEnergy with the profit margin it  
16 needs, as well as give consumers a  
17 relief in their utility bills, why is  
18 this power not going to be sold on the  
19 open markets like it has been? What's  
20 the need for this proposal?

21 And finally, commonsense says that  
22 you can fool some of the people some of  
23 the time, but you can't fool all of the  
24 people all of the time. Most of Ohio's  
25 11 million people do not even know these

1           hearings are occurring. Most of Ohio's  
2           11 million people do not know when they  
3           flip on their light switch, turn on  
4           their microwave, turn on their TV, if  
5           they have one, where the power is coming  
6           from. But all of Ohio's 11 million  
7           people know what they pay every month in  
8           their electric bill.

9           I wonder what they're going to be  
10          told when their rates skyrocket. Is it  
11          going to be, sorry, we had to bail  
12          FirstEnergy out? Or is it going to be  
13          something else? Thank you.

14          MR. McKENNEY: At this time we're  
15          going to take a five-minute recess. We  
16          will reconvene at approximately 8:20.  
17          Thank you.

18          Go off the record.

19                 - - - - -

20                 (Recess had.)

21                 - - - - -

22          MR. McKENNEY: We're going to go  
23          ahead and get started. Take your  
24          seats. Thank you everyone. We can go  
25          back on the record.

1           Before we get too much further into  
2           this, I just want to give notice to  
3           everyone, we've been notified that the  
4           parking garage, this evening, closes at  
5           10:00. So we're going to try to speed  
6           things along here as quickly as we can  
7           so we can get everyone home safely this  
8           evening.

9           We are through 30 people who have  
10          testified. I have a list of 78 names,  
11          so we are not at the halfway mark.

12          I'm going to ask, if you are  
13          planning to testify this evening, if you  
14          could, just out of respect, try to keep  
15          it to two to three minutes. I can't  
16          require you to cut it short, so you may  
17          take the time that you need. But if you  
18          have some time that you can cut from it,  
19          we would appreciate that so we could get  
20          everyone that wants to testify the  
21          opportunity to this evening.

22          Also, I want to remind everyone,  
23          there are petitions out front. If you  
24          believe your concerns have been  
25          adequately voiced, the issues that you

1           have intended to raise this evening have  
2           already been raised, then please sign  
3           those petitions and we will -- the  
4           Commission will view those petitions and  
5           understand your position either for or  
6           against the application filed by the  
7           company. Those petitions are right out  
8           front.

9           So at this time, we're going to  
10          continue on. When we get to about 9:15  
11          to 9:20, I'll take another five-minute  
12          recess at that time.

13          The next name that I have on this  
14          list is Diane Coates.

15                       - - - - -

16                       DIANE COATES,

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

20               MS. COATES: Thank you. I want to  
21               speak briefly about how the poor  
22               decisions and quest for financial gain  
23               has a dire affect on our environment,  
24               not taking into consideration that our  
25               home, this Earth, has to be conducive to

1 healthy living.

2 While FirstEnergy's choice of  
3 outdated materials, such as coal and the  
4 use of the Davis-Besse Nuclear Power  
5 Plant might be a good economic decision,  
6 our providers of service have to take us  
7 into consideration, its operation and  
8 how it affects the environment for the  
9 sake of the existence of our future  
10 generation. This is the reason why I  
11 say no to FirstEnergy's request for a  
12 energy bailout.

13 Also, the existence of a monopoly  
14 goes against the structure of free  
15 enterprise, competitive -- competition  
16 provides for innovation, accountability  
17 and motivation. We need to be more  
18 proactive in making decisions about what  
19 we need to do to sustain ourselves and  
20 our lives, because human lives matter.  
21 Thank you.

22 MR. McKENNEY: Thank you.

23 Valerie Edwards?

24 - - - - -

25 VALERIE EDWARDS

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

4               MS. EDWARDS: My name is Valerie  
5       Edwards. I grew up in the Mt. Pleasant  
6       area. I raised my children in South  
7       Euclid. I moved back to Cleveland to  
8       give back because I saw my community  
9       going down.

10              As we sit in this room, if anybody  
11       has read what these walls say, Cleveland  
12       is a city that has achieved preeminence  
13       in industry, that we have genius people  
14       here, we do great things, we are capable  
15       of innumerable possibilities. And it's  
16       just questionable to me how we can let a  
17       company come in and they make -- they  
18       remind me of the GM buyout -- I retired  
19       from General Motors, GMAC. I was a  
20       financial manager -- where we gave  
21       General Motors a buyout. And now we --  
22       they're asking for a buyout from  
23       executives that made bad decisions,  
24       received large salaries, and  
25       misappropriated money for things that

1           weren't necessary. Then they have  
2           private investors. If this is such a  
3           good idea, why are they not going to  
4           private investors? Why are they asking  
5           the public to fund them?

6           Right now -- I worked in Mt.  
7           Pleasant for the past 15 years. The  
8           past 15 years I've done HEAP. Most  
9           government programs -- the people in Mt.  
10          Pleasant are really representative of  
11          the whole City of Cleveland. They've  
12          lost their jobs. They've gotten laid  
13          off. There are just numerous problems.  
14          And people are not educated. Most  
15          people in our city are reactive and not  
16          proactive. So these things come to  
17          pass, and they're sad about it. So I  
18          think that they should not get the  
19          buyout because we should not allow them  
20          to charge us for bad decisions and large  
21          salaries that they receive. That's what  
22          I have to say.

23               MR. MCKENNEY: Thank you.

24               MS. EDWARDS: Thank you.

25               MR. MCKENNEY: Ann Caruso?

1                                 - - - - -

2                                 ANN CARUSO,

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

6                         MS. CARUSO: Thank you for the  
7                         opportunity to voice my concerns about  
8                         FirstEnergy's request for a new fee on  
9                         our electric bills to prop up its old  
10                        Sammis Coal-burning Power Plant and its  
11                        40-year-old Davis-Besse Plant.

12                        I'm a retired Kindergarten teacher  
13                        in Cleveland, and in my career I taught  
14                        in neighborhoods with some of the  
15                        dirtiest air in the country.

16                        Dirty air can result in health  
17                        problems, such as childhood asthma and  
18                        learning difficulties. Mercury is one  
19                        of the pollutants from coal-burning  
20                        power plants. And mercury exposure has  
21                        been found to negatively affect brain  
22                        development in fetuses and infant  
23                        children.

24                        Because of our dependence on  
25                        burning coal in Ohio, our state has been



1 ranked in the top three states with the  
2 dirtiest air. Often we're number one.

3 FirstEnergy is asking for customers  
4 to pay a fee to keep their old plants  
5 going. Their plan calls for a  
6 dependence on using coal. It protects  
7 them from market forces, since it gives  
8 them permanent income with which to keep  
9 outdated fuel sources in the market.  
10 Others know better than me how this  
11 makes the whole market for electric  
12 energy less competitive, but I do know  
13 that it does affect the competitiveness  
14 of the entire electric market.

15 I'm concerned because this request  
16 from FirstEnergy will make the market  
17 less competitive, especially for  
18 renewable, cleaner fuels.

19 The prices for solar energy has  
20 been declining steadily. For instance,  
21 in the years 2011 to '13, the price for  
22 photo voltaic systems has declined 40  
23 percent. And the prices for the solar  
24 modules that they are put on, the price  
25 for those has declined 60 percent. And

1           that was just in two years.

2           Nine out of ten Americans support  
3           solar energy. They want to see cleaner  
4           energy used and a transition away from  
5           fossil fuels begun. Despite this  
6           ongoing decline in the price of  
7           renewable energy and the increasing  
8           demand for it, the Edison Electric  
9           Institute, the EEI, singled out solar  
10          energy as its number one long-term  
11          threat in a recent white paper that it  
12          put out.

13          The EEI, represents about 200  
14          investors, investor-owned electric  
15          companies, and FirstEnergy is one of  
16          those. This tells me that this industry  
17          is focused on competition from solar and  
18          other renewable energy and not focused  
19          on what's best for their customers.

20          You, the PUCO, are here to be sure  
21          that our utilities do not operate like  
22          this. You are here to, "assure all  
23          residential and business consumers  
24          access to adequate, safe and reliable  
25          services at fair prices while

1           facilitating an environment that  
2           provides competitive choices." That is  
3           a quote from your website. It is your  
4           Mission statement.

5           Another concern I have is that  
6           FirstEnergy is allowed to disregard  
7           market forces for 15 years. This time  
8           frame is crucial because we are facing a  
9           devastating rate of real global warming  
10          from the use of fossil fuels. I'm not  
11          going to -- I had put more in my  
12          testimony about global warming, but we  
13          had some other wonderful speakers that  
14          talked about that. But I did want to  
15          point out that a very recent study in a  
16          journal called "Nature" was more  
17          specific about which fossil fuels we  
18          have to leave unburned in the ground.  
19          And they specified that 92 percent of  
20          America's coal must be left unburned in  
21          the ground in order to avert  
22          catastrophic climate change.

23          We all have a responsibility to do  
24          what's necessary to keep our planet from  
25          becoming uninhabitable, but we can't do

1           this individually. We must make this  
2           transition away from fossil fuels on a  
3           large scale, and our utilities are a  
4           major factor in making that happen.

5           I hope you will see that it is your  
6           responsibility to be sure dirty coal-  
7           burning power plants are not kept in use  
8           by artificially making them profitable  
9           with added fees from their customers.  
10          Thank you.

11          MR. MCKENNEY: Thank you.

12          To try to speed things up, I'm  
13          going to announce, as well, the person  
14          that will be on deck to testify.

15          So next we'll have Linda Butler.  
16          And then after that, Steve Norris.

17                       - - - - -

18          LINDA BUTLER,

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

22               MS. BUTLER: Thank you for allowing  
23               me to testify. I would like to bring  
24               some figures into this discussion  
25               related to FirstEnergy's history and the

1 decisions -- the bad management  
2 decisions they've made. One is, in my  
3 opinion, they grossly overpay their  
4 CEO. Their CEO's salary for last year  
5 was \$3,900,000, and he got \$3,920,000 in  
6 stocks.

7 When you consider what people are  
8 making who are going to have to pay  
9 these bills, I think this is really  
10 outrageous. But, in addition, when a  
11 CEO is paid in stock, rather than  
12 thinking of the long-term benefits for  
13 the company of decisions that he makes,  
14 he is thinking of his short-term gains  
15 and losses. So he wants to make short-  
16 term profits from the company, as  
17 opposed to really thinking about the  
18 bigger picture, which all of us who are  
19 testifying today are trying to urge him  
20 to think about, the bigger picture.

21 But the company has repeatedly been  
22 fined or agreed to, basically, terms  
23 where they admitted that they had  
24 cheated the public in some way or  
25 another. One of the serious problems

1           that was mentioned was the corrosion  
2           problem in the Davis-Besse Plant in  
3           2002. They ended up trying to cover  
4           that up and not expose it to everybody.  
5           And they were fined \$23 million for the  
6           cover-up.

7           Then they -- we've heard that they  
8           decided not to invest in renewable  
9           energy. I don't know how many people  
10          realize this, but the -- I got something  
11          from them. It was required by the  
12          state -- and I've put this in my  
13          testimony -- they are fueling their  
14          plants with 65 percent coal, 16 percent  
15          nuclear, 14.5 percent natural gas, and  
16          they use 2.5 percent renewable energy.  
17          2.5 percent. They have zero solar.

18          In 2011, FirstEnergy agreed to pay  
19          the federal government \$1.5 billion for  
20          ignoring EPA regulations on a couple of  
21          coal-burning power plants. And when  
22          they upgraded or renovated the coal-  
23          burning power plants, they're supposed  
24          to put in -- install environmentally  
25          better pollution-stopping equipment, as

1 well as scrubbers. They didn't do it.

2 They disguised it. \$1.5 billion.

3 Now, this is a company that makes  
4 \$12 billion per year on its energy  
5 sales. That was a hunk of cash that  
6 they had to pay. And they -- they knew  
7 what they were doing.

8 So I think we -- we cannot believe  
9 that this is a gentle company that's  
10 going to do the right thing.

11 In 2013 -- and this is something  
12 that you folks know about -- they were  
13 accused of overcharging their customers  
14 for renewable energy credits. And they  
15 -- it's thought that they overcharged  
16 customers 15 times what was paid for  
17 their energy credits. This is now being  
18 litigated, so it's unclear whether  
19 they're going to have to pay what you  
20 folks suggested they pay, which was  
21 \$43.3 million.

22 I'm kind of trying to speed this  
23 up. But I don't think people have  
24 specified how many jobs had been  
25 created. When 310 was passed, it

1 destroyed the renewable energy law in  
2 Ohio. I mean, we're talking about  
3 thousands of jobs here, thousands of  
4 jobs there. The state itself released a  
5 delayed report that said that 35,000  
6 jobs had been created by renewable  
7 energy. And the -- and many of those  
8 jobs, because of what FirstEnergy did to  
9 destroy that, have been lost. Now, that  
10 is a lot of jobs. People had good jobs,  
11 and the fact that they have turned their  
12 backs on renewable energy, but also on  
13 energy efficiency, which is the low  
14 hanging fruit. And what's ironic is  
15 people have -- they have cut all their  
16 energy efficient programs, but people  
17 are still having \$2 per month taken out  
18 of their energy bill for energy  
19 efficiency. And if you think about the  
20 number of customers that are in Ohio  
21 that are paying \$2 a month, it -- it's  
22 about two million. So every month their  
23 making \$4 million on people that they're  
24 not delivering any product for.

25 I have one last point to make, and



1           that is, my husband and I built a new  
2           house that's 4,000 square feet. And we  
3           put on solar panels. It's a very energy  
4           efficient house; thick walls, three-pane  
5           windows, and we pay \$100 per year for  
6           our energy costs. All -- it's an  
7           all-electric house. And we have lots of  
8           computers and lots of lights. We pay  
9           \$100 a year. That's what's possible  
10          with energy efficiency and solar. Thank  
11          you.

12                 MR. McKENNEY: Steve Norris?

13                 And then I have Ed Kleo.

14                         - - - - -

15                         STEVE NORRIS,

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

19                 MR. NORRIS: As a FirstEnergy  
20                 customer, I would like to say I would be  
21                 proud to pay up to 20 percent more to  
22                 have 100 percent clean energy. They  
23                 used to have a program like this, but it  
24                 was ended when they were fined over \$40  
25                 million for charging -- overcharging for

1 renewable energy credits.

2 I was very disappointed in this,  
3 and I want to say that that very much  
4 should go against getting a bailout for  
5 the coal and nuclear outdated and  
6 inefficient, uncompetitive proposal. So  
7 please vote against this. Thank you.

8 MR. MCKENNEY: Ed Kleo? And then  
9 Dave Simons.

10 - - - - -

11 ED KLEO,

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

15 MR. KLEO: Mr. Haque and members of  
16 the Commission, my name is Ed Kleo. I  
17 am the Mayor of North Perry Village, a  
18 small community of about 900 residents  
19 in northeast Ohio, right on the shores  
20 of Lake Erie, and in the heart of Lake  
21 County.

22 North Perry, as a community, seeks  
23 to balance the preservation of its semi-  
24 rural character with these growths and  
25 developments. Our goal is to create a

1           desirable community with a positively  
2           unique character and to enhance the  
3           quality of life for our residence.

4           As the village moves forward, our  
5           challenge is to retain all its best  
6           attributes while continuing to guide our  
7           community towards a bright commercial  
8           future.

9           North Perry Village is also the  
10          home of Perry Nuclear Power Plant,  
11          operated by FirstEnergy. The plant  
12          generates enough clean, carbon-free  
13          electricity to power more than one  
14          million homes. It is one of the largest  
15          employers in Lake County, and provides  
16          more than 700 high-quality permanent  
17          jobs. It also employs 1,000 temporary  
18          workers during refueling outages, which  
19          occurs every two years, and also is  
20          right in the middle of a refueling  
21          coming this March.

22          The Perry Plant is the largest  
23          taxpayer in Lake County, contributing  
24          more than \$14 million annually to  
25          support local schools, essential public

1 services, including local police and  
2 fire departments.

3 I have toured the plant, and I know  
4 its management on a first-name basis.  
5 FirstEnergy keeps me informed of all  
6 plant developments. I know what's going  
7 on inside the fence at all times. And I  
8 do not need to rely on reading it in the  
9 paper for the first time, or seeing it  
10 on TV. Likewise, I have, firsthand,  
11 seen the dedicated men and women working  
12 at the plant, their professionalism,  
13 commitment to safety, secure, reliable  
14 and environmentally responsible plant  
15 operation. A number of the Perry Plant  
16 employees also live in North Perry.

17 As you know, many of our Ohio large  
18 power plants have closed in recent years  
19 due to challenging, economic -- economy-  
20 stringent environment regulations, and  
21 more retirements are expected. The  
22 potential exists for more Ohio jobs to  
23 be lost, rising electric prices in the  
24 years ahead, and negative consequences  
25 for our communities. For all these

1 reasons, I want you to support  
2 FirstEnergy's proposed rate plan. I  
3 plan -- the plan will keep electric  
4 affordable and help ensure the continued  
5 operation of Ohio's vital power plants,  
6 including the Sammis Plant in Scranton  
7 and the Davis-Besse Nuclear Plant --  
8 along with good jobs, Davis-Besse  
9 Nuclear Plant in Oak Harbor, Perry's  
10 sister plant.

11 As of today, the long-term  
12 viability of these plants, along with  
13 good jobs and substantial economic  
14 benefits bring surrounding communities  
15 at risk. Without the right public  
16 policies in place, the Perry Plant and  
17 its benefits for the region could be at  
18 risk.

19 One more comment I'd like to make  
20 is, I am very familiar with solar  
21 energy. I have a child out west that  
22 has his own solar energy company. And  
23 our village has looked in to putting  
24 wind power, for the last several years,  
25 in our community. But with this, I

1 still support FirstEnergy and what  
2 they're trying to do at this time. I  
3 thank you for your time.

4 MR. MCKENNEY: Next I have Dave  
5 Simons. After that, Mayor G. Kurtz.

6 Mr. Simons?

7 - - - - -

8 DAVE SIMONS,

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

12 MR. SIMONS: Good evening,  
13 Commissioner Haque, other members of the  
14 Public Utilities Commission of Ohio and  
15 people present at this meeting. I will  
16 try to keep this -- do this as quickly  
17 as I can, but I do have a fair amount to  
18 say.

19 I have a dramatic presentation of  
20 fear, and I'm foregoing that. You're  
21 going to get a quick reading.

22 Thank you for hearing my comments  
23 today. I'm a long-time Cleveland  
24 citizen with electric service from  
25 FirstEnergy's Illuminating Company.

1 Today, I am speaking for myself. I am  
2 not representing any organization,  
3 although I'm a member of several  
4 organizations in the energy realm.

5 I'm one of those always pressing  
6 for a living future for all of our  
7 children, what is commonly called  
8 sustainability these days. I have  
9 particular concern with the almost  
10 overwhelming problem of global warming,  
11 its devastating impacts now and for as  
12 far as into the future as we can see,  
13 and the solutions to limit global  
14 warming that are abundantly available  
15 for us as we transition from burning  
16 dead dinosaurs to running our modern  
17 high tech culture on natural energy  
18 flows from sun, wind, and water.

19 I will outline some of my broader  
20 concerns with FirstEnergy's proposal.  
21 FirstEnergy is asking the PUCO to have  
22 its subsidiaries, Ohio Edison, Toledo  
23 Edison, Cleveland Illuminating Company,  
24 to buy power from FirstEnergy's old,  
25 high-cost, inefficient power plants at a

1 premium rate that is substantially more  
2 than power available at PJM wholesale  
3 market, where these companies are  
4 required to buy power at the least  
5 cost. They are required to do so as  
6 part of the deregulation that  
7 FirstEnergy itself petitioned for and  
8 got. PJM is the effectively run 13  
9 state grid that Ohio is part of. PJM  
10 released a report a few months ago  
11 saying that this huge grid, one of the  
12 largest in the world, could integrate 30  
13 percent wind power with no reliability  
14 and supply problems and cheaper than any  
15 other alternative, saving many billions  
16 of dollars for their customers.

17 The Electricity Secured Plan that  
18 FirstEnergy is proposing is security  
19 only for their own bottom line, not for  
20 the ratepayers' security of energy  
21 supply and cost. There's plenty of  
22 cheaper and somewhat cleaner power on  
23 the market emitting less carbon monoxide  
24 and operating more efficiently.  
25 Thousands of megawatts of new combined-



1 cycle natural gas will be put on that  
2 market in the next few years. Wind power  
3 is cheap now, and getting cheaper, and  
4 non-polluting solar will be cheaper than  
5 anything within a few years, maybe only  
6 five years, long before FirstEnergy's  
7 bid to subsidize their dirty, old coal  
8 plants with corporate welfare for 15  
9 years is ended.

10 Sustainability and the long-term  
11 well-being of our children and their  
12 children and on for generations, that we  
13 all agree is morally fundamental, is  
14 often regarded as three equal and  
15 integrated areas: The environment,  
16 people, and economy. In reality, these  
17 intertwined areas are not equal. Health  
18 and well-being of the environment ranks  
19 the highest; the first thought, not an  
20 afterthought or affectation, not merely  
21 coequals with the economy. Without care  
22 for the well-being of the Earth, the  
23 people parish and their ideas of economy  
24 vanish like a dream. I would also place  
25 the well-being of people above economy.

1           Economy is meant to serve human needs,  
2           not the other way around. FirstEnergy's  
3           Electric Security Plan fronts all three  
4           areas of sustainability.

5           Regarding the environment, the  
6           Sammis Coal-fired Power Plant is running  
7           on old, dirty technology that pumps huge  
8           volumes of pollutants into our common  
9           air that we all breathe, including vast  
10          amounts of global warming CO2. Sammis  
11          fuels itself by blowing up the beautiful  
12          mountains and streams of West Virginia  
13          and Kentucky, and Sammis produces  
14          equally vast volumes of toxic coal ash  
15          that we are only now beginning to deal  
16          with seriously. The Davis-Besse Nuclear  
17          Power Plant is regarded as among the  
18          most dangerous of nuclear plants in the  
19          U.S., based on its well-known history of  
20          negative actions and maintenance,  
21          including a near meltdown when the  
22          reactor head was at the bursting point  
23          several years ago and a containment dome  
24          that is crumbling. As the Cleveland  
25          Plain Dealer and others reported, we

1 missed that meltdown by a whisker,  
2 including the Nuclear Regulatory  
3 Commission.

4       Regarding people: FirstEnergy's  
5 ESP forces the continued operation of  
6 outmoded energy technologies that damage  
7 both people's health and their economic  
8 prospects, and FirstEnergy's ESP shoves  
9 off the table newer, more efficient,  
10 cleaner, lower carbon technologies that  
11 should, in the normal course of things,  
12 replace outmoded ways of generation;  
13 newer, better technologies that serve to  
14 build Ohio's 21st Century economy. Ohio  
15 is already number one in making wind  
16 turbine components, and big in solar,  
17 too. Those industries can form the  
18 nucleus of a new industrial economy for  
19 Ohio, a renaissance, if we are not so  
20 stupid as to kill them in their cradle.

21       Regarding economy: FirstEnergy  
22 makes a claim that consumers will earn a  
23 net two billion dollars or so over the  
24 15-year term. If that forecast were  
25 correct, FirstEnergy, as would any

1 profit-oriented company, would absorb  
2 some losses for three or four years and  
3 then recoup a huge profit, without the  
4 ESP. If they believed their own  
5 figures, they would never have proposed  
6 this ESP. Instead, we have a better  
7 forecast from the Ohio Office of  
8 Consumer Counsel that says a net cost to  
9 ratepayers of three to four billion  
10 dollars is more likely, that is three to  
11 four billion dollars more than  
12 ratepayers would have to pay than  
13 electric power would cost on the PJM  
14 wholesale market. By definition of the  
15 ESP, the amount frequently charged by  
16 the provider is the amount over the  
17 market price of electricity.

18 Three or four billion dollars is  
19 not chump change, as they say. Throwing  
20 that much money to keep these power  
21 plants going beyond their designed life,  
22 beyond their useful life, is throwing  
23 money down the rat hole. What can we do  
24 with that money instead? What would be  
25 a better investment? For that much

1 money, you can buy almost 2,000 utility-  
2 scale wind turbines producing around  
3 5,000 megawatts at peak. That would  
4 deliver clean power at a cheap rate for  
5 a contracted 20 years, and that's maybe  
6 20 years more in total, using no fuel  
7 and producing no pollution. No fuel  
8 means no rising fuel costs. As the PJM  
9 grid's recent study shows, the grid can  
10 absorb much more than that much wind  
11 power, while remaining reliable, the  
12 vagaries of wind notwithstanding. With  
13 that investment in wind, you get  
14 something. You're moving forward into  
15 the 21st Century, instead of spending  
16 all that money to keep some worn-out,  
17 old plant going with bubblegum and  
18 baling wire. Those plants' capital  
19 costs were paid off long ago, so even if  
20 they have to close some plants by being  
21 outcompeted, there will be no standard  
22 assets that have not already been paid  
23 for.

24 I think the Office of Consumers'  
25 Counsel is being conservative in that

1 cost to the ratepayers. The true cost  
2 could reach five billion dollars or  
3 more.

4 Davis-Besse Nuclear Station ran  
5 vastly over budget estimates when it was  
6 built, and vastly over its maintenance  
7 budget ever since. Some wag has said,  
8 truthfully, that nuclear power is the  
9 most expensive way to boil water that  
10 has ever been invented.

11 Davis-Besse is near the end of its  
12 40-year design life and is wearing out.  
13 They will ask for a 20-year extension of  
14 life in 2017. What do you think the  
15 maintenance cost for the next 22 years  
16 will be? That plant alone could run  
17 into the billions in maintenance, since  
18 much equipment will have to be  
19 replaced. Davis-Besse has already gone  
20 through two reactor heads, and similar  
21 huge expenses surely will arise over the  
22 next 22 years. The next big ticket item  
23 is the steam generator that they now  
24 want to replace.

25 There is also the issue of

1 reliability. Davis-Besse is often  
2 offline for maintenance, sometimes for  
3 several months at a time. Under  
4 FirstEnergy's ESP, ratepayers are on the  
5 hook for all of that, no matter how much  
6 it costs. Several nuclear plants have  
7 already been shut down recently because  
8 they could not economically compete  
9 nationwide. So there is no shame or  
10 hardship if Davis-Besse closes, too,  
11 removing a deadly threat from all of  
12 Cleveland, which is downwind of Davis-  
13 Besse.

14 Similarly, the 55-year-old Sammis  
15 Coal Plant is already well beyond its  
16 expected useful life and will require  
17 vast maintenance costs just to keep  
18 going for 15 more years, not to mention  
19 maybe having to install more pollution  
20 controls during that time, as  
21 regulations change.

22 Ohio is required to reduce carbon  
23 from power plants by about 28 percent to  
24 meet the EPA's clean power plan. If  
25 FirstEnergy's ESP and those from the AEP

1           and Duke are approved, and if they later  
2           come back with more old coal plants to  
3           subsidize with ratepayer dollars, as  
4           this precedent will invite, it will  
5           become very difficult and expensive to  
6           meet that goal. Competing clean power  
7           will be disallowed with all favor going  
8           to these dirty, old, failing plants.

9           Experts have shown that if Ohio  
10          continued to fulfill Senate Bill 221, as  
11          originally agreed to unanimously by both  
12          parties in 2008, we would be most of the  
13          way to meeting the 28 percent reduction  
14          in carbon output.

15          Under FirstEnergy's ESP, Ohio would  
16          be hamstrung to outmoded technologies  
17          while the rest of America and the world  
18          will move forward confidently into the  
19          new, environmentally responsible economy  
20          of the 21st Century. We will become a  
21          has been, falling apart, old economy  
22          that can't compete, a pariah of  
23          pollution. Businesses and industries  
24          will avoid places that are determined to  
25          be backward technically. They will go



1 to forward-thinking, problem-solving  
2 cities and states that use our American  
3 ingenuity to go beyond and resolve the  
4 Earth-abusing mistakes of the past.

5 Therefore, Ohio's economy will be  
6 massively damaged in the near and far  
7 term if FirstEnergy and AEP, and Duke  
8 get their greedy way. And the economic  
9 benefits of deregulation will be gone.

10 We also have another responsibility  
11 to the rest of America and the world  
12 beyond Ohio. If we allow a precedent to  
13 be set here that treats coal power  
14 preferentially, we will not only damage  
15 ourselves immediately and going forward  
16 as more coal plants are drawing into  
17 such a plan, we may set a precedent used  
18 in other states, compounding the harm  
19 done. Positive economic moves to gain  
20 clean power will be stymied here and in  
21 other states, possibly until it is too  
22 late to repair our suffering world,  
23 thereby harming our children's lives and  
24 well-being beyond anything that has ever  
25 been done before. This is also a

1           terrible example for China, which must  
2           do even more than us to wean itself from  
3           coal's harm.

4           More locally, we have a moral  
5           responsibility to Clevelanders and many  
6           others who prefer to buy renewable power  
7           in the deregulated market. All  
8           ratepayers will be required to subsidize  
9           FirstEnergy's dirty power, even when  
10          they have deliberately chosen clean  
11          power from wind and other renewables.  
12          Both Cleveland and Cincinnati have  
13          aggregated and negotiated the  
14          FirstEnergy Solutions, as was stated  
15          earlier, ironically, to provide 100  
16          percent clean, renewable power to their  
17          citizens at lower rates than they were  
18          paying before. To all of them, this ESP  
19          is a slap in the face, offensive to  
20          their moral sensibilities in choosing  
21          clean power. If this ESP goes into  
22          effect, the citizens of Cleveland who  
23          now buy 100 percent clean power, that  
24          is, not from the plants in the ESP, will  
25          have an added rider charge to subsidize

1           old, dirty power plants for their  
2           better-off suburban neighbors.

3           FirstEnergy has, in this case, and  
4           in many more ways, shown that it is  
5           unfit to do business in the 21st  
6           Century. Had they the wit to see the  
7           opportunity before them and the courage  
8           to act, they could remake their business  
9           model to serve as a manager and provider  
10          of widely-distributed power, as is now  
11          happening in Germany, where some  
12          utilities are adapting and profiting  
13          from change and some are not.

14          We need utilities capable of more  
15          complexity and capable of running a  
16          smart grid. In places, we already have  
17          such utilities in America. NRG is  
18          moving aggressively into the new model.  
19          So is SMUD, the Sacramento Municipal  
20          Utility District in California. So is  
21          Southern California Edison and Pacific  
22          Gas and Electric, required to by  
23          California, all of them among the  
24          biggest players. And that would also  
25          include Con Ed Energy in New York, which

1 runs New York City. And there are many  
2 more.

3 Right here in Ohio, even the tiny  
4 municipal utility in Oberlin is managing  
5 its transition to clean energy at a  
6 profit. Amory Lovins tells us, in  
7 "Reimagining Fire," that this whole  
8 process can happen at a huge profit to  
9 business as we move to 80 or 90 percent  
10 clean power by the year 2050.  
11 California and New York will both be at  
12 50 percent renewable electricity by  
13 2030, a mere 15 years from now. Why  
14 can't Ohio? Are we too obtuse to do  
15 that also?

16 FirstEnergy has chosen to use huge  
17 political contributions to obstruct and  
18 try to destroy the move to clean energy,  
19 first by promoting the defeat of Senate  
20 Bill 221, our universally agreed to  
21 renewable energy and energy efficiency  
22 standards since 2008, by promoting the  
23 crippling of wind power in Ohio with  
24 unrealistic setbacks, and now by asking  
25 for this ESP, and by dissing the EPA

1 Clean Power Plan.

2 This ESP is not about the survival  
3 of FirstEnergy. Even if all their  
4 generating stations were retired, which  
5 is a very unlikely outcome for quite a  
6 while to come, they would still be a  
7 live company. The distribution side is  
8 bigger than the generation side, and as  
9 we build out the smart grid, it will  
10 become bigger yet. That alone would be  
11 enough to prosper. If FirstEnergy's  
12 management is not bright enough to seize  
13 this opportunity for profound change, an  
14 opportunity that others of their peers  
15 have seized, there is no reason anyone  
16 should bail them out. They should take  
17 their lumps as any other corporation  
18 that has not adapted to changing times  
19 does in our economic system. Change is  
20 constant in our high speed, high tech,  
21 new world, and has been since the start  
22 of the industrial revolution. There are  
23 no buggy makers anymore, except among  
24 the Amish, as we changed over to powered  
25 mobility. The typewriter makers, once a

1 big industry, have all faded away as  
2 computers replaced them. Solar and wind  
3 will both soon be cheaper than old  
4 fossil fuel power plants. But if  
5 FirstEnergy's ESP is approved, solar and  
6 wind won't be able to compete with  
7 Ohioans compelled to pay any price for  
8 old, dirty technologies. If FirstEnergy  
9 does not get that we are moving beyond  
10 old generating technologies to a much  
11 better future energy economy and not  
12 only will not take a leadership role,  
13 but actively obstruct change for the  
14 better, not only should they not get  
15 this ESP rider, they deserve to fade  
16 away. Since they are not going to fade  
17 away, it falls to the regulators to put  
18 them in their place. This is a social  
19 and moral obligation in a civilized  
20 society that wants to fulfill the  
21 universally accepted requirement to pay  
22 it forward, for the sake of all existing  
23 and yet-to-be human generations.

24 Commissioners, please reject  
25 FirstEnergy and AEP and Duke's backward,

1           economically destructive proposals that  
2           prop up failing technologies.

3           Thank you for your kind attention.

4           MR. MCKENNEY: We've now been at  
5           the hearing for over three hours. The  
6           parking garage closes in less than one  
7           hour, and we are just halfway finished  
8           with the list of names that I have to  
9           testify this evening. So I need to ask  
10          that if you can kindly keep your  
11          testimony to two to three minutes, we  
12          will do our best to try to hear  
13          everyone. I'm going to ask the Public  
14          Affairs staff to talk to the parking  
15          garage attendant to see if they can get  
16          us the opportunity to stay longer.  
17          We'll do the best we can in that  
18          respect. If not, we'll take a short  
19          recess. We are -- some of us parked in  
20          the garage. We'll move and we'll try to  
21          find a way to reconvene, because we want  
22          to make sure everyone is heard. We'll  
23          also try to instill a mandatory two- to  
24          three-minute time limit so we can try to  
25          get through everyone. So I will try to

1 provide a report to you shortly, after I  
2 hear from our Public Affairs staff.

3 So the next name that I have is  
4 Mayor G. Kurtz?

5 MALE AUDIENCE MEMBER:

6 Respectfully, sir, Mayor Kurtz had to  
7 leave because he couldn't stay so late.  
8 He did indicate that he would submit his  
9 testimony shortly to the Commission.

10 MR. MCKENNEY: Thank you. His  
11 testimony will be noted.

12 That's a good reminder for everyone  
13 else, too: If you do have a written  
14 copy of your testimony and you plan to  
15 just read your testimony, you can submit  
16 it here and it will be scanned into the  
17 record and introduced to the record as  
18 if you had read it here tonight. So if  
19 you have written testimony, you're  
20 welcome to leave it here with us.

21 So the next name that I have is  
22 Camillo Villa?

23 After that I have Allison Fisher.  
24 Is Allison Fisher here?

25 MS. FISHER: Right here.



1                               - - - - -

2                               ALLISON FISHER,

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

6                       MS. FISHER: My name is Allison  
7                       Fisher. I'm the outreach director for  
8                       Public Citizen's Energy and Climate  
9                       Program. Public Citizen is a national  
10                      nonprofit consumer advocacy organization  
11                      located in Washington D.C. We do have  
12                      12,000 members and supporters right here  
13                      in Ohio, many of whom reside in  
14                      FirstEnergy's service territory. So I  
15                      thank you for the opportunity to provide  
16                      comments on the utility's proposed ESP  
17                      and on behalf of Public Citizen and our  
18                      Ohio members.

19                     I do have quite a bit to say, and  
20                     so I am going to summarize, based on  
21                     your request that you just made. I will  
22                     do my best.

23                     I do want to say that Public  
24                     Citizen's interest in these proceedings  
25                     is to ensure that FirstEnergy's

1 application adequately protects  
2 consumers while promoting a cost-  
3 effective, clean and efficient energy in  
4 Ohio. And to that end, we are urging  
5 the Commission to reject FirstEnergy's  
6 request to charge ratepayers above-  
7 market prices for electricity generated  
8 from uncompetitive power generators.

9 At this point, I think, by way of  
10 just kind of skipping through some of  
11 what I've wrote here, I do want to give  
12 an example of the market base or the  
13 above-market base contract that we are  
14 talking about, to give us some concrete  
15 understanding of what that looks like.  
16 So when we are talking about, for  
17 example, the Davis-Besse facility,  
18 FirstEnergy is proposing a price of \$65  
19 per megawatt hour. That's \$26 above  
20 recent market rates, which means  
21 FirstEnergy is asking to saddle  
22 ratepayers with approximately 50 percent  
23 above market. Now, this is quite  
24 ridiculous, and it's even worse because  
25 these are the same plants that consumers

1           had to shell out billions of dollars for  
2           to cover a transition stranded cost  
3           during the early years of deregulation.  
4           In fact -- and I do want to note this,  
5           that FirstEnergy stood before this  
6           Commission and argued that they needed  
7           100 percent of its stranded costs  
8           recovered in order to be competitive in  
9           the new market. And in return, they  
10          were granted that, and consumers here in  
11          Ohio were charged nearly \$7 billion to  
12          cover those assets. This is beyond  
13          outrageous, the consumer should have to  
14          bail out these same power plants twice.  
15          It's clearly not in the spirit of Ohio's  
16          restructural policy and is not in line  
17          with public utility regulatory at the  
18          federal level that do not guarantee  
19          protection for utilities that are in  
20          competition.  
21                I'm going to skip ahead. I do want  
22          to cover just a couple more points,  
23          particularly that of the idea of  
24          reliability as one of the arguments  
25          that's being proposed by FirstEnergy

1           and, also, the concept of price  
2           stability. Both of these concepts are  
3           blatantly false and an argument that  
4           should not be considered by the  
5           Commission.

6           Reliability is the purview of, in  
7           this case, PJM, and it's not determined  
8           by generators. If PJM determines that  
9           the plant in question needs to stay  
10          online for reliability purposes, then  
11          PJM designates the plants as must run,  
12          and then they will offer a cost-based  
13          contract to continue operating. It is  
14          not the decision or the purview of this  
15          Commission.

16          Regarding price stability, we  
17          already know an expert paid by the Ohio  
18          Consumers' Counsel has concluded that  
19          ratepayers will be on the hook for an  
20          estimated three billion dollars over the  
21          course of the 15-year contract.  
22          Meanwhile, FirstEnergy's prediction that  
23          customers will eventually benefit from  
24          the agreement is highly uncertain and  
25          based on assumptions that apparently

1           have not been made public or accessible  
2           to the public. And that needs to be  
3           made public.

4           Moreover -- this is a legal  
5           question that I wanted to pose to you --  
6           even if the plants in question do become  
7           profitable, it seems unlikely that those  
8           revenues would be used to rebate  
9           ratepayers instead of returned to  
10          FirstEnergy's shareholders. So I am  
11          concerned about that piece, and I think  
12          it should be looked into further by the  
13          Commission.

14          Trying to see -- most of the facts  
15          or the points that I want to cover have  
16          been covered.

17          I do want to just reemphasize,  
18          again, that Ohio consumers should not be  
19          asked to prop up aging power plants,  
20          especially under the threat of  
21          reliability. There are better ways.  
22          And one of those better ways is to  
23          restore the Safe Energy Standards that  
24          FirstEnergy had a first hand in  
25          dismantling, and consider other

1 resources to deliver clean and cost-  
2 effective power to ratepayers.

3 Then this wasn't part of my  
4 original testimony, but I did want to  
5 say in response to some of the job  
6 arguments that have been put forward  
7 tonight. And I am very sensitive to  
8 that. However, I think it does bear in  
9 mind that these types of regulatory  
10 schemes in clean energy policies that,  
11 you know, essentially be -- essentially  
12 being dismantled and shunted by  
13 FirstEnergy's efforts, you know, they're  
14 hurting jobs here in this state, too,  
15 and they're also driving out future  
16 investments, especially in the  
17 manufacturing sector. And if we are  
18 going look at what closing these plants  
19 means for jobs, then I think we need to  
20 take a holistic look at what the jobs  
21 mean in the grander scheme of these  
22 clean energy policies that are being  
23 scuddled and these regulatory schemes  
24 that are keeping old, dirty energy  
25 online. And I will conclude there.

1           Just to be clear, Public Citizen is  
2           requesting you to reject the proposal.  
3           Thank you.

4           MR. MCKENNEY: Ms. Fisher, did you  
5           want to leave your testimony?

6           MS. FISHER: I do.

7           MR. MCKENNEY: Jannette Chambers?

8           Art McCoy? Is Art McCoy here?

9           Aaron Phillips?

10          Meredith Dasco?

11          - - - - -

12          MEREDITH DASCO,

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

16          MS. DASCO: Commissioner Haque and  
17          members of the Commission, my name is  
18          Meredith Dasco, and I'm the manager of  
19          the ReStore for the Lake-Geauga Habitat  
20          for Humanity Chapter. Thank you for the  
21          opportunity to present my organization's  
22          perspective on the importance of  
23          approving FirstEnergy's proposed rate  
24          plan.

25          Lake-Geauga Habitat for Humanity is

1 a nonprofit that helps make home  
2 ownership possible for hardworking  
3 families in need. We also focus on  
4 improving and repairing homes for  
5 qualifying veterans, seniors and  
6 disadvantaged homeowners.

7 Since its inception in 1987, our  
8 chapter has completed 83 projects for  
9 families located throughout our service  
10 area, which recently expanded to include  
11 all of Lake County. We also operate a  
12 successful ReStore in Newbury, Ohio,  
13 which is a donation center that sells  
14 new and gently-used furniture, home  
15 accessories, rebuilding materials and  
16 appliances to the public at a fraction  
17 of the retail price. Also, we recently  
18 piloted a new program called Outreach to  
19 help the older homeowners who are in  
20 need to stay in their homes.

21 I'm here tonight because  
22 FirstEnergy has long been a valued Lake-  
23 Geauge Habitat corporate partner. Over  
24 the years, its employees and the  
25 FirstEnergy Foundation have supported



1           our mission through corporate  
2           contributions, employee volunteer  
3           efforts and by providing assistance with  
4           our fundraising through event  
5           sponsorships and other development  
6           efforts. We appreciate FirstEnergy's  
7           past support and look forward to  
8           continuing our successful partnership,  
9           particularly as we launch our expansion  
10          into Lake County, which also is home to  
11          the company's Perry Nuclear Power  
12          Plant.

13                 Lake-Geauga Habitat for Humanity  
14          fully supports FirstEnergy's rate plan.  
15          In addition to providing affordable,  
16          reliable electricity, it will also help  
17          preserve the significant volunteer and  
18          financial resources that FirstEnergy and  
19          its employees contribute to each year to  
20          nonprofit organizations such as our  
21          own.

22                 FirstEnergy shares our strong  
23          commitment to foster the development of  
24          safe, vibrant neighborhoods and  
25          communities and reaching out to those in

1           need. FirstEnergy and the FirstEnergy  
2           Foundation benefit hundreds of  
3           organizations like ours, and thousands  
4           of families and individuals each year by  
5           promoting quality of life and economic  
6           development initiatives, while  
7           supporting projects that foster  
8           community economic growth and  
9           stability.

10           As part of community outreach, the  
11           FirstEnergy Foundation awards grants to  
12           qualifying nonprofit, tax-exempt  
13           organizations. Some of these  
14           organizations headquartered in Geauga  
15           County include: United Way Services of  
16           Gauga County, Geauga Growth  
17           Partnership, and Lake-Gauga Habitat for  
18           Humanity.

19           FirstEnergy's proposed rate plan  
20           will contribute millions of dollars in  
21           funding for economic development, job  
22           retention, and energy efficiency  
23           assistance that will benefit Ohio's  
24           local educational institutions, small  
25           businesses and local low-income

1 customers. The plan also provided  
2 millions of dollars to assist low-income  
3 customers in paying their electric  
4 bills, which could release some of the  
5 burden placed on nonprofits, like ours,  
6 as we help those in need make ends  
7 meet.

8 We rely on FirstEnergy not only to  
9 serve our electrical needs, but also to  
10 help improve the quality of life in our  
11 region, that's why I respectfully urge  
12 you to support FirstEnergy's proposed  
13 rate plan.

14 Thank you again for your time and  
15 allowing me to present my organization's  
16 perspective.

17 MR. McKENNEY: Thank you.

18 Sue Steigerwald?

19 After that I have Connie Kline.

20 - - - - -

21 SUE STEIGERWALD,

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

25 MS. STEIGERWALD: As an

1 all-electric homeowner and founder of  
2 Citizens for Keeping the All-Electric  
3 Promise, I'm here tonight to make sure  
4 the PUCO fully understands the bill  
5 impact to the over 200,000 all-electric  
6 homeowners and how it will affect them.

7 I do not want the same mistake to  
8 be made when Steven Lesser, then PUCO  
9 chief of staff, openly admitted in 2010  
10 that they didn't realize how it was  
11 going to affect all-electric homeowners.  
12 Therefore, the remainder of my short  
13 testimony will focus on the simple math  
14 it would take to calculate the bill  
15 impact to all-electric customers.

16 FirstEnergy has openly admitted  
17 that the proposal will cost \$350 per  
18 month, based on the average usage of 750  
19 kilowatts. What I want to make sure the  
20 PUCO understands is that the average  
21 all-electric customer uses at least  
22 three times this amount, meaning the  
23 average all-electric customer's bill  
24 will increase at least \$11 if this  
25 proposal passes.

1           Furthermore, several thousand  
2           customers like myself use electricity  
3           more during the winter. To illustrate,  
4           my most recent bill is what -- cost \$306  
5           for a total of 4,600 kilowatts. This is  
6           a typical winter bill for many  
7           all-electric customers. If  
8           FirstEnergy's proposal passes, my bill  
9           will increase \$21, based on the math  
10          that they are using of 750 kilowatts at  
11          3.50 -- at \$3.50. And I want to remind  
12          the PUCO that this will be on top of the  
13          increase that all-electric customers are  
14          already experiencing as a result of the  
15          2011 decision that will eliminate the  
16          residential generation credit for  
17          all-electric customers. That amount on  
18          my most recent bill is \$97. So I know  
19          my bill will be increasing by \$97. If  
20          you add the \$21 on top of that, I can  
21          look forward to \$118 increase on my  
22          winter bill coming up. And that would  
23          put my current bill at \$424 if this  
24          passes.  
25          So I wanted to remind you that this

1 is pretty much at the same level that my  
2 bill was at when the all-electric crisis  
3 happened in 2010 and Governor Strickland  
4 had to intervene. So basically, I just  
5 want to make sure you -- nobody can say  
6 they don't understand the bill impact to  
7 all-electric customers, as happened in  
8 2010. And I thank you for your time.

9 MR. McKENNEY: Thank you.

10 Connie Kline?

11 - - - - -

12 CONNIE KLINE,

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

16 MS. KLINE: Now we're married.

17 In consideration of these time  
18 constraints, I'm really not going to  
19 present my testimony. However, I have a  
20 few visuals that are not intended to  
21 offend, but are intended to reinforce  
22 some points. The first one is a 1982  
23 cartoon that appeared in the Cleveland  
24 Press. And it appeared at the time that  
25 stranded costs were being considered by

1 the PUCO. And as you can see, it shows  
2 the PUCO and CEI in a compromising  
3 position in a motel bed.

4 This is another cartoon. I can't  
5 read the date on it, so I'm not sure  
6 when it appeared. But it says, "Here  
7 comes the utility bill," and it's a  
8 giant screw.

9 The one thing I would like to ask  
10 of the PUCO, I would like you to force  
11 FirstEnergy to release all of its  
12 secret energy efficiency data. Of  
13 course, FirstEnergy wants to conceal  
14 this information because it purportedly  
15 shows \$1.8 billion in savings to date  
16 from energy efficiency alone without  
17 even considering renewable energy  
18 sources. This information is public  
19 record. And I don't understand why  
20 FirstEnergy is allowed to conceal it.  
21 And the PUCO should mandate its  
22 immediate release.

23 In August 2014, a random survey of  
24 Ohioans showed that they overwhelmingly  
25 favored efficiency and renewable energy

1 over coal and nuclear. And a September  
2 2014 survey found that by a 2-to-1  
3 ratio, registered voters in Ohio support  
4 political candidates who favor renewable  
5 energy and energy efficient mandates  
6 over coal and nuclear. The damage from  
7 Senate Bill 310 has already been felt in  
8 Ohio, according to a recent report from  
9 the PUCO charitable trust.

10 Ohio was number 13 in the country  
11 for new capacity and private investment  
12 in wind at the end of 2012. Such an  
13 investment has virtually ceased, due to  
14 passage of Senate Bill 310. Is the PUCO  
15 going to compound the situation?

16 Many people think that PUCO stands  
17 for Protecting Utilities' Corporate  
18 Opulence. Please prove us wrong.

19 MR. McKENNEY: At this point we're  
20 going to take a five-minute recess.  
21 Let's go off the record.

22 - - - - -

23 (Thereupon, a brief recess was had.)

24 - - - - -

25 MR. McKENNEY: We've talked to the



1           parking attendants. We're trying to  
2           make it through as many people as  
3           possible.

4           The next person I have on the list  
5           is Richard Jordan. Mr. Jordan?

6                       - - - - -

7           RICHARD JORDAN,

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

11                 MR. JORDAN: Well, mine is really  
12                 going to be short, my testimony. I'm  
13                 Richard Jordan. I have an all-electric  
14                 home, and I'm trying to find out why  
15                 FirstEnergy can't be trusted because  
16                 back in 1980 there were over 200,000  
17                 people who had all-electric homes. And  
18                 we built them only because FirstEnergy  
19                 promised them a discount. Nobody would  
20                 have built these houses, because you  
21                 couldn't sell them if you had to pay the  
22                 electric bill. They took most of that  
23                 discount away back in 2010, and they're  
24                 still taking it away a fifth at a time  
25                 for the next four or five years.

1           This rate increase is going to  
2           affect electric homes more than anybody  
3           else. We built our houses in good  
4           faith, trusting in the electric company,  
5           and these discounts should have stayed  
6           until the house was no longer there.

7           In closing, I would like to ask the  
8           members of the PUCO to go back to when  
9           all this started and look at how all of  
10          us electric homeowners have been treated  
11          by both the electric company and your  
12          agency -- and I'm sure you guys weren't  
13          on it then -- that should be on the  
14          consumer's side. I feel that they  
15          didn't do anything then to help the  
16          homeowner, because we got the electric  
17          discount taken away. And in spite of  
18          all the support we had of every  
19          politician I knew, we still lost. And  
20          this was based on the past decisions  
21          that have gone against the electric  
22          homeowners. I hope this time I'm proven  
23          wrong. Thank you.

24                 MR. MCKENNEY: Thank you.

25                 Greg Coleridge?

1                               - - - - -

2                               GREG COLERIDGE,

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

6                       MR. COLERIDGE: My name is Greg  
7                       Coleridge. I live in Cleveland Heights,  
8                       and I am a consumer of FirstEnergy,  
9                       unfortunately.

10                      I testify this evening not only as  
11                      a consumer, but as a citizen. As a  
12                      consumer, I'm concerned about the rising  
13                      prices of energy that seem unwarranted  
14                      and little more than a corporate  
15                      bailout. But as a citizen, I'm even  
16                      more concerned. Concerned about  
17                      decision making, power, and democracy,  
18                      as they relate to not only FirstEnergy  
19                      Corporation, but also to PUCO.

20                      Former Cleveland Mayor Tom  
21                      Johnson's warning a century ago is still  
22                      relevant today. "I believe in municipal  
23                      ownership of all public service  
24                      monopolies, because if you do not own  
25                      them, they will, in time, own you. They

1           will rule your politics, corrupt your  
2           institutions and, finally, destroy your  
3           liberties."

4           FirstEnergy Corporation has  
5           certainly come to rule our politics and  
6           corrupt our legislative institutions  
7           with their hot shot lobbyists and piles  
8           of campaign contributions to many of the  
9           same Ohio legislators who voted to delay  
10          green energy standards. But it's not  
11          just FirstEnergy Corporation that is a  
12          threat to our democracy, whatever credit  
13          we have left of it. Regulatory  
14          agencies, like PUCO, which shield  
15          corporate utilities, serve to  
16          effectively absorb our time, energy and  
17          resources, and to distract our attention  
18          from demanding statewide legislation,  
19          citizen initiative and public hearings  
20          on the more fundamental issue of ending  
21          corporate-owned utilities. Past and  
22          more recent history demonstrates that  
23          public-owned utilities provide more  
24          democratically accountable and cheaper  
25          energy.

1 Samuel Insull was right a century  
2 ago about "electricity being a natural  
3 monopoly." His belief, though, that  
4 regulation would protect utility  
5 monopolies from both private competition  
6 and outright public ownership was  
7 antidemocratic.

8 Milwaukee Mayor Daniel Hoan, in  
9 1907, said it best about electric  
10 regulatory commissions. "No shrewder  
11 piece of political humbuggery and  
12 downright fraud has ever been placed  
13 upon the statute books. It's supposed  
14 to be legislation for the people. In  
15 fact, it's legislation for the power  
16 oligarchy."

17 No matter the outcome of these  
18 hearings tonight and over the past and  
19 upcoming weeks, the profound problem is  
20 that we the people are not directly in  
21 control of our energy. Corporate  
22 utilities using PUCO as a shield are in  
23 charge. FirstEnergy Corporation's  
24 market monopoly socialism to which,  
25 heads they win, tails we lose, both

1 politically and in our pocketbooks. It  
2 doesn't have to happen. It wasn't  
3 always like it is now. It doesn't have  
4 to continue. These hearings are akin to  
5 a democracy theme park that looks real  
6 and legit on the surface, but distracts  
7 and distorts from the issues of power  
8 and control. Regulatory agencies  
9 regulate us. They regulate our ability  
10 to think outside the regulatory box, to  
11 imagine what real and direct definition  
12 of power, control and democracy could  
13 be.

14 Yes, the answer here tonight is to  
15 oppose this corporate bailout. But the  
16 answer to the fundamental problem of  
17 private monopolies is more democracy  
18 through public control, the likes of  
19 which would make Tom Johnson proud.

20 We need to think and act not just  
21 like consumers, but as citizens.

22 MR. McKENNEY: John Turner?

23 - - - - -

24 JOHN TURNER,

25 After having been first duly sworn, as

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

3 MR. TURNER: Good evening. My name  
4 is John Turner. I live in Shaker  
5 Heights, Ohio. I am pursuing a degree  
6 in Economics and Environmental Studies  
7 at Case Western Reserve University,  
8 where I also conduct research in energy  
9 and sustainability. I appreciate the  
10 PUCO holding this necessary venue for  
11 public testimony.

12 The stated mission of the Public  
13 Utilities Commission is, "to assure all  
14 residential and businesses access to  
15 adequate, safe, and reliable utility  
16 services at fair prices while  
17 facilitating an environment that  
18 provides competitive choices."

19 The proposal before you, and  
20 similar proposals that have been made by  
21 Duke Energy and American Electric Power,  
22 are not consistent with your stated  
23 mission. The proposal before you does  
24 not assure residential and business  
25 access to electricity at fair prices.

1           According to independent experts, this  
2           proposal will cost consumers an  
3           additional \$3.1 to \$3.2 billion. Some  
4           have suggested higher.

5           FirstEnergy has claimed that these  
6           plans will, in a few years, start to  
7           make energy. But by submitting this  
8           proposal, they have essentially admitted  
9           that they won't, otherwise why would  
10          they need the \$3.1, \$3.2 billion.

11          Furthermore, they have conceded  
12          that without this money, these plants  
13          would not be competitive with newer  
14          facilities that use wind energy and  
15          gas. How, one might ask, are these  
16          plants going to become affordable or  
17          profitable to run -- profitable to run  
18          in years to come when they're not now,  
19          as the price of renewable energy that  
20          they're competing with continues to  
21          decline, as scientific progress  
22          advances.

23          Further, besides this, you have  
24          heard from the company asking for three  
25          -- over three billion dollars, that this



1           proposal will be good for consumers. If  
2           it was good for consumers, why have so  
3           many of them stood before you today and  
4           asked you not to pass it?

5           If FirstEnergy was telling the  
6           truth, why would independent experts  
7           without a stake in the game say  
8           otherwise? And why would the consumers  
9           who are supposedly going to benefit  
10          agree with the independent experts and  
11          not FirstEnergy? What's more, this is  
12          not the only way that the plan before  
13          you and others like it are inconsistent  
14          with the Public Utilities Commission's  
15          Mission. These proposals from  
16          FirstEnergy and Duke and AEP don't  
17          facilitate an economic -- or an  
18          environment that provides competitive  
19          choices.

20          Since 1999, Ohio electricity  
21          distributors have been required to buy  
22          their electricity, to which they sell to  
23          end users on the open market.  
24          Competition.

25          The proposal before you would --

1           which is to -- the proposal here tonight  
2           seeks to have public utilities able to  
3           buy electricity at, admittedly,  
4           uncompetitive rates from their parent  
5           companies. That is not competition.  
6           This proposal goes against the Public  
7           Utilities Commission's stated mission,  
8           and it is not consistent with the law.

9           A few of the previous speakers have  
10          suggested that renewable energy either  
11          is not reliable enough, cannot be  
12          brought online enough, or is too  
13          expensive to provide Ohio with reliable,  
14          clean, safe and affordable, of course,  
15          energy. The only reason that renewable  
16          energy, like wind, solar, and  
17          hydroelectric are not the most cost-  
18          competitive ways to provide energy is  
19          that the game has been rigged. It has  
20          been rigged by vested interests that  
21          profit from dirty energy and by the  
22          antienvironmental extremists who  
23          sympathize with them who have managed to  
24          weasel their way into our legislature.  
25          More on that in a minute, if there is

1 time.

2 But an example in a broader sense,  
3 first. Last December at the United  
4 Nations Conference of Parties, the  
5 United Nations Green Climate Fund met  
6 its initial capitalization goal. The  
7 Green Climate Fund, for anybody who is  
8 unaware, is a fund to help low-income  
9 developing countries adapt to global  
10 warming. The fund is provided by  
11 developed countries which are  
12 responsible for global warming. It was  
13 reassuring that the fund did meet its  
14 modest capitalization goal. What's not  
15 so reassuring is that the country that  
16 provided this funding spent three times  
17 as much in the last year alone, more  
18 than \$30 billion, searching for new  
19 fossil fuel reserve for private  
20 companies to come along and exploit,  
21 even when the most optimistic estimates  
22 by climate scientists say that we can,  
23 at most, burn less than a fifth of the  
24 fossil fuel reserves that are already  
25 known.

1           Here's a story that's a little bit  
2           closer to home. A few weeks ago I  
3           changed my electric provider from  
4           FirstEnergy to AEP. FirstEnergy's  
5           subsidiary, Cleveland Electric  
6           Illuminating, still owns my distribution  
7           price. But the plan I was able to buy  
8           from AEP comes from 100 percent clean  
9           electricity. The cost of clean energy  
10          was about a dollar a month. That's  
11          hardly a significant amount, at least  
12          for most people. I certainly sympathize  
13          with anybody for whom that is a  
14          significant amount. But somebody for  
15          whom that \$12 a year is breaking the  
16          bank, probably, honestly, doesn't own a  
17          house in the first place and does not  
18          need -- or would benefit much from a  
19          house. Doesn't have one, and therefore  
20          doesn't need to be worrying about  
21          electricity bills.

22          Nevertheless, this wind energy  
23          should have been the cheapest way to --  
24          the cheapest plan available on Apples to  
25          Apples. Why wasn't it? Well, my extra

1           dollar a month went to support good,  
2           clean jobs in the wind farms of  
3           Pennsylvania. Why not Ohio? Well, last  
4           spring, 35,000 jobs in this state were  
5           provided by the renewable energy  
6           industry; however, there are two bills  
7           that have seriously threatened the  
8           future of this excellent industry in our  
9           state. The first and most egregious is  
10          SB 483, which arbitrarily declared that  
11          all wind turbines must be at least half  
12          a mile away from roads. This served no  
13          purpose, other than to rig the game  
14          against clean energy. The other, which  
15          you have heard about already tonight,  
16          was SB 310. Ohio now has the dubious  
17          distinction, thanks to SB 310, of being  
18          the only state to create a much-needed  
19          renewable standard and then to remove  
20          it.

21                These renewable energy standards  
22                made our air cleaner. They provided  
23                tens of thousands of jobs and, if we  
24                were on track, would provide more. And  
25                they -- those are the important ones.

1           They -- there is a saying that  
2           everybody has their price. Those  
3           economic antienvironmental extremists  
4           who I mentioned earlier, who weaseled  
5           their way into the State House, to name  
6           one example, the ranking democratic  
7           member, although minority leader, on the  
8           House Energy Committee, Representative  
9           Sandra William who now is the senator  
10          for the 21st District, she supported SB  
11          310. This might seem insane -- but  
12          speaking more to the audience for a  
13          minute. If you live in the 21st  
14          District, you might be interested -- she  
15          received \$25,000 towards her,  
16          thankfully, failed campaign for the  
17          Cuyahoga County Commissioner from  
18          FirstEnergy. So, apparently, if you  
19          live in the 21st Central District in the  
20          state, apparently your senator will  
21          oppose employment and air for 25 grand.

22                 In the spirit of the Public Utility  
23                 Commission's Mission and in the letter  
24                 of the law, I strongly urge the  
25                 Commission not to continue to allow

1 companies like FirstEnergy and other  
2 monopoly-distinct companies that produce  
3 dirty energy, that causes global  
4 warming, that harms health through  
5 particulate emissions, sulfur dioxide,  
6 nitrous dioxide. I could go on. And I  
7 thank you again for the very important  
8 venue here tonight for public  
9 testimony.

10 MR. MCKENNEY: Thank you.

11 Guy Parmigian? Is that you, sir?

12 Okay. We can wait.

13 I've been notified that the parking  
14 garage will be open until 11:00. If we  
15 go until ten to 11:00, at that time we  
16 will have to adjourn this meeting.

17 - - - - -

18 H.G. WARDLAW,

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

22 MR. WARDLAW: I am H.G. Wardlaw.

23 I'm a retired Presbyterian minister.

24 And I've had an interesting and good

25 life, in spite of the fact that I can't

1 walk around like I used to because  
2 somebody ran into the back of my car.  
3 But it was a Jeep Liberty, and those  
4 explode. But mine had the factory  
5 trailer hitch on it, so that was a good  
6 thing. I'm not going to go on any  
7 further about those kinds of things.

8 I want to tell you about a guy who  
9 is named Charles B. Fisk. Charles B.  
10 Fisk was one of the businesses who was  
11 on the team that designed the Atom  
12 Bomb. He was there at White Sands, New  
13 Mexico -- a place that I know very well  
14 because I've hiked all over it -- when  
15 the first bomb was detonated.  
16 Obliterated existence. He was so  
17 devastated by the destructive power of  
18 the Atom Bomb that he turned his  
19 knowledge of physics in a different  
20 direction. I learned of this in my last  
21 pastorage.

22 When I was the interim pastor --  
23 interim senior pastor of the House of  
24 Hope Presbyterian Church in St. Paul,  
25 Minnesota, a building that was designed



1 by the same architect who designed the  
2 Cathedral of St. John the Divine in New  
3 York City, that church has been funded  
4 since its first days when a man named  
5 Edward Duffield Neal came to St. Paul,  
6 Minnesota to seek to create a place  
7 where people could be and live. And he  
8 founded the House of Hope. Shortly  
9 after that, the Weyerhaeuser family of  
10 Weyerhaeuser Timber Company became a  
11 part of that church and has remained a  
12 part of that church until the present  
13 time, giving unselfishly of themselves  
14 and of their resources, to make life  
15 better in our world.

16 I'm sorry. I'll get up here where  
17 you can hear me.

18 One of the Weyerhaeusers got in  
19 touch with Charles B. Fisk. And if you  
20 will go on the program called "Pipe  
21 Dreams" every week, you will hear his  
22 organ in the House of Hope on national  
23 public radio with Michael Barone as the  
24 host. You will also hear a magnificent  
25 choir and a fantastic congregation,

1           whose congregational singing is led by  
2           that. And that love of God and people  
3           goes from that church to the ends of the  
4           Earth, starting in St. Paul where they  
5           have a tower, which has apartments --

6           MR. MCKENNEY: Mr. Wardlaw, I'm  
7           sorry to interrupt you. We're running  
8           short on time. Did you have comment on  
9           FirstEnergy?

10          MR. WARDLAW: I do. I do.

11          -- a tower where mothers who have  
12          children, who have no husband in the  
13          home, are provided with apartments with  
14          child care, with college tuition and the  
15          ability to come into a better place than  
16          life. I think that is what we are all  
17          called to do with the power that is  
18          given us. Okay.

19          I want to ask, if you don't get  
20          national public radio that you go on to  
21          YouTube and put in the phrase "House of  
22          Hope, organs" or "pipe organs." And you  
23          will find a -- you will see that  
24          magnificent instrument. Millions of  
25          dollars to God's glory. A congregation

1           that does that kind of work not only in  
2           St. Paul, not only in that congregation,  
3           not only in our denomination, but to the  
4           ends of the Earth. They have gone into  
5           Eastern Europe, into the Caribbean  
6           Islands, building buildings and making  
7           changes in people's lives, believing  
8           that God gave them huge resources to be  
9           used to God's glory.

10           Now, I'm not asking FirstEnergy to  
11           become a religious company. But I am  
12           suggesting that you might go and do  
13           likewise, like another corporation that  
14           I have known, because I was in their  
15           church. I was an associate pastor when  
16           I was a very young man, in the second  
17           largest Presbyterian Church in America,  
18           where the founding leadership of Holiday  
19           Inns were members. And they did all  
20           kinds of things for the betterment of  
21           people. They didn't have to go out in  
22           the motel business or hotel business.  
23           They simply let it spill over. And it  
24           changed their attitude to those that  
25           they were serving.

1           So with that, I will end the sermon  
2           and suggest the postlude that can happen  
3           after we leave here. And I would ask --  
4           I know that many of you in FirstEnergy  
5           are people of faith. And I would ask  
6           that you consider how you might use and  
7           how you might spread that which God has  
8           given to you and through you. And oh,  
9           thanks for the night light. Thank you.

10           MR. MCKENNEY: We have  
11           approximately 30 names left and 60  
12           minutes. I'm going to have to instill a  
13           rough 2-minute time limit on your  
14           remaining testimonies. I'm very sorry  
15           for that.

16           The next name I have is Jim  
17           Ciocke.

18           After that I have Debra Shankland.

19           Next I have Richard Crouse.

20           After that I have Deanna Wolford.

21           - - - - -

22           DEANNA WOLFORD,

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

1 MS. WOLFORD: I believe that  
2 FirstEnergy's proposed rate plan and  
3 Power Purchase Agreement are too much of  
4 a financial risk for Ohio consumers. I  
5 am especially concerned about the cost  
6 to maintain aging power plants and to  
7 keep power plants environmentally  
8 compliant. I think it would be wrong to  
9 subsidize FirstEnergy to keep these  
10 plants open rather than allowing newer  
11 forms of energy to compete in the  
12 wholesale electricity market.

13 MR. McKENNEY: Thank you.

14 Next I have Grennetta Taylor.

15 Grennetta Taylor?

16 Frank Jalics?

17 - - - - -

18 FRANK JALICS,

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

22 MR. JALICS: So I'm not sure what  
23 you are and are not allowed to consider  
24 when you think this through. One thing  
25 that seems to be -- at least a question

1           for me in the gray area is -- and other  
2           people have mentioned -- the pollution  
3           that happens from these power plants,  
4           especially coal-fired power plants has  
5           real costs. If somebody has asthma,  
6           they don't go to work. Their kid gets  
7           sick, they don't go to work. These are  
8           real costs.

9           I remember reading an article -- I  
10          don't remember what the number was,  
11          okay, but how much pollution drags down  
12          the GDP of China, alright, because they  
13          have pollution. I don't know how you  
14          consider that or whether you can  
15          consider that. I would suggest to you  
16          that if that were part of the price of  
17          the electricity coming out of a coal  
18          plant, they would already not be  
19          competitive.

20          As far as global warming, there are  
21          many things, but one simple one to think  
22          is, you know, about half of the storage  
23          level is only a couple feet above sea  
24          level. I don't know what that land is  
25          worth, but it's a lot more than what I'm

1           worth. Just saying. The other thing  
2           that, as far as costs go -- and one of  
3           the young men pointed it out -- is that  
4           the cost of wind and electric power has  
5           been on a steady -- well, I shouldn't  
6           say steady. Some of it was more, like,  
7           a precipitous drop, right? But the  
8           prices have really come down an awful  
9           lot. And the power purchase agreements  
10          for solar are down in the five cent  
11          range, and wind is a lot less than that  
12          in some places where, you know -- part  
13          of the story here, you know, with Ohio,  
14          is it's not windiest state and it's not  
15          the sunniest state, and that's why there  
16          is still a lit bit of this going on.  
17          But the price is heading down, right?  
18          And so you have to consider not just the  
19          prices of renewables today, but the  
20          prices of renewables in 15 years. And  
21          they'll be lower. And the coal isn't  
22          getting lower, right? And the other  
23          thing is that, of course, global warming  
24          and all this pollution stuff are things  
25          that I dislike. And I don't want the

1 fossil power plant blocking renewables  
2 from coming in. Because if they get  
3 paid whatever it costs to put that power  
4 on the line, then something can't come  
5 in to take its place for 15 years.  
6 That's an eternity. That makes  
7 absolutely no sense to me. So I think  
8 costs -- we need to consider the  
9 environmental costs. I would hope that  
10 we could consider the environmental  
11 costs. I don't know if that's true,  
12 whether you can or you cannot. But even  
13 just the dollar costs. It doesn't come  
14 out. And it certainly isn't going to be  
15 anywhere near coming out in 15 years.  
16 So that's what I have to say.

17 MR. MCKENNEY: Thank you. Liz  
18 Kilroy Hernandez?

19 Shannon Adams?

20 - - - - -

21 SHANNON ADAMS,

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

25 MS. ADAMS: My name is Shannon



1           Adams. I'm a FirstEnergy customer, and  
2           I'm opposed to the utility bailout plan  
3           for FirstEnergy.

4           Approval of this plan means locking  
5           consumers and businesses into paying  
6           more for a coal plant that was built in  
7           the '50s and went on the offline in 2012  
8           because it could no longer compete in  
9           the free market. It also includes  
10          mandating power from the Davis-Besse  
11          Nuclear Plant, which according to the  
12          Nuclear Regulatory Commission, has been  
13          the source of two of the top five most  
14          dangerous nuclear incidents in the U.S.  
15          since 1979.

16          The non bypassable PPA rider  
17          contradicts the 1999 Ohio law that  
18          mandates free competition in Ohio's  
19          electricity generation market.

20          Finally, the biggest reason  
21          FirstEnergy wants this rate plan  
22          approved is to shift their risk and bad  
23          decisions onto everyone but themselves.  
24          Please deny FirstEnergy's ESP that does  
25          not benefits Ohioans. Thank you.

1 MR. MCKENNEY: Thank you. Laura E.  
2 Jones? Is Laura E. Jones here?

3 - - - - -

4 LAURA E. JONES,

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

8 MS. JONES: Good evening,  
9 Commissioner Haque and members of the  
10 Commission. I'm Laura E. Jones, the  
11 Executive Director of Leadership  
12 Ashtabula County. Thank you for this  
13 opportunity to present our agency's  
14 perspective on FirstEnergy's proposed  
15 rate plan.

16 At Leadership Ashtabula County, we  
17 encourage, educate, and stimulate  
18 individuals of all ages to become more  
19 familiar with, interested in, and engage  
20 in all facets of civic endeavors in  
21 Ashtabula County. Our mission is to  
22 develop people who improve the quality  
23 of life in our community.

24 FirstEnergy is one of our biggest  
25 supporter, as well as they support the

1           program sponsor, providing of  
2           volunteers, speakers and resources to  
3           support our business development and  
4           economic focus program.

5           We fully support FirstEnergy's  
6           proposed rate plan. Not only will it  
7           help keep Ohio power plants available to  
8           support the State's economic future, but  
9           it also will help ensure the percentage  
10          we need to continue to contribute its  
11          financial and volunteer resources to  
12          nonprofit organizations like ours.

13          In addition, the plan contributes  
14          millions of dollars to help low-income  
15          customers pay their electric bills,  
16          which would relieve some of the  
17          pressures currently placed on nonprofits  
18          and local businesses as need continues  
19          to grow.

20          FirstEnergy's ongoing commitment to  
21          Leadership Ashtabula County enables the  
22          developmental growth in a stronger,  
23          safer community.

24          FirstEnergy and FirstEnergy  
25          Foundation impact the lives of thousands

1 of people by supporting organizations  
2 such as ours. They also promote quality  
3 of life projects that provide our  
4 community with the electric utility.  
5 The company encourages the engaging of  
6 its employees to regularly volunteer and  
7 take on community leadership roles.

8 As the parent of an autistic child  
9 and an infant, the daughter of parents  
10 with cancer and also with multiple  
11 sclerosis, I find it offensive when  
12 people typically attribute dirty air to  
13 the cause of these things and utilize  
14 unfounded statements and fear as a  
15 tool.

16 My organization educates our  
17 communities current and upcoming leaders  
18 in how we can make a difference. Their  
19 awareness concerning social servicing  
20 and business development impacts the  
21 decisions they make in their personal  
22 and professional lives.

23 FirstEnergy epitomizes the level of  
24 awareness we try and seek. The company  
25 is a corporation that truly works to

1           better our community. They're  
2           responsive and involved and an important  
3           part of the classes of our community.  
4           While we rely on FirstEnergy to supply  
5           our community's electric needs, the  
6           company also dramatically improves the  
7           quality of life in Ashtabula County and  
8           our region. For these and other  
9           reasons, I encourage you to support  
10          FirstEnergy's plan. Thank you.

11                 MR. MCKENNEY: Thank you.

12                 Next up is Luis Aroch, Jr.

13                         - - - - -

14                         LUIS AROCH, JR,

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

18                 MR. AROCH: I solemnly thank you  
19                 very much for taking the time.

20                 (Indicating.) He was so nice. He  
21                 said, "You don't have to thank me. I'm  
22                 a public servant." This is what he's  
23                 here to do. And I just want to take  
24                 this opportunity in this hearing to use  
25                 my ability for free speech. I know

1 FirstEnergy has used their ability in  
2 regards to contributions to use their  
3 free speech to roll back some of our  
4 renewable standards. But I just wanted  
5 to, first and foremost -- so, I'm just a  
6 U.S. citizen. I work on minimum wage.  
7 I struggle to pay my bills. I don't --  
8 I'm not a customer of FirstEnergy  
9 directly, but I rent, so therefore,  
10 indirectly, I am.

11 A couple things I want to do is, I  
12 want to give my praise to the utility  
13 workers that do work for FirstEnergy. I  
14 have nothing against the workers of  
15 FirstEnergy. I have nothing against  
16 these nonprofits that are doing good  
17 works that are in conjunction with  
18 FirstEnergy. However, the thing that I  
19 have is -- and I oppose this energy  
20 security plan, which essentially is a  
21 corporate bailout. But I feel that --  
22 you know, I feel a corporation should be  
23 responsible for their poor decisions.

24 I believe in what's written on that  
25 wall there, that, you know, they should

1           have wise management. Apparently, they  
2           do not. You know, apparently they  
3           weren't -- they didn't have the  
4           foresight to see that we needed to move  
5           in a different direction. Instead, what  
6           they're trying to do is, they're trying  
7           to weasel their way -- take away our  
8           rights, control our public servants  
9           through financial contributions and take  
10          away the opinion of the people.

11                Tons of people were here today  
12          talking about how a majority of people  
13          want renewable and clean energy; they  
14          don't want dirty energy anymore. We  
15          have the technology. We want to do it  
16          now. But I understand FirstEnergy,  
17          because they are a business. They want  
18          to go business as usual because that's  
19          been profitable and they have their ways  
20          of continuing to try to skew the rules  
21          in their favor. But I stand here today  
22          in saying that this proposal shouldn't  
23          even be on the floor. This is against  
24          free market economy. This -- you know,  
25          the thing that should be is, the people

1           who are saying, I'm willing to pay more  
2           for a brighter future for tomorrow, as  
3           opposed to the cataclysmic results of  
4           what could happen if we reach -- you  
5           know, pass -- surpass what they estimate  
6           as our allowance in regards to emission  
7           with methane and CO2.

8           So I stand here as an activist. I  
9           don't get paid for what I do. I go out  
10          and I protest. And I want a better  
11          future for my nephews, for, hopefully,  
12          my future children and future  
13          generations. Seventh generations,  
14          always keep that in mind, instead of  
15          thinking about the profit of today and  
16          what it will do today.

17          So that is my time, I'm sure. But  
18          I want to thank you for coming. I want  
19          to thank the public servants for what  
20          you do. But I also want to remind  
21          people that this is a government for the  
22          people by the people. And it shouldn't  
23          be -- corporations are not people. I  
24          have yet to meet one in person. Thank  
25          you.



1 MR. McKENNEY: Ashleigh Prigodich?

2 - - - - -

3 ASHLEIGH PRIGODICH,

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

7 MS. PRIGODICH: I'm Ashleigh  
8 Prigodich, and I'm speaking on behalf of  
9 a FirstEnergy customer, for now, against  
10 the bailout. So where many people right  
11 now are creating a carbon footprint,  
12 FirstEnergy is creating a carbon trail.

13 According to the -- according to  
14 Environment Ohio, in 2012 we ranked  
15 second for climate change pollution from  
16 power plants.

17 Now, not only is it ridiculous to  
18 ask customers to give FirstEnergy more  
19 money because they made poor  
20 investments, but to bail out a plant  
21 that ranks in the top 100 polluting coal  
22 plants in the country -- and I'm  
23 speaking about the W.H. Sammis Plant in  
24 Scranton that was mentioned earlier.

25 Now, I am part of a generation that

1           has to live with the mistakes from these  
2           companies. I'm not a lawyer. I'm not a  
3           politician. But more importantly, I'm  
4           educated. And I can see the harm that  
5           carbon emissions can do; acid rain,  
6           particulate matter, nitrous oxide that  
7           causes smog. FirstEnergy wants to argue  
8           that they're keeping people in business  
9           and creating jobs; coal miners,  
10          engineers, et cetera. Now, that's well  
11          and all. But what about the jobs that  
12          they're actually compromising. Farmers  
13          whose crops are ruined from acid rain;  
14          fishermen who can't fish because of the  
15          high mercury contents in water.

16               Now they also might want to argue  
17               that we need to do more research. I'll  
18               show you where the research is. You've  
19               had people here from Case Western who  
20               have been to doing research. I'll  
21               gladly do the research myself.  
22               FirstEnergy wants to create jobs. Hire  
23               me. I'll do it.

24               If these bailouts should happen,  
25               does FirstEnergy think that customers

1           are going to sit idly by and pay the  
2           increased rates, because I know I  
3           won't. Thank you.

4           MR. MCKENNEY: Monika Bialoglowicz?

5           FEMALE AUDIENCE MEMBER: She  
6           submitted her testimony.

7           MR. MCKENNEY: Sandy Buchanan?

8           FEMALE AUDIENCE MEMBER: She also  
9           submitted her testimony.

10          MR. MCKENNEY: Thank you.

11          Judith Masters?

12          Howard Mashen?

13          Jules Rewald?

14          - - - - -

15          JULES REWALD

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

19          MR. REWALD: I want to thank you  
20          people. You must have the patience of  
21          Job to listen to some of these things  
22          that you had tonight. And I bet if you  
23          tried to administer the same oath to  
24          FirstEnergy Solutions, I would be  
25          surprised if they didn't go up in

1 smoke.

2 I have never known such a duplicity  
3 -- I don't want to use the word "liar,"  
4 but duplicated(sic) misstatement.  
5 Misdirection certainly covers how that  
6 company is operated. Okay.

7 I -- like I said, my name is Jules  
8 Rewald. I've owned my own business. I  
9 am a degreed accountant. So when I come  
10 to FirstEnergy, I know some of what I'm  
11 talking about. I also have a degree in  
12 electronical -- electrical engineering.

13 Now, FirstEnergy, as I understand  
14 it, we've got two different groups.  
15 First, we have the Illuminating Company,  
16 which is the delivery service, and  
17 FirstEnergy Solutions, which is the  
18 generation portion that makes the  
19 electricity.

20 The proposal in front of your board  
21 is that FirstEnergy Solutions, which is  
22 supposed to be an independent company --  
23 remember back in 1999 they argued to be  
24 split in two, claimed they were  
25 independent. Fine. If they are

1 independent, then the cost associated  
2 with the generation of electricity  
3 belongs to the company that owns the  
4 generation.

5 You gave them protection. They  
6 were a monopoly. They decided they  
7 didn't want to be a protected monopoly.  
8 They left the protection wing and they  
9 went out into the free market. Now  
10 they're on the free market and they've  
11 got a coal-fired plant that's being  
12 pushed out by technology; a nuclear  
13 plant, which is first generation, which  
14 is being pushed out by technology. It's  
15 going to be gone whether you give them  
16 approval or not. But what they want is,  
17 they want you to guarantee that even if  
18 I don't buy electricity generation from  
19 them, I'm going to pay to support them  
20 anyway. That's not my job to support  
21 them. And it's not your job to protect  
22 them. They lost that protection when  
23 they went out into the free market.

24 As far as if they're not here,  
25 communities will fall apart. Do you

1 believe that we're looking at a future  
2 where we're not going to use computers  
3 and electric light bulbs? And if we  
4 are, someone is going to produce  
5 electricity. When Saturn went bye-bye,  
6 General Motors went forward, stepped in  
7 to make more cars.

8 If there is a need for electricity,  
9 someone will make the electricity. The  
10 proposal in front of you is for the next  
11 three years. We who don't buy the  
12 products that they make will be required  
13 to pay whatever it costs, okay, if  
14 they're losing money on the open market,  
15 to pay for plans that we're not using  
16 and products we're not using.

17 Now, when it comes to trusting  
18 FirstEnergy Solutions about how much it  
19 costs, let me remind you, you were here  
20 when they broke up the company and  
21 charged us three billion dollars to  
22 split the company. You were here when  
23 they tried to sell us green light  
24 bulbs. Let's see. What were they? The  
25 little twisty kind. Anybody could go

1 down to Home Depot or the drug store and  
2 buy those light bulbs for about \$5 to  
3 \$7. But they wanted to put \$1.50 a  
4 month on our bill for the next 18  
5 months, which would have been \$27  
6 dollars for \$7 worth of light bulbs.  
7 Okay. And I don't believe Home Depot is  
8 giving their light bulbs away without  
9 making a profit.

10 Then lastly, remember when they had  
11 their little polar vortex and the  
12 delivery company was required to buy  
13 electricity from the manufacturing side  
14 of it, and we were billed three times  
15 the market rate.

16 So we've got plenty of history that  
17 this company cannot be trusted to tell  
18 the truth. They gouge the public and  
19 everything.

20 You want to talk about electric  
21 bills. This is mine for the last  
22 month. It's \$258. I am living on a  
23 pension of \$1,300 a month. Now, my  
24 credit for the generation is going  
25 away. My credit for the delivery is

1           going away. Okay. And then they want  
2           to tack on my cost. I don't buy  
3           FirstEnergy's electric -- Solutions  
4           electricity. I buy from another  
5           supplier. Why should I pay for their  
6           plant? That cost belongs to that plant,  
7           and they can pass it on to their  
8           customers if the open market allows it  
9           to happen. If not, they can go away and  
10          someone will replace them.

11                 MR. McKENNEY: Thank you.

12                 Thomas Smith?

13                         - - - - -

14                         THOMAS SMITH,

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

18                 MR. SMITH: My name is Tom Smith.

19           I live at 1528 Elmwood Avenue, Lakewood,  
20           Ohio.

21                 Thank you for the opportunity.

22           Thank you for your perseverance and your  
23           presence tonight.

24                 I would like to say that I'm here  
25           to oppose the application for the rate



1           hike. If anybody wants to spend more of  
2           my money, I would like to see it spent  
3           on renewables or on efficiencies.

4           We visited some friends in England  
5           40 years. I'll repeat that. 40 years  
6           ago. Electricity was pretty expensive  
7           in Europe back then, as it right now.  
8           They had time-of-day pricing on their  
9           electricity. They had a heating system  
10          that had a lot of bricks around it. At  
11          night it was heated up when the  
12          electricity was cheaper. During the day  
13          a thermostat through a flame through  
14          these bricks heated the house when the  
15          electricity was more expensive. Why  
16          don't we have this? I think we have it  
17          for a few of the larger companies. Why  
18          doesn't everybody have this, instead of  
19          saying, well, we've got to keep this  
20          dumb, old plant going? Because  
21          everybody rushes home and turns on their  
22          air conditioner and their electric stove  
23          and everything at 5:00 or 6:00. So we  
24          have this high demand between 4:00 and  
25          6:00. Well, why don't we just do a

1           little rate restructuring and take care  
2           of that, like other countries did 40  
3           years ago?

4           I keep hearing that FirstEnergy  
5           says, we need this rate hike because of  
6           this peak demand in the 4:00 to 6:00. I  
7           don't hear them saying anything about,  
8           gee, why don't we think up some storage  
9           method, whether it's with renewables or  
10          the current electricity we're  
11          producing. People are using liquid  
12          sodium right now for peak demand. Why  
13          isn't FirstEnergy? What about water  
14          reservoirs for peak demand instead of  
15          keeping an old plant going with somebody  
16          else's money?

17          I guess I would say, I really don't  
18          have anything against surcharges.  
19          There's been a lot of them over the  
20          years. I trust the people in charge.  
21          They've done a good job saying that  
22          those are worthwhile surcharges. I just  
23          object to where this surcharge is  
24          going. If it can't go to renewables, if  
25          it can't go to efficiency, if it can't

1 go to the future, then please don't take  
2 my money.

3 I hear this is going to cost the  
4 consumers one to three billion dollars.  
5 Well, I know the price of a solar power  
6 plant -- a one gigawatt solar power  
7 plant is one billion dollars. If we're  
8 going to lose three billion over 15  
9 years, we could build three power  
10 plants, a gigawatt power plant. That's  
11 the equivalent of a good size nuclear  
12 power plant. Then if we use some sort  
13 of storage, we could store it for those  
14 peak periods and make use of a -- an  
15 energy source that isn't constant. It  
16 isn't a base source. It isn't there all  
17 the time, but we could store it.

18 You know, if FirstEnergy wants my  
19 money, I'll be glad to hear why they  
20 want it. But just to keep an old power  
21 plant going -- I want to see Ohio move  
22 into the 21st Century. And I want to be  
23 part of it. I want to be proud of it.  
24 I want people to say, "oh, you're from  
25 Ohio. I hear they're doing this, this

1           and this." All they've heard so far is,  
2           Senate Bill 310, the only state that's  
3           given up on its renewable portfolio  
4           state. Pretty ashamed of that.

5           So all I can say is, if I'm going  
6           to have to subsidize anything, I would  
7           like to subsidize the future and not the  
8           past. Thank you.

9           MR. MCKENNEY: Thank you. Sue  
10          Daugherty?

11                       - - - - -

12                       SUE DAUGHERTY,

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

16                 MS. DAUGHERTY: Good evening,  
17                 Commissioner. My name is Sue Daugherty.  
18                 I'm from Sandusky, Ohio, and I would  
19                 like to say that there are plenty more  
20                 that would have liked to have joined me,  
21                 but they lacked the stamina.

22                 Not only am I here this evening to  
23                 represent myself, but I also represent a  
24                 large proportion of older adults who  
25                 live in Erie County. In Erie County, in

1 five years, 31 percent of our community  
2 will be senior citizens. And in our  
3 county there was a boom for all-electric  
4 housing, and many of older adults live  
5 in electric housing. And the difficulty  
6 of their ability to be able to afford  
7 their utility costs is a concern for  
8 them. So what you see here this evening  
9 is really deceptive, because if I had --  
10 if they had the capacity to withstand  
11 the duration of this hearing, we would  
12 have brought 40 more people with us.

13 Let me just say that I would like  
14 to echo the sentiments that we are  
15 against the electric security plan  
16 because we don't want to fund dirty  
17 energy. If we are going to pay more  
18 costs, if the argument is that it is  
19 going to cost us more, then please move  
20 us into the 21st Century.

21 The concern about the impact with  
22 the loss of jobs, I realize that the  
23 risk of that would be devastating. But  
24 I also recognize, too, when you don't  
25 have a good argument to make. Or a

1           solution to offer, it's much easier to  
2           resort to fear. And the fear factor  
3           does cause many of us, myself included,  
4           for my emotions to kick in and my  
5           intellect to kick out. But you've heard  
6           so many of the others talk today of the  
7           options, alternatives, and it's a free  
8           market. And as a utility customer, I am  
9           not motivated to subsidize a for-profit  
10          company. So I am asking for you to  
11          please reject the proposal to fund  
12          FirstEnergy's security plan.

13                 Thank you all very much for being  
14          here this evening and for your patience  
15          and your stamina and endurance. We  
16          appreciate the opportunity to give  
17          testimony.

18                 MR. McKENNEY: Pat Brown? Pat  
19          Brown?

20                 I have Terence Joyce.

21                 - - - - -

22                 TERENCE JOYCE,

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

1           MR. JOYCE: For interest of time, I  
2 will shorten my remarks.

3           MR. MCKENNEY: Thank you.

4           MR. JOYCE: Commissioner Haque and  
5 members of the Commission, I'm Terry  
6 Joyce, Business Manager of Building  
7 Laborers' Local 310 and president of the  
8 Cleveland Building Trades. I appreciate  
9 the opportunity to testify tonight in  
10 support of FirstEnergy's proposed rate  
11 plan.

12           Building Local 310 represents 2,200  
13 skilled workers throughout our region,  
14 also, if you count the Building Trades,  
15 which I'm president of some 18,000  
16 tradesmen and women. We work with over  
17 400 signatory contractors. Our Union  
18 has worked for FirstEnergy for over 35  
19 years. Our members have worked at the  
20 Perry plants since the '70s when the  
21 construction began. We also have  
22 traveled out of the jurisdiction to work  
23 with Davis-Besse, Beaver Valley, and  
24 Exelon's Peach Bottom plant in  
25 Pennsylvania.

1           On behalf of 310, I'm asking you to  
2           approve their rate plan because Ohio  
3           power plants create thousands of union  
4           jobs and produce major construction  
5           projects that put our members to work.  
6           These plants also support the larger  
7           economy, which our livelihood is closely  
8           tied to.

9           In a nutshell, I don't know where  
10          our local would be, where our members  
11          would be without these plants and  
12          without the continued work and constant  
13          upgrading that they do to their plants.  
14          It's the lifeblood of our union and so  
15          many of ours members' families  
16          throughout our region. I appreciate  
17          your time.

18          MR. McKENNEY: Thank you.

19          Next I have Glen Campbell. Is Glen  
20          Campbell here?

21          That concludes of list of names  
22          that I have signed up to testify this  
23          evening.

24          Before we adjourned, I must ask, is  
25          there anyone else here this evening that



1           did not provide public testimony that  
2           wishes to voice their position either in  
3           support of or in opposition to the  
4           application filed by the company?

5           If not that, then I thank everyone  
6           for coming this evening. I thank you  
7           for your patience with the hearing.

8           As I mentioned earlier, this is  
9           only one step in the process of this  
10          case. There will be an evidentiary  
11          hearing forthcoming.

12          At this time we are adjourned.

13          Thank you. Off the record.

14                   - - - - -

15          (Hearing adjourned at 10:45 p.m.)

16                   - - - - -

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

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

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

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

17         IN WITNESS WHEREOF I have hereunto set my  
 18 hand and affixed my seal of office at Cleveland,  
 19 Ohio on this 20th day of February, 2015.

19

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

24

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

Summary: Transcript Public hearing held January 20, 2015 in Cleveland, Ohio, including sign-in sheets electronically filed by Ms. Katrina Dearborn on behalf of Dearborn Reporting Services