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PUCO EXHIBIT FILING

Date of Hearing: 9/14/15

Case No. 14-1297-EL-SSO

In the Matter of the :
Application of Ohio Edison: Company, The Cleveland :
Electric Illuminating : Company, and The Toledo :
Edison Company for : Case No. 14-1297-EL-SSO
Authority to Provide for :
a Standard Service Offer :
Pursuant to R.C. 4928.143 :
in the Form of an Electric: Security Plan. :

List of exhibits being filed:

Volume X

Sierra Club

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Reporter's Signature: Armstrong & Key
Date Submitted: 10/2

Nucor Set 1
Witness: Jason J. Lisowski and
Eileen M. Mikkelsen

Case No. 14-1297-EL-SSO
Ohio Edison Company, The Cleveland Electric Illuminating Company and
The Toledo Edison Company for Authority to Provide for a Standard Service Offer
Pursuant to R.C. § 4928.143 in the Form of an Electric Security Plan

RESPONSES TO REQUEST

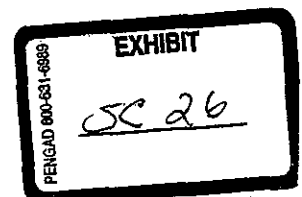
Nucor Set 1—
INT-38

Refer to pages 14-15 of Ms. Mikkelsen's testimony:

- (a) Explain in detail what constitutes Legacy Cost Components for the Davis-Besse, Sammis, and OVEC plants.
- (b) Provide all workpapers supporting these Legacy Cost Components.
- (c) Will there be an opportunity for the Commission to review and approve the reasonableness and prudence of Legacy Cost Components?
 - i. If so, explain the process that will be used.
 - ii. If not, explain why not.
- (d) Explain why the Companies propose to have two separate reviews for Rider RRS rather than one review.
- (e) Will customers be able to participate in the April 1-May 31 review of Rider RRS?
- (f) Will customers have the opportunity to review and comment on the Staff Report in the second review?
- (g) Will both reviews occur on an annual basis?
- (h) Under the Companies' proposal, would the Commission be able to exclude or disallow costs associated with the Plants from recovery through Rider RRS if the Commission finds those costs to be unreasonable or imprudent?

Response:

- (a) Please see responses to OCC Set 1 – INT 21 and SC Set 2 – INT 74.
- (b) See the Companies' response to SC Set 2-INT-74.
- (c) Yes, legacy costs are available for review in this proceeding.
- (d) See the testimony of Company witness Mikkelsen at pages 14-15.
- (e) No
- (f) Yes.
- (g) The first review will occur annually. The second review is periodic which could be annual if the Commission so chooses.
- (h) Yes.



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OCC Set 1 –
INT-21

Referring to the description of "Legacy Cost Components" that will be included in Rider RRS on page 14 of the Direct Testimony of Companies' witness Mikkelsen:

- a. What are examples of the types of costs that arise from decisions or commitments made and contracts entered into prior to December 31, 2014, including any costs arising from provisions under such historic contracts that may be employed in the future"?
- b. What are the reasons for the choice of the date, December 31, 2014?

Response:

- a. Examples of Legacy Cost Components include capital expenditures incurred prior to December 31, 2014, which will be part of the Rider RRS revenue requirement calculation over the remaining life of the asset. Another example would be a long-term fuel contract which may cover a period beyond May 31, 2016 that was entered into prior to December 31, 2014.
- b. The date December 31, 2014 was chosen to allow parties to review Legacy Cost Components that will be included in Rider RRS during this proceeding. Costs incurred subsequent to December 31, 2014 will be eligible for review in subsequent audits of Rider RRS.