

Commissioners

M. Beth Trombold Thomas W. Johnson Lawrence K. Friedeman Daniel R. Conway

February 27, 2018

Docketing Division Public Utilities Commission of Ohio 180 East Broad Street Columbus OH 43215 2018 FEB 27 AM 8: 22

RE: In the Matter of the Filings by The Cleveland Electric Illuminating Company, Ohio Edison Company, and the Toledo Edison Company to Update the Delivery Capital Recovery Rider, Case Nos. 17-1919-EL-RDR, 17-1920-EL-RDR, and 17-1921-EL-RDR.

## Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the Applications of The Cleveland Electric Illuminating Company, Ohio Edison Company, and The Toledo Edison Company to modify the Delivery Capital Recovery Rider, Case Nos. 17-1919-EL-RDR, 17-1920-El-RDR, and 17-1921-EL-RDR.

Doris McCarter

Chief, Capital Recovery and Financial Analysis Division

Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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# The Cleveland Electric Illuminating Company Ohio Edison Company The Toledo Edison Company

Case No. 17-1919-EL-RDR, 17-1920-EL-RDR, 17-1921-EL-RDR

#### **SUMMARY**

On January 2, 2018 The Cleveland Electric Illuminating Company, Ohio Edison, and The Toledo Edison Company (The Companies) filed their quarterly updates for the Delivery Capital Recovery Rider (DCR Rider) for rates to become effective on March 1, 2018. On January 12, 2018 The Companies filed to update the DCR Rider, indicating that the filings reflected adjustments to the DCR Rider resulting from the Tax Cuts and Jobs Act of 2017 (the TCJA).

On February 26, 2018, The Companies filed applications to include new tariff language in the DCR Rider tariffs to become effective March 1, 2018. These applications are subject to Commission approval.

#### STAFF REVIEW AND RECOMMENDATIONS

Staff has reviewed the Applications to update the DCR Rider and notes that The Companies have made certain tax adjustments which reflect the TCJA, but the Staff has not completed a full review of the impact of the TCJA.

The Companies indicated in their January 12, 2018 filings that The Companies intend to, "fully participate in Case No. 18-0047-AU-COI." Staff believes the proposed tariff language submitted February 26, 2018 appropriately clarifies the Commission's authority with respect to reconciliations and adjustments to the DCR Rider.

### CONCLUSION

The Staff recommends to the Commission that they approve the applications for the new language to be included in the DCR tariffs and that the tariffs become effective March 1, 2018.