July 19, 2017

*Via electronic filing* 

Barcy McNeal, Secretary Docketing Division Public Utilities Commission of Ohio 180 East Broad Street, 11th Floor Columbus, OH 43215

Re: In the Matter of the Application of Ohio Edison Company, the Cleveland Electric Illuminating Company, and the Toledo Edison Company for Approval of Their Energy Efficiency and Peak Demand Reduction Program Portfolio Plans for 2017 Through 2019, Case No. 16-743-EL-POR

## Dear Ms. McNeal:

Intervenors the Environmental Law & Policy Center, Natural Resources Defense Council, Ohio Environmental Council, and Environmental Defense Fund (collectively, "Environmental Groups") and Ohio Partners for Affordable Energy ("OPAE") write to alert the Public Utilities Commission of Ohio ("Commission") regarding the detrimental effects of the lack of any Commission decision in this case, three and a half months after briefing was fully completed and more than six months into the 2017-2019 energy efficiency plan period at issue.

This case concerns a December 9, 2016 stipulation jointly filed by Ohio Edison Company, the Cleveland Electric Illuminating Company, and the Toledo Edison Company (collectively "FirstEnergy"), Environmental Groups, OPAE, and several other intervenors. The stipulation proposes a portfolio of energy efficiency and peak demand reduction programs to serve FirstEnergy customers for 2017-2019. The central contested issue here is whether these programs and associated incentive payments should be subject to an annual cost cap of \$80.1 million, representing a \$31 million reduction from the proposed budget in the stipulation.

Since FirstEnergy's prior energy efficiency plan ended on December 31, 2016, FirstEnergy has been implementing its programs without Commission resolution of the applicable budget and without prospective Commission approval of the reasonableness of its programs. Under these circumstances, FirstEnergy has understandably been reluctant to go forward with full implementation of its stipulation commitments, holding back on overall spending as well as particular program proposals. This regulatory limbo undermines the effectiveness of the programs that FirstEnergy is currently implementing and, given that the year is nearly two-thirds over, raises the prospect that FirstEnergy would have to cut off programs abruptly to comply with the cost cap if the Commission does approve it. As a result, customers are being needlessly deprived of the benefits of FirstEnergy efficiency programs and face the threat of significant program disruption.

Given the detrimental effects of the lack of resolution of this matter so far, any further delay will only cause more harm to FirstEnergy customers. Therefore, the Environmental Groups and OPAE respectfully request that the Commission rule on the proposed stipulation as soon as possible.

Respectfully submitted,

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Summary: Correspondence electronically filed by Madeline Fleisher on behalf of Environmental Law and Policy Center and Natural Resources Defense Council and Ohio Environmental Council and Environmental Defense Fund and Ohio Partners for Affordable Energy