BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Filing by Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company of a Grid Modernization Business Plan |)))) | Case No. 16-481-EL-UNC |
|--|------------------|-------------------------|
| In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company Application for Approval of a Distribution Platform Modernization Plan |)))) | Case No. 17-2436-EL-UNC |
| In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company to Implement Matters Relating to the Tax Cuts and Jobs Creation Act of 2017 |)))) | Case No. 18-1604-EL-UNC |
| In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Approval of a Tariff Change |))) | Case No. 18-1656-EL-ATA |

MEMORANDUM CONTRA OF INDUSTRIAL ENERGY USERS-OHIO TO MOTION TO VACATE AND CONDUCT NEW PROCEEDINGS

Matthew R. Pritchard (Reg. No. 0088070)

(Counsel of Record) MCNEES WALLACE & NURICK LLC 21 East State Street, 17TH Floor Columbus, OH 43215 Telephone: (614) 469-8000 Telecopier: (614) 469-4653 mpritchard@mcneeslaw.com (willing to accept service by e-mail)

DECEMBER 9, 2020

COUNSEL FOR INDUSTRIAL ENERGY USERS-OHIO

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Filing by Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company of a Grid Modernization Business Plan |))) | Case No. 16-481-EL-UNC |
|--|------------------|-------------------------|
| In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company Application for Approval of a Distribution Platform Modernization Plan |)))) | Case No. 17-2436-EL-UNC |
| In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company to Implement Matters Relating to the Tax Cuts and Jobs Creation Act of 2017 |)))) | Case No. 18-1604-EL-UNC |
| In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Approval of a Tariff Change |))) | Case No. 18-1656-EL-ATA |

MEMORANDUM CONTRA OF INDUSTRIAL ENERGY USERS-OHIO TO MOTION TO VACATE AND CONDUCT NEW PROCEEDINGS

On November 24, 2020, the Environmental Law & Policy Center ("ELPC") filed a motion to vacate every order in the proceedings (which would vacate approval of the settlement requiring FirstEnergy to provide approximately \$900 million¹ in credits to

¹ See Post-Hearing Brief of FirstEnergy at 9 ("As a result of the Stipulation, customers will benefit from total tax savings of approximately \$900 million").

customers) and conduct new proceedings in the above-captioned dockets. The Commission should deny its motion.

ELPC's cut-and-paste motion (filed in several different and unrelated proceedings) and accompanying memorandum in support do not make the case for why the decision in the proceedings should be vacated. Fundamentally, ELPC's position² in this case sought to increase by \$30 million the charges FirstEnergy collects from customers by modifying a comprehensive settlement joined by 12 different parties. The parties supporting the stipulation³ covered diverse interests and included environmental groups, representatives of residential and industrial customers, competitive retail electric service providers, FirstEnergy, and Public Utilities Commission of Ohio ("Commission") Staff. As the Commission found, ELPC failed to demonstrate on the record that its request to modify the settlement was warranted.⁴ Importantly, in the section of the Order in which the Commission described its decision not to adopt the \$30 million rate increase smart thermostat proposal, the Commission relied extensively on the arguments made by the Signatory Parties, as well as on the guidance provided in the Commission's PowerForward Roadmap.⁵

While ELPC had an opportunity to seek rehearing of the Commission's approval of the settlement, ELPC submitted a deficient application for rehearing that again failed to demonstrate that modification of the settlement to include ELPC's rate increase

² Environmental Advocates Initial Brief at 28-36 (Mar. 1, 2019). ELPC's prior arguments were presented jointly with Ohio Environmental Council, and The Natural Resources Defense Council, collectively, the "Environmental Advocates." The Smart Thermostat Coalition submitted similar arguments.

³ Stipulation (November 9, 2018).

⁴ See Opinion and Order at 58-61, (July 17, 2019).

⁵ *Id*. at 58-61.

proposal was warranted.⁶ ELPC could have appealed the Commission's orders but did not do so.

Now, more than a year past the Commission's approval of the settlement in this matter, ELPC seeks to vacate every order of the Commission in this proceeding. The result of ELPC's draconian overreach would be to undo approval of a settlement providing approximately \$900 million in credits to customers related to the reduction in the federal corporate income tax rate. ELPC's motion is an untimely application for rehearing that simply seeks another opportunity for ELPC to advocate for an increase in the charges FirstEnergy assess on customers while undoing significant customer benefits contained in the Stipulation.⁷ ELPC has failed to demonstrate that the extraordinary remedy it seeks is warranted. Accordingly, the motion should be denied.

Respectfully submitted,

<u>/s/ Matthew R. Pritchard</u> **Matthew R. Pritchard** (Reg. No. 0088070) (Counsel of Record) MCNEES WALLACE & NURICK LLC 21 East State Street, 17TH Floor Columbus, OH 43215 Telephone: (614) 469-8000 Telecopier: (614) 469-4653 mpritchard@mcneeslaw.com (willing to accept service by e-mail)

COUNSEL FOR INDUSTRIAL ENERGY USERS-OHIO

⁶ Entry on Rehearing at 9 (September 11, 2019); see R.C. 4903.10.

⁷ Stipulation (November 9, 2018).

CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Memorandum Contra of Industrial Energy Users-Ohio to Motion to Vacate and Conduct New Proceedings* was sent by, or on behalf of, the undersigned counsel for Industrial Energy Users-Ohio, to the following parties of record on this 9th day of December 2020, *via* electronic transmission, hand-delivery or U.S. mail, postage prepaid.

<u>/s/Matthew R. Pritchard</u> Matthew R. Pritchard

mkurtz@BKLlawfirm.com kboehm@BKLlawfirm.com jkylercohn@BKLlawfirm.com gkrassen@bricker.com dstinson@bricker.com mleppla@theOEC.org tdougherty@theOEC.org paul@carpenterlipps.com Bojko@carpenterlipps.com ghiloni@carpenterlipps.com glpetrucci@vorys.com mwarnock@bricker.com dborchers@bricker.com jeckert@firstenergycorp.com bknipe@firstenergycorp.com jlang@calfee.com mkeaney@calfee.com rdove@keglerbrown.com mdortch@kravitzllc.com dparram@bricker.com joliker@igsenergy.com mnugent@igsenergy.com Bethany.Allen@igs.com whitt@whitt-sturtevant.com fykes@whitt-sturtevant.com ccox@elpc.org

christopher.healey@occ.ohio.gov angela.obrien@occ.ohio.gov John.jones@ohioattorneygeneral.gov Thomas.lindgren@ohioattorneygeneral.gov

Attorney Examiners: Megan.addison@puc.state.oh.us Gregory.price@puc.state.oh.us

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

12/9/2020 4:25:35 PM

in

Case No(s). 16-0481-EL-UNC, 17-2436-EL-UNC, 18-1604-EL-UNC, 18-1656-EL-ATA

Summary: Memorandum Contra to Motion to Vacate and Conduct New Proceedings electronically filed by Mr. Matthew R. Pritchard on behalf of Industrial Energy Users-Ohio