

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE 2018 REVIEW OF THE DELIVERY CAPITAL RECOVERY RIDER OF OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY.

CASE NO. 18-1542-EL-RDR

IN THE MATTER OF THE 2019 REVIEW OF THE DELIVERY CAPITAL RECOVERY RIDER OF OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY.

CASE NO. 19-1887-EL-RDR

ENTRY

Entered in the Journal on September 29, 2020

{¶ 1} Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, FirstEnergy) are electric distribution utilities (EDUs) as defined by R.C. 4928.01(A)(6), and public utilities as defined in R.C. 4905.02, and, as such, are subject to the jurisdiction of this Commission.

{¶ 2} R.C. 4928.141 provides that an electric distribution utility shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including firm supply of electric generation services. The SSO may be either a market rate offer, in accordance with R.C. 4928.142, or an electric security plan (ESP), in accordance with 4928.143.

{¶ 3} On August 25, 2010, the Commission issued an Opinion and Order approving FirstEnergy's second ESP. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and the Toledo Edison Co. for Authority to Establish a Std. Serv. Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Elec. Security Plan*, Case No. 10-388-EL-SSO, Opinion and Order (Aug. 25, 2010) (*ESP II Case*). In that Order, the Commission approved a joint stipulation, as modified, authorizing FirstEnergy to establish a delivery capital recovery rider (Rider DCR) effective

January 1, 2012. Additionally, under the terms of the stipulation, FirstEnergy agreed to submit to an annual audit review process of Rider DCR. Subsequently, on July 18, 2012, in Case No. 12-1230-EL-SSO, the Commission issued an Order approving a joint stipulation extending, with modification, the terms of the joint stipulation approved by the Commission in the *ESP II Case. In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and the Toledo Edison Co. for Authority to Provide for a Std. Serv. Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Elec. Security Plan*, Case No. 12-1230-EL-SSO, Opinion and Order (July 18, 2012) (*ESP III Case*). Thereafter, by Order issued on March 31, 2016, in Case No. 14-1297-EL-SSO, the Commission approved an extension, with modification, of FirstEnergy's Rider DCR and the annual audit review process. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and the Toledo Edison Co. for Authority to Provide for a Std. Serv. Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Elec. Security Plan*, Case No. 14-1297-EL-SSO, Opinion and Order (Mar. 31, 2016) (*ESP IV Case*).

{¶ 4} On October 31, 2018, the Commission issued an Entry directing Staff to issue a request for proposal (RFP) for the audit services necessary to assist with the compliance audit of the Companies in Case No. 18-1542-EL-RDR (*2018 Rider Review*). Prospective bidders were directed by the Commission to submit proposals to Staff by November 21, 2018.

{¶ 5} By Entry issued December 5, 2018, in the *2018 Rider Review*, the Commission selected Blue Ridge Consulting Services, Inc. (Blue Ridge) from the submitted proposals to complete the required audit services.

{¶ 6} On February 1, 2019, the Office of the Ohio Consumers' Counsel (OCC) moved to intervene in the *2018 Rider Review*. No memoranda contra were filed. The attorney examiner finds that the motion is reasonable and should be granted.

{¶ 7} On April 30, 2019, Blue Ridge filed its final audit report with the Commission for the *2018 Rider Review*.

{¶ 8} On November 6, 2019, the Commission issued an Entry directing Staff to issue a RFP for the audit services necessary to assist with the compliance audit of the Companies in Case No. 19-1887-EL-RDR (*2019 Rider Review*). Prospective bidders were directed by the Commission to submit proposals to Staff by December 4, 2019.

{¶ 9} By Entry issued December 18, 2019, in the *2019 Rider Review*, the Commission selected Blue Ridge from the submitted proposals to complete the required audit services.

{¶ 10} According to the timeline ordered by the Commission, Blue Ridge was required to submit a draft audit report to Staff by May 21, 2020, and file a final audit report with the Commission by June 5, 2020, in the *2019 Rider Review*.

{¶ 11} On June 12, 2020, Staff filed the auditor's report in the *2019 Rider Review*.¹ On June 26, 2020, the attorney examiner set a comment period to file initial and reply comments regarding the auditor's report by July 27, 2020, and August 11, 2020, respectively.

{¶ 12} Comments were filed on July 27, 2020, by FirstEnergy, Staff, and OCC in the *2019 Rider Review*.

{¶ 13} On August 11, 2020, a motion to intervene was filed by Ohio Cable Telecommunications Association (OCTA) in the *2019 Rider Review*. No memoranda contra were filed. The attorney examiner finds that the motion is reasonable and should be granted.

{¶ 14} Replies were filed on August 11, 2020, by FirstEnergy, Staff, OCC, and OCTA in the *2019 Rider Review*.

{¶ 15} Because the above-captioned cases relate to annual reviews of Rider DCR, the attorney examiner finds that the above cases should be consolidated, *sua sponte*, in the spirit

¹ The Commission's offices were officially closed from June 1, 2020, through June 5, 2020. According to Staff, when Blue Ridge attempted to file the report on June 5, 2020, the auditor faced technical difficulties due to the Commission's office closure and, as a result, the report was not accepted for filing. Staff became aware the report had not been accepted for filing on June 11, 2020. On June 26, 2020, the attorney examiner accepted the auditor's report as filed on June 12, 2020.

of administrative efficiency. Not only will consolidation promote efficiency in the resolution of these cases, the attorney examiner also notes that no party will be prejudiced by the consolidation. Motions to intervene already filed in at least one of the above-captioned cases will be treated as a motion to intervene in both the cases.

{¶ 16} Further, the attorney examiner finds it appropriate to set a comment period for the *2018 Rider Review*. Accordingly, all interested parties should file initial and reply comments regarding the auditor's report by October 30, 2020, and November 16, 2020, respectively.

{¶ 17} It is, therefore,

{¶ 18} ORDERED, That the above-captioned cases be consolidated. It is, further,

{¶ 19} ORDERED, That the motions to intervene in these proceedings filed by OCC and OCTA be granted. It is, further,

{¶ 20} ORDERED, That all interested parties file initial and reply comments as directed in Paragraph 16. It is, further,

{¶ 21} ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Jacky Werman St. John

By: Jacky Werman St. John
Attorney Examiner

GAP/kck

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Case No(s). 18-1542-EL-RDR, 19-1887-EL-RDR

Summary: Attorney Examiner Entry ordering the above-captioned cases be consolidated; ordering the motions to intervene in these proceedings filed by OCC and OCTA be granted and establishing procedural schedule for initial and reply comments.
electronically filed by Kelli C. King on behalf of Jacky Werman St. John, Attorney Examiner, Public Utilities Commission of Ohio