BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Approval of Ohio Site Deployment of the Smart Grid Modernization Initiative and Timely Recovery of Associated Costs

Case No. 09-1820-EL-ATA Case No. 09-1821-EL-GRD Case No. 09-1822-EL-EEC Case No. 09-1823-EL-AAM

REPORT

On May 28, 2015, the Commission issued a Finding and Order ("Order") granting Ohio Edison Company, The Cleveland Electric Illuminating Company ("CEI") and The Toledo Edison Company's (collectively, "Companies") Application to complete studies related to the Ohio Site Deployment of the Smart Grid Program. In that Order, the Commission ordered the Companies to file an interim report regarding the data obtained from the Volt Var Optimization and Distribution Automation studies within 60 days from the date of the Order and annually thereafter. The Companies hereby submit their interim report on Smart Grid performance from the Smart Grid in-service date of June 1, 2014 through May 31, 2017.

Distribution Automation

For the 34 Smart Grid Circuits, the Companies, in order to benchmark the pilot area's reliability metrics, averaged the 5 year reliability metrics for that area (SAIDI and SAIFI) for years 2005 through 2009. Then, the Companies collected outage data from June 1, 2014 through May 31, 2017. The results were:

Three Year Annualized Smart Grid Circuit Performance (June 2014 - May 2017)							
	Customers		Customers				
	Interrupted	СМІ	Served	SAIFI	SAIDI		
5 Yr Avg (2005-2009)	64,818	7,681,489	42,790	1.515	179.515		
Smart Grid Circuits (12 Mo. Avg.)	60,946	6,056,711	45,578	1.337	132.887		
Savings	3,872	1,624,778		0.178	46.628		
	% Improvement				26%		
Notes							
1. Outages include, Distribution, Substation, and Transmission, excludes major storms							
2. Reliability improvements are only conclusive after 5 years of data collection and analysis							
3. Includes tap outages that would not have been affected by Smart Grid facilities							

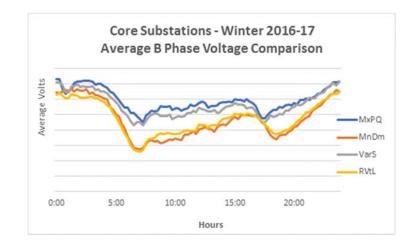
Integrated Volt Var Control

There are five different Operational Settings that support the goals that the Companies identified when piloting IVVC:

- *Maximum Power Quality (Max PQ)* This operational setting is used to mitigate power quality issues that may be generated by one customer that impacts other customers on the circuit. This setting typically causes voltage to increase.
- *Minimize Demand (MnDm)* This operational setting is used to reduce customer usage and to
 mitigate substation equipment overloads. This setting will lower circuit voltages to the lower end of
 the allowable range and could impact power quality.
- Var Support (VarS) This operational setting is used to support Var loading on the transmission system, providing additional transmission capacity and the best system stability. This setting brings on as much capacitance as possible and maintains voltage within limits by controlling Load Tap Changers ("LTCs") and line regulators. The typical impact on voltage of this setting ranges from neutral to an increase.
- *Minimize Device Operations (Respect Voltage Limits/RVtL)* This operational setting is used to reduce tap change operations on both LTCs and line regulators and to reduce capacitor switching. This mode of operation allows the voltage to fluctuate throughout the full voltage bandwidth, but still within ANSI limits. The typical impact on voltage of this setting is neutral.

OPERATIONAL SETTING	OPTIM BOUNI	IZATON DARIES	OPERATIONAL BANDWIDTH	
	Bus Low Limit	Bus High Limit	Max - Min	
Max Power Quality	122.5	125.0	2.5	
Minimize Demand	117.0	120.0	3.0	
Var Support	121.0	125.0	4.0	
Respect Voltage Limits	117.0	125.0	8.0	

CEI's IVVC system in the pilot footprint includes seven core substations with twenty-three circuits where the software utilizes LTC and capacitor control. These core substations provide the most comprehensive data on IVVC performance available to CEI. The graph below represents average daily B phase voltage for these seven core substations for the winter months 2016/17. The graph indicates that the IVVC software can meet multiple distribution voltage objectives.



The Companies will continue collecting data associated with the modes of operation and will provide further results in their next annual report due on or around July 27, 2018.

Respectfully submitted,

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CERTIFICATE OF SERVICE

On July 28, 2017, the foregoing document was filed on the Public Utilities Commission of Ohio's Docketing Information System. The PUCO's e-filing system will electronically serve notice of the filing of this document and the undersigned has served electronic copies to the following parties:

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One of the Attorneys for Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company

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Summary: Report electronically filed by Ms. Carrie M Dunn-Lucco on behalf of The Cleveland Electric Illuminating Company and The Toledo Edison Company and Ohio Edison Company