



Public Utilities Commission

Asim Z. Haque, Chairman

Commissioners

Lynn Slaby
M. Beth Trombold
Thomas W. Johnson
M. Howard Petricoff

July 15, 2016

Mr. Kurt E. Turosky
Director, Energy Efficiency Compliance & Reporting
FirstEnergy Corp.
76 South Main Street
Akron, OH 44308

Re: Case Nos. 12-2190-EL-POR, and 12-2191-EL-POR, and 12-2192-EL-POR

From: Robert Wolfe, PUCO Staff

Subject: Request to reallocate \$1,250,000, \$1,000,000, and \$200,000 of funds respectively for OE, CEI, and TE between programs serving the Residential customer class

This letter/email is in response to your request on July 11, 2016 to reallocate dollars within Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company's approved portfolio budgets. Specifically, the Companies are requesting to reallocate \$1,250,000 from the *Energy Efficient Products Program* to the *Low Income Program* in the Ohio Edison service territory, \$1,000,000 from the *Energy Efficient Products Program* to the *Low Income Program* in The Cleveland Electric Illuminating Company's service territory, and \$200,000 from the *Energy Efficient Products Program* to the *Low Income Program* in The Toledo Edison Company's service territory. According to the Company, these reallocations are necessary to support the continued operation of the Community Connections program through the end of the Amended Plan period, or December 31, 2016. As stated in your request, the Companies project that the funds remaining in the *Energy Efficient Products Programs* will be adequate to cover the forecasted costs through the remaining program period, or December 31, 2016. The \$1,250,000, \$1,000,000 and \$200,000 reallocation, when combined with the reallocations approved on November 20, 2015, represents less than 25% of the total budgeted funds for this customer class. This request to reallocate funds was presented to the members of the residential customer energy efficiency collaborative on Tuesday, June 28, 2016 in which no member objected. Therefore, Staff approves the reallocation of \$1,250,000 from the *Energy Efficient Products Program* to the *Low Income Program* in the Ohio Edison service territory, \$1,000,000 from the *Energy Efficient Products Program* to the *Low Income Program* in The Cleveland Electric Illuminating Company's service territory, and \$200,000 from the *Energy Efficient Products Program* to the *Low Income Program* in The Toledo Edison Company's service territory.

Respectfully,

Robert Wolfe
Utility Specialist
Public Utilities Commission of Ohio
180 E. Broad Street
Columbus, OH 43215

July 11, 2016

Mr. Robert Wolfe
Public Utilities Commission of Ohio
180 E. Broad St.
Columbus, OH 43215

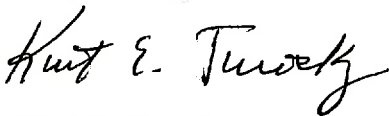
Re: Case Nos. 12-2190-EL-POR, 12-2191-EL-POR, and 12-2192-EL-POR

Pursuant to O.A.C. 4901:1-39-05(C)(2)(c), Ohio Edison Company ("OE"), The Cleveland Electric Illuminating Company ("CEI") and The Toledo Edison Company ("TE", or collectively "Companies") request written Staff approval to reallocate \$1,250,000, \$1,000,000, and \$200,000 of funds respectively for OE, CEI and TE between programs serving the Residential customer class. This request is necessary to administer the implementation of the Companies' existing EEPDR portfolios and does not expand the total budget for this customer class, nor that of the Companies approved Portfolio Plans.

Specifically, this request seeks administrative approval to shift funds within the Residential customer class from the *Energy Efficient Products Program* to the *Low Income Program* within the respective Portfolio Plans. The reallocated funds will be used to support continued operation of the Community Connections program, recently approved in the Companies ESP IV proceeding (Case No. 14-1297-EL-SSO), through the end of the Amended Plan period, or December 31, 2016. Without the requested reallocation, the existing 2013-2016 budgets for the *Low Income Programs* at OE, CEI and TE will be exhausted prior to the end of the Amended Plan period. Further, the Companies project that the funds remaining in its *Energy Efficient Products Program*, post transfer, will be adequate to cover forecasted program cost through the end of the Amended Program Portfolio Plan period. Thus, the reallocation will enable the shifted funds to be better utilized within each Company's overall portfolio. The reallocation supports the goals of the Companies' approved Amended Program Portfolio Plans and is less than 25% of the Residential (including Low-Income) class budget of \$64,107,772 for OE, \$39,516,955 for CEI, and \$24,107,981 for TE as approved by the Commission in cases 12-2190-EL-POR, 12-2191-EL-POR and 12-2192-EL-POR.

In light of these facts, the Companies respectfully request Staff's written approval to reallocate funds as described herein and as shown in the table labeled "Ohio Edison Proposed Budget Reallocation", "The Cleveland Electric Illuminating Company Proposed Budget Reallocation", and "The Toledo Edison Company Proposed Budget Reallocation" in Attachment A.

Respectfully,



Kurt E. Turosky
Director, Energy Efficiency Compliance & Reporting
FirstEnergy Corp.
76 South Main Street
Akron, OH 44308

cc: Parties of Record in Above Referenced Cases and FirstEnergy Energy Efficiency Collaborative Members

Attachment A

1-800-646-0400

Ohio Edison Proposed Budget Reallocation

Ohio Edison Residential Portfolio (including Low-Income) Total Budget (2013-2016) As Approved by Staff on November 24, 2015				Proposed	Impact
<i>Peak Demand Reduction Programs</i>					
Direct Load Control Program	\$	4,751,635	\$	4,751,635	\$ -
Peak Demand Reduction Program Subtotal	\$	4,751,635	\$	4,751,635	\$ -
<i>Energy Efficiency Programs</i>					
Appliance Turn-In Program	\$	7,046,377	\$	7,046,377	\$ -
Energy Efficient Products Program	\$	15,432,472	\$	14,182,472	\$ (1,250,000)
Home Performance Program	\$	28,778,723	\$	28,778,723	\$ -
Low-Income Program	\$	8,098,565	\$	9,348,565	\$ 1,250,000
EE Program Subtotal	\$	59,356,137	\$	59,356,137	\$ -
Totals	\$	64,107,772	\$	64,107,772	\$ -

Total Class Budget \$ 64,107,772

25% of Class Budget \$ 16,026,943

The Cleveland Electric Illuminating Company Proposed Budget Reallocation

The Cleveland Electric Illuminating Company Residential Portfolio (including Low-Income) Total Budget (2013-2016) As Approved by Staff on November 24, 2015				Proposed	Impact
<i>Peak Demand Reduction Programs</i>					
Direct Load Control Program	\$	3,110,977	\$	3,110,977	\$ -
Peak Demand Reduction Program Subtotal	\$	3,110,977	\$	3,110,977	\$ -
<i>Energy Efficiency Programs</i>					
Appliance Turn-In Program	\$	4,804,732	\$	4,804,732	\$ -
Energy Efficient Products Program	\$	7,666,974	\$	6,666,974	\$ (1,000,000)
Home Performance Program	\$	15,324,280	\$	15,324,280	\$ -
Low-Income Program	\$	8,609,991	\$	9,609,991	\$ 1,000,000
EE Program Subtotal	\$	36,405,978	\$	36,405,978	\$ -
Totals	\$	39,516,955	\$	39,516,955	\$ -

Total Class Budget \$ 39,516,955

25% of Class Budget \$ 9,879,239

Attachment A (continued)

The Toledo Edison Company Proposed Budget Reallocation

The Toledo Edison Company Residential Portfolio (including Low-Income) <i>Total Budget</i> <i>(2013-2016) As</i> <i>Approved in</i> <i>Filing</i>				<i>Proposed</i>	<i>Impact</i>
<i>Peak Demand Reduction Programs</i>					
Direct Load Control Program	\$	1,279,797	\$	1,279,797	\$ -
Peak Demand Reduction Program Subtotal	\$	1,279,797	\$	1,279,797	\$ -
<i>Energy Efficiency Programs</i>					
Appliance Turn-In Program	\$	2,139,168	\$	2,139,168	\$ -
Energy Efficient Products Program	\$	7,345,718	\$	7,145,718	\$ (200,000)
Home Performance Program	\$	9,623,679	\$	9,623,679	\$ -
Low-Income Program	\$	3,719,619	\$	3,919,619	\$ 200,000
EE Program Subtotal	\$	22,828,185	\$	22,828,185	\$ -
Totals	\$	24,107,981	\$	24,107,981	\$ -

Total Class Budget \$ 24,107,981

25% of Class Budget \$ 6,026,995

This foregoing document was electronically filed with the Public Utilities

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Case No(s). 12-2190-EL-POR, 12-2192-EL-POR, 12-2191-EL-POR

Summary: Staff Review and Recommendation electronically filed by Mr. Robert Wolfe on behalf of PUCO Staff