

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the :
Determination of the :
Existence of Significantly : Case No.
Excessive Earnings for 2016 : 17-993-EL-UNC
Under the Electric Security :
Plan of Ohio Edison Company, :
The Cleveland Electric :
Illuminating Company, and the:
Toledo Edison Company. :

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PROCEEDINGS

Before Megan Addison, Attorney Examiner, held at
the Public Utilities Commission of Ohio, 180
East Broad Street, Hearing Room 11-C, Columbus,
Ohio, on Monday, December 11, 2017, at 10:05
A.M.

- - -

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Columbus, Ohio 43215
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- - -

APPEARANCES:

Mr. Robert M. Endris
FirstEnergy Service Company
76 South Main Street
Akron, Ohio 44308
On behalf of the Applicants, Ohio
Edison Company, The Cleveland
Electric Illuminating Company,
and the Toledo Edison Company.

Mr. Thomas W. McNamee
Assistant Attorney General
30 East Broad Street, 16th Floor
Columbus, Ohio 43215

On behalf of the Staff of the
Public Utilities Commission
of Ohio.

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STAFF'S WITNESSES

DIRECT CROSS

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Monday Morning,
December 11, 2017.
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ATTORNEY EXAMINER: The Public
Utilities Commission of Ohio has called for
hearing at this time and place Case No.
17-993-EL-UNC Being In the Matter of
Determination of the Existence of Significantly
Excessive Earnings for 2016 Under the Electric
Security Plans of Ohio Edison Company, The
Cleveland Electric Illuminating Company and The
Toledo Edison Company.

My name is Megan Addison, and I am
the Attorney Examiner assigned by the Commission
to hear this case.

I will begin by taking appearances
of the parties. On behalf of the Company.

MR. ENDRIS: Thank you, Your Honor.
On behalf of Ohio Edison Company, The Cleveland
Electric Illuminating Company and The Toledo
Edison Company, Robert M. Endris, FirstEnergy
Service Company, 76 South Main, Akron, Ohio
44308.

ATTORNEY EXAMINER: Thank you, Mr.
Endris. On behalf of Staff.

1 MR. MCNAMEE: Thank you, Your Honor.
2 On behalf of the Staff of the Public Utilities
3 Commission of Ohio, I am Thomas W. McNamee,
4 Assistant Attorney General. The address is 30
5 East Broad Street, 16th Floor, Columbus, Ohio
6 43215.

7 ATTORNEY EXAMINER: Thank you very
8 much. And I understand the parties have filed a
9 stipulation for this case.

10 MR. MCNAMEE: Yes, Your Honor. The
11 parties have filed a stipulation that resolves
12 all issues in the case, and we would propose
13 that we call Mr. Buckley to testify to that
14 stipulation. He has also filed testimony in
15 this case and is the only witness, I believe.

16 ATTORNEY EXAMINER: Thank you. Mr.
17 Buckley, please raise your right hand.

18 (WITNESS SWORN)

19 - - -

20 JOSEPH P. BUCKLEY
21 called as a witness, being first duly sworn,
22 testified as follows:

23 DIRECT EXAMINATION

24 By Mr. McNamee:

25 Q. Mr. Buckley, would you state your

1 name and business address for the record,
2 please?

3 A. My name is Joseph P. Buckley. My
4 business address is 180 East Broad Street,
5 Columbus, Ohio 43215.

6 Q. By whom are you employed and in what
7 capacity?

8 A. I am employed by the Public
9 Utilities Commission of Ohio and my title is
10 Utility Analyst, or Utility Specialist 3.

11 MR. MCNAMEE: Your Honor, at this
12 time I would ask to have marked for
13 identification as Joint Exhibit 1 the
14 stipulation that was filed in this docket.

15 ATTORNEY EXAMINER: It will be so
16 marked.

17 (EXHIBIT HEREBY MARKED FOR
18 IDENTIFICATION PURPOSES)

19 MR. MCNAMEE: And as Staff Exhibit 1
20 is the prefiled testimony of Joseph P. Buckley
21 also filed in this docket.

22 ATTORNEY EXAMINER: So marked.

23 (EXHIBIT HEREBY MARKED FOR
24 IDENTIFICATION PURPOSES)

25 Q. Mr. Buckley, do you have before you

1 what's been identified for identification as
2 Staff Exhibit 1 and Joint Exhibit 1?

3 A. I do.

4 Q. Okay. Let's start with the Joint
5 Exhibit 1. What is that?

6 A. That is the Stipulation and
7 Recommendation entered into by Staff and
8 the Companies.

9 Q. And were you involved in negotiating
10 that document?

11 A. I was.

12 Q. Good. Does it resolve all
13 the issues in the case?

14 A. I believe it does.

15 Q. Good. Was it negotiated between
16 knowing and sophisticated parties?

17 A. I believe it was.

18 Q. Okay. Does it violate any important
19 regulatory policy or practice?

20 A. Not that I know of at this time.

21 Q. Would approving that stipulation
22 benefit the public?

23 A. I believe it would.

24 Q. Good. Let's look at what's been
25 identified, marked for identification, as Staff

1 Exhibit 1, that being your prefiled testimony?

2 A. Yes.

3 Q. Was that prepared by you?

4 A. I was.

5 Q. Okay. Are the contents of it
6 correct and true to the best of your knowledge
7 and belief?

8 A. I believe they are?

9 Q. Do you have any corrections you need
10 to make to that document this morning?

11 A. I do not at this time.

12 Q. Okay. You adopt that as your direct
13 testimony in this case?

14 A. I do.

15 Q. Good. Could you tell the purpose of
16 this testimony?

17 A. It is to support staff's position in
18 Case No. 17-993 regarding the significantly
19 excessive earnings of the FirstEnergy operating
20 companies of Ohio.

21 Q. And it reaches the conclusion, does
22 it not, that the FirstEnergy Companies have not
23 had significantly excessive earnings within
24 the meaning of the statute?

25 A. Correct.

1 MR. MCNAMEE: Great. That is all I
2 have, Your Honor. The witness is available for
3 cross.

4 ATTORNEY EXAMINER: Thank you, Mr.
5 McNamee. Mr. Endris, anything to add?

6 MR. ENDRIS: No questions, Your
7 Honor.

8 ATTORNEY EXAMINER: Thank you.

9 MR. MCNAMEE: Staff would move for
10 the admission of Staff Exhibit 1 and Joint
11 Exhibit 1.

12 ATTORNEY EXAMINER: One moment, Mr.
13 McNamee. If I could just ask one brief
14 question.

15 Mr. Buckley, you indicated that the
16 stipulation will benefit the public interest.
17 I was just hoping for the record you might be
18 able to elaborate a little on that.

19 MR. MCNAMEE: Perhaps I could ask
20 him a question along those lines?

21 ATTORNEY EXAMINER: Certainly.
22 Thank you, Mr. McNamee.

23 FURTHER DIRECT EXAMINATION

24 By Mr. McNamee:

25 Q. Adopting a stipulation avoids

1 litigation; does it not?

2 A. It does.

3 Q. Does it provide clarity for
4 the public?

5 A. It does.

6 Q. Does the analysis that you present
7 provide a guide for future cases of this sort?

8 A. It does.

9 Q. And there have been many cases of
10 this sort, and there will be many cases of this
11 sort in the future; won't there?

12 A. There has been and as the statute is
13 determined now there will be.

14 MR. MCNAMEE: There we go.

15 ATTORNEY EXAMINER: Thank you, Mr.
16 McNamee. Thank you, Mr. Buckley. I appreciate
17 that. You are excused.

18 MR. BUCKLEY: Thank you.

19 ATTORNEY EXAMINER: We had
20 previously moved for the admission of Joint
21 Exhibit 1 and Staff Exhibit 1. Are there any
22 objections?

23 MR. ENDRIS: No objections, Your
24 Honor.

25 ATTORNEY EXAMINER: Thank you.

1 Hearing none they will be admitted.

2 (EXHIBITS ADMITTED INTO EVIDENCE)

3 MR. MCNAMEE: I believe Mr. Endris
4 has some documents he needs to put in.

5 ATTORNEY EXAMINER: Wonderful. Mr.
6 Endris.

7 MR. ENDRIS: Thank you, Your Honor.
8 The companies provided the Court with what's
9 been marked for identification purposes as
10 Company Exhibit No. 1, comprising the
11 Application in the proceeding as well as
12 Attachment 1 which is the prefiled direct
13 testimony of Jason S. Petrik.

14 And attachment No. 2 which is the
15 prefiled direct testimony of Joanne Savage with
16 schedules attached in support of the companies'
17 application.

18 ATTORNEY EXAMINER: Thank you, Mr.
19 Endris. It will be so marked.

20 (EXHIBIT MARKED FOR THE PURPOSE OF
21 IDENTIFICATION)

22 ATTORNEY EXAMINER: I believe did
23 you move for admission?

24 MR. ENDRIS: And the company moves
25 for admission of Exhibit No. 1.

1 MR. MCNAMEE: The Staff has no
2 objection.

3 ATTORNEY EXAMINER: Thank you. It
4 will be admitted.

5 (EXHIBIT ADMITTED INTO EVIDENCE)

6 ATTORNEY EXAMINER: Thank you. Is
7 there anything else we need to discuss this
8 morning?

9 MR. MCNAMEE: Nothing from the
10 Staff.

11 MR. ENDRIS: Nothing, Your Honor.

12 ATTORNEY EXAMINER: Thank you.
13 With that we are adjourned.

14 (At 10:10 A.M. the hearing was
15 concluded)

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CERTIFICATE

I do hereby certify that the foregoing
is a true and correct transcript of the
proceedings taken by me in this matter on
December 11, 2017, and carefully compared with
my original stenographic notes.

Michael O. Spencer
Michael O. Spencer,
Registered Professional
Reporter.

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in

Case No(s). 17-0993-EL-UNC

Summary: Transcript In the Matter of the Determination of the Existence of Significantly Excessive Earnings for 2016 Under the Electric Security Plan of Ohio Edison Company, The Cleveland Electric Illuminating Company, and the Toledo Edison Company, hearing held on December 11, 2017. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Spencer, Michael O. Mr.