



Office of the Ohio Consumers' Counsel

February 26, 2018

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

Re: In the Matter of the Update to the Distribution Modernization Rider Contained in the Tariffs of Ohio Edison, The Cleveland Electric Illuminating Company and The Toledo Edison Company, Case No. 17-2280-EL-RDR

Dear Secretary McNeal:

On February 14, 2018, the Office of the Ohio Consumers' Counsel ("OCC") filed Objections to the PUCO Staff's Recommendations on FirstEnergy's Proposed Revision to its Tariff for Charging Consumers the Distribution Modernization Rider advocating for fully reflecting the new federal tax cut as an offset to what consumers pay under the Rider.

In a filing last week, FirstEnergy has formally represented to the PUCO that it will return the applicable 12 months of 2018 tax savings that were effective January 1, 2018 to consumers under the Distribution Modernization Rider ("DMR") as a rate offset over the next ten months.¹ Based upon that representation, OCC hereby withdraws Section II (A) of its February 14, 2018 filing.

Also, the Staff has recommended: "that this review and recommendation only addresses the proposed rates that reflect the corporate tax rate changes. This rider will [be] subject to the outcome of Case No. 18-0047-AU-COI [tax /rate cuts investigation], Case No. 17-2474-EL-RDR [DMR audit], and any annual audit performed to verify the revenues collected under this Rider."² Consistent with Staff's recommendations, OCC will monitor FirstEnergy's future DMR filings to review FirstEnergy's follow-through on its representation that consumers will promptly and fully receive the benefits of the recent federal corporate income tax cuts.

Thank you.

Sincerely,

/s/ William J. Michael

William J. Michael
Assistant Consumers' Counsel
CC: Parties of Record

¹ See Reply Comments to the Office of the Ohio Consumers' Counsel's Objections to the PUCO's Staff's Recommendations Regarding the Distribution Modernization Rider of Ohio Edison Company, The Cleveland Electric Illuminating Company, And the Toledo Edison Company at 4 (February 23, 2018).

² Staff's Review and Recommendations at 2 (February 1, 2018).

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

2/26/2018 5:09:07 PM

in

Case No(s). 17-2280-EL-RDR

Summary: Correspondence Correspondence by the Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of Michael, William J. Mr.