THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY FOR APPROVAL OF NEW TARIFF LANGUAGE FOR A TIME-VARYING RATE.	**CASE NO. 20-50-EL-ATA**

FINDING AND ORDER

Entered in the Journal on January 27, 2021

I. SUMMARY

{¶ 1} The Commission approves the application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for their time-varying rate program.

II. DISCUSSION

A. Procedural History

{¶ 2} Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, FirstEnergy) are electric distribution utilities as defined in 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.

{¶ 3} 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 (CRES) necessary to maintain essential electric service to customers, including a firm supply of electric generation service. 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 R.C. 4928.143.

{¶ 4} On March 31, 2016, in Case No. 14-1297-EL-SSO, the Commission approved FirstEnergy's application for its fourth ESP (ESP IV). *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 14-1297-EL-SSO (*ESP IV Case*), Opinion and

Order (Mar. 31, 2016). Moreover, on October 12, 2016, the Commission issued the Fifth Entry on Rehearing in the *ESP IV Case*, further modifying ESP IV.

{¶ 5} Among other terms, ESP IV required the Companies to undertake grid modernization initiatives that promote customer choice in Ohio and to file a grid modernization business plan. *ESP IV Case*, Opinion and Order at 22, 95-96. Thereafter, the Companies filed its grid modernization plan (Case No. 16-481-EL-UNC) and its distribution platform modernization plan (Case No. 17-2436-EL-UNC) for the Commission's consideration.

{¶ 6} The Commission issued an Opinion and Order on July 17, 2019, approving the Stipulation filed in Case Nos. 16-481-EL-UNC and 17-2436-EL-UNC, subject to the Commission's adjustments to the calculation of the total estimated net benefits proposed for the Companies' grid modernization efforts. According to the terms of the approved Stipulation, the Companies committed to proposing a time-varying rate (TVR) offering for non-shopping customers within six months of the July 17, 2019 Opinion and Order, which would be designed to achieve the energy and capacity savings detailed in the cost-benefit analysis and to leverage the capabilities of enabling devices, e.g. smart thermostats. Additionally, the Stipulation also required the Companies to create and facilitate a grid modernization collaborative working group (Collaborative Group) to update stakeholders on the status of the Companies' grid modernization efforts and to provide for customer input and advice. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 16-481-EL-UNC, et al. (*Grid Modernization Case*), Opinion and Order (July 17, 2019) at ¶¶ 35, 38-39, 109-110.

{¶ 7} On January 17, 2020, the Companies filed an application in the above-captioned proceeding, which seeks to change the Generation Service Rider (Rider GEN) in order to establish a TVR offering for non-shopping residential customers with an advanced meter installed by the Companies. The Companies also note that their proposed tariff change will expand the eligibility of the existing TVR offering for non-shopping, non-residential customers to include those with an advanced meter installed by the Companies. Additionally, Companies assert that their application is not for an increase in any rate, pursuant to R.C. 4909.18.

{¶ 8} By Entry issued January 29, 2020, the attorney examiner established a procedural schedule in order to allow interested persons to file comments on the application. Comments and reply comments were due by February 21, 2020, and March 6, 2020, respectively.

{¶ 9} On February 21, 2020, the Ohio Consumers' Counsel (OCC) timely filed comments, and Staff also filed its review and recommendations regarding the application. On March 6, 2020, OCC, the Companies, and Interstate Gas Supply, Inc. (IGS) timely filed reply comments.

B. Motions to Intervene

{¶ 10} OCC and IGS filed motions to intervene on January 28, 2020, and January 30, 2020, respectively, both claiming to satisfy all of the Commission's intervention requirements set forth in Ohio Adm.Code 4901-1-11 and R.C. 4903.221.

{¶ 11} No memoranda contra the motions to intervene were filed.

{¶ 12} Upon review, the Commission finds that OCC and IGS have satisfied the intervention requirements set forth in R.C. 4903.221 and Ohio Adm.Code 4901-1-11. Accordingly, their motions to intervene should be granted.

C. Summary of the Application

{¶ 13} Following discussions with stakeholders in the Collaborative Group, the Companies filed its proposed amendments to its Rider GEN tariff on January 17, 2020, in order to establish a TVR offering for non-shopping residential customers with an advanced meter installed by the Companies, and expand the eligibility of the existing TVR offering for non-shopping, non-residential customers to include those with an advanced meter installed by the Companies. According to the Companies' application, the proposed TVR for non-shopping residential customers establishes the following energy charges:[1]

	Summer	Winter
Midday Peak (2:00 pm to 6:00 pm EPT)	7.9156¢	6.4245¢
Shoulder Peak (6:00 am to 2:00 pm EPT)	5.1937¢	4.7260¢
Off-Peak (all other hours)	3.9578¢	3.2123¢

The application also notes that the capacity charges applicable to customers taking service under the TVR program will be the same as the standard capacity charges under Rider GEN.

D. Staff Review and Recommendation

{¶ 14} In its review and recommendation, Staff notes that the proposed TVR structure appears to be reasonable and is "transparent and easy to understand, provides participating customers with possible savings opportunities, and tends to benefit all customers in the form of providing incentives to reduce peak demand during more expensive time periods." Staff also suggests that the rate design incentivizes customers to shift at least part of their consumption from midday peak to off-peak time periods, consequently leading to lower customer utility bills and a relatively flatter total demand on the system.

{¶ 15} Staff ultimately recommends approval of the Companies' application proposing a TVR structure for residential customers. Further, Staff recommends that the Commission direct the Companies to submit a customer education and marketing plan to Staff for discussion and approval prior to implementation of the TVR offering. Staff also suggests that the Companies be required to refile the corresponding tariff sheets to correct several typographical errors referencing advanced meters. The Companies agree with the

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1 The application defines "summer months" as June, July, and August, and "winter months" as all months except the summer months.

findings of Staff and request that the Commission adopt Staff's recommendations and approve FirstEnergy's application.

{¶ 16} In response to Staff's recommendations, OCC argues that Staff's conclusion that the proposed time-of-use rates are "easy to understand" for consumers is an overstatement, citing its experience with consumers' unfamiliarity with the complex nature of electric rates. While acknowledging that FirstEnergy's application does appear to be straightforward, noting that peak and shoulder peak hours are the same throughout the year, OCC fears that customers will overlook the fact that different rates apply on the weekends and certain designated holidays. Additionally, and in an effort to promote customer education and the marketing of the TVR program, OCC suggests that the customer education and marketing plan proposed to be presented to Staff also be shared with the Collaborative Group in order to provide other interested stakeholders an opportunity to provide comments. Further, OCC disputes Staff's proposition that customers will remain revenue neutral without engaging in any behavioral changes, regardless if they chose the existing flat rate structure or the proposed TVR structure. OCC explains that the time-of-use rates are only designed to be revenue neutral in the aggregate, meaning some customers will experience higher monthly bills under the proposed rates, while others will experience lower monthly bills, assuming usage patterns remain the same. OCC contends that the proposition that the proposed rates are revenue neutral for each individual customer is, at the very least, misleading to customers and may induce customers to believe that they will ultimately having nothing to lose by enrolling in the TVR program.

E. Summary of Comments

1. ADEQUACY OF INFORMATION PRESENTED IN APPLICATION

{¶ 17} OCC's initial concern raised in its comments is that the Companies' application fails to include the necessary details surrounding the rates consumers would pay. For instance, OCC argues that the Companies should have included: (i) the workpapers showing how FirstEnergy derived the proposed midday, shoulder, and off-peak rates; (ii) calculations of the projected benefits to consumers from the proposed rates, including whether the program is designed to achieve the benefits projected in FirstEnergy's *Grid Modernization Case*; (iii) estimates of the number of customers reasonably expected to participate; (iv) a description of how customers will be informed about the availability of the program, including customer education strategy; (v) a timeline for implementing the program, including the expected installation date of advanced metering infrastructure (AMI) meters; (vi) consumer protections including resources that will be available to help consumers understand the rates; (vii) a proposal for how the program will be evaluated for effectiveness, and (viii) how the program will promote fairness to consumers who may not be able to adjust consumption to benefit from the rates. While OCC acknowledges much more information was provided to the Collaborative Group, it notes that the same amount of information is not readily available to the public, contrary to the intent of the Commission to provide transparency throughout this process. As such, OCC claims Attachment A to its comments contains the information FirstEnergy provided to the Collaborative Group in order to promote transparency and effectuate completeness in the application filing.

{¶ 18} Consistent with Staff's findings, FirstEnergy alleges that the application is both reasonable and transparent. The Companies assert that detailed information regarding their proposed TVR offering was provided to participants of the Collaborative Group (which includes OCC) in an effort to solicit feedback and invite questions regarding its proposal. Furthermore, FirstEnergy notes that OCC also served discovery upon the Companies, to which FirstEnergy responded as evidenced by OCC's various attachments to its comments.[2] FirstEnergy adds that these attachments show the efforts undertaken by the Companies to inform stakeholders in the Collaborative Group of the TVR program proposal, as well as the background and underlying rationale the Companies used to determine certain elements of the program. Regardless, the Companies assert OCC's

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2 In fact, FirstEnergy claims that OCC attached 66 pages of the Companies' documents provided to the Collaborative Group (Attachment A) and 41 pages of the Companies' discovery responses (Attachment B).

argument is misplaced as FirstEnergy followed the Commission's standardized format for ATA filings, which does not require the extensive detail requested by OCC. In fact, FirstEnergy anticipates further discussions with the Collaborative Group on a variety of these topics, including marketing plans, customer education strategies, and the calculation of customer benefits.

2. ALLEGED BENEFITS DERIVED FROM TVR PROGRAM

{¶ 19} Next, OCC focuses on the alleged benefits to be derived from its TVR offering, claiming that the Commission heavily relied on the cost-benefit analysis undertaken in the *Grid Modernization Case,* and further noting that the Commission explicitly found that FirstEnergy's "commitment to offer a time-varying rate" would be "[o]f significant benefit." *Grid Modernization Case*, Opinion and Order (July 17, 2019) at ¶¶ 110-111. While FirstEnergy argued in the *Grid Modernization Case* that a TVR offering would allow customers to lower their energy usage and reduce demand over the next 20 years, resulting in projected net benefits, OCC also contends there would need to be a steady increase in the participation rate by customers with smart meters to achieve that result. In fact, OCC claims that the Commission even stated that FirstEnergy would be expected to propose a TVR offering for non-shopping customers, "which will be designed to achieve the energy and capacity savings detailed in the cost-benefit analysis" and leverage enabling devices such as smart thermostats. *Grid Modernization Case*, Opinion and Order (July 17, 2019) at ¶ 38. Following up on its initial concerns regarding the lack of available information, OCC asserts that FirstEnergy should be required to provide the information noted in Paragraph 14, explaining that, without such information, the Commission will be unable to determine whether the Companies' proposal is actually designed to achieve the alleged savings purported in the *Grid Modernization Case*. Despite attempting to obtain this information through discovery, OCC claims that FirstEnergy was unable to produce any analysis responsive to its discovery requests regarding whether the proposed time-of-use rates will achieve the savings detailed in the cost-benefit analysis from the *Grid Modernization Case*, adding that the existing cost-benefit analysis is not sufficient for the purposes of this proceeding. According to OCC, an additional troubling factor the Commission must consider is whether the savings produced from participating in the time-of-use rates will effectively be eliminated by FirstEnergy recouping the savings from other customers in the form of lost revenues. OCC notes that FirstEnergy admitted that lost revenues resulting from the residential time-of-use rates will be reconciled through the Companies' Generation Cost Reconciliation Rider (Rider GCR).

{¶ 20} FirstEnergy initially claims it is unclear from the comments if OCC is arguing the TVR offering should deliver most or all of the projected benefits of the entire grid modernization program, or, alternatively, suggesting that the Companies' application must demonstrate that their TVR offerings achieve the projected benefits solely related with its TVR rate offerings under their grid modernization plan. If the former, FirstEnergy argues that the Companies' projected net benefits associated with its grid modernization plan to which OCC refers were attributed to all elements of the project, not just the time-varying rates. Moreover, FirstEnergy claims that the Commission, while recognizing that these rates would act as a significant benefit, did not conclude that these rates would be the primary driver of the benefits associated with the grid modernization plan, noting further these rates were intended to act as an interim measure until the competitive market develops its own comparable products. *Grid Modernization Case*, Opinion and Order (July 17, 2019) at ¶¶ 110. Alternatively, if OCC is arguing the latter, FirstEnergy argues it is important to remember that the grid modernization projected benefits associated with TVR offerings were not just limited to FirstEnergy's offering, but also those of competitive suppliers. Further, the Companies assert that, as discussed during the *Grid Modernization Case*, it may take time for benefits associated with the TVR offering to be realized, a concept which remains consistent with their current proposal. More importantly, FirstEnergy emphasizes its proposal complies with the Commission's directive in the *Grid Modernization Case* to develop and propose a TVR offering for non-shopping customers that is "designed to achieve the energy and capacity savings detailed in the cost-benefit analysis * * *." *Grid Modernization Case*, Opinion and Order (July 17, 2019) at ¶¶ 38, 110. Finally, FirstEnergy disputes OCC's argument regarding the elimination of savings from the TVR program caused by lost revenues, contending this argument disregards the fact that customers who elect to participate in the Companies' TVR offering have the opportunity to shift their load and reduce their energy consumption. According to FirstEnergy, when customers enrolled in the TVR program reduce their energy consumption, the Companies will consequently realize a reduced purchase power expense, resulting in a benefit to all non-shopping customers in the form of a decreased amount to be reconciled through Rider GCR.

3. ADDITIONAL CUSTOMER PROTECTIONS

{¶ 21} Additionally, OCC claims four consumer protections are necessary to ensure consumers are in the best position to receive the benefits contemplated by the TVR program. The first being, once smart meters are installed, to require FirstEnergy to provide customers, upon request and free of charge, with a historical analysis of whether the customer would pay less under the time-of-use rates or typical SSO rates, assuming usage patterns remained the same. Second, OCC argues that, when a customer enrolls in the time-of-use rates, the customer's bill should show what they alternatively would have paid under the SSO rates. Third, OCC suggests that the Companies continue to provide education and support for customers signed up with the TVR program by providing a monthly statement to customers to show how much they lost or saved compared to the SSO rates, as well as provide helpful guidelines on how to shift usage away from peak times to lower their bills. Finally, OCC adds that, once time-of-use rates begin to be offered by marketers, the Commission's apples to apples website should reflect FirstEnergy's SSO Residential Time-of-Use Rates in order to allow customers to use that as a point of comparison when evaluating other marketers' offers. OCC claims these protections will ensure customers remain educated and informed as to whether they should elect to participate in the TVR program.

{¶ 22} OCC suggests that the Commission should modify the proposed tariff language to explicitly acknowledge that customers will only be enrolled in the proposed Residential Time-of-Use Rates if they affirmatively consent to such rates through positive enrollment, indicating that the default for all residential customers should remain the typical SSO rates.

{¶ 23} According to OCC, FirstEnergy has not yet finalized how it will market the proposed Residential Time-of-Use Rates to customers, noting that the Companies claim the details will be determined by the Commission's decision in this case and further discussions with the Collaborative Group. As such, OCC proposes several recommendations, many of which should be explicitly referenced in the tariff language. First, OCC suggests that, when a customer receives an advanced meter under the Companies' grid modernization plan, the customer should be informed about the availability of the rates and the terms and conditions of enrolling in the TVR program. OCC also recommends that customers be entitled to terminate participation in the program at any time without paying a penalty or cancellation fee. OCC argues that, before any customer is permitted to enroll in the TVR program, the Companies should be required to receive written confirmation from the customer that he or she has received, reviewed, and understands the information provided. Lastly, OCC notes that the Commission should approve any and all language to be provided in the disclosure provided to customers regarding enrollment, following input from the Collaborative Group.

{¶ 24} Additionally, OCC posits the bills of customers enrolled in the Residential Time-of-Use Rates should include enough information to allow those customers to recalculate their bills for accuracy, including identifying the rates for each of the midday, shoulder, and off-peak hours and the hours to which each rate applies. OCC further suggests including instructions to customers on how to access their real-time hourly energy usage, as well as historical usage, during the applicable billing period.

{¶ 25} As its final recommendation, OCC suggests imposing certain consumer protections to help ease the transition for residential customers participating in the TVR program and to help build customer confidence in the adoption of such rates. Similar to its earlier recommendations, OCC first suggests that the Companies should be required to track the amount customers saved or lost due to the time-of-use rates compared to the SSO rates. Secondly, OCC states that customers should receive certain bill guarantees for a limited amount of time after signing up for the Residential Time-of-Use Rates, noting that the protection could be tied to the otherwise applicable SSO price. For instance, OCC recommends that, for the first year, customers should be guaranteed to pay no more than what they would have paid under the SSO rates. Any customers exceeding this guaranteed threshold would be given a monthly bill comparison showing the charges they would have paid without the rate ceiling. OCC adds that customers could be given a summary after the initial year to show to show the amounts of their bills if the guarantee had not been applied. OCC also recommends that, after the initial year and the provision of this vital information, customers would then be free to make an informed decision as to whether they wished to continue participating in the time-of-use rates. Similar to its earlier justifications for additional customer protections, OCC argues that these guarantees and informational requirements would provide a necessary and adequate balance between interested stakeholders by focusing on educating customers and preserving customer autonomy during this trial period.[3]

{¶ 26} IGS raises concerns regarding OCC's recommendation that the Commission's apples to apples website include FirstEnergy's Residential Time-of-Use Rates, arguing that this proceeding is not the appropriate forum to address this matter and should instead be dealt with in a rulemaking. IGS suggests a rulemaking would allow all interested stakeholders with an opportunity to comment on OCC's suggestion. FirstEnergy adds that OCC's proposed requirements for SSO comparative information on customer bills are premature, and would be better suited as a possible discussion point within the Collaborative Group, which will provide other stakeholders an opportunity to consider OCC's recommendations, as well as those of the Companies and Staff. FirstEnergy raised

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3 It is unclear from OCC's initial comments as to whether it is proposing a six-month or one-year trial period in which it recommends the Companies provide the bill protections and additional informational requirements regarding comparisons with bills calculated with the SSO rates, as the comments reference both time periods as suggestions.

similar arguments against OCC's request for bills to contain sufficient information for customers to be able to accurately recalculate their bills. Additionally, FirstEnergy claims that OCC's concern over affirmative enrollment is misplaced, as the Companies' proposed tariff language clearly provides that customers must elect to be served under the proposed time-of-use rates, a fact evidenced by the Companies' discovery responses confirming that affirmative enrollment will be necessary for residential customers to participate.

{¶ 27} The Companies also note that a fully vetted customer education and marketing plan is not possible without the Commission's approval of the TVR program and further deliberations with Staff and other members of the Collaborative Group, including OCC. Furthermore, FirstEnergy claims that this type of detailed customer education and marketing plan is rarely, if ever, submitted with an ATA filing. The Companies agree with OCC that customer education will be an important factor and hope to strike a well-conceived balance that considers OCC's concerns, as well as the costs of implementing, administering, and marketing the TVR program, in order to generate the best value for customers.

{¶ 28} Finally, in response to OCC's proposal for certain bill guarantees, IGS argues the proposal removes the full incentive for customers to adjust their usage behavior, completely defeating the purpose of the time-of-use rates. Furthermore, IGS emphasizes that customers will not be obligated to enroll in the time-of-use rates. Consequently, according to IGS, non-shopping customers could be disadvantaged by choosing not to enroll in the time-of-use rates, as the deficit created by customers only being required to pay the applicable SSO rate during the initial trial period would have to be subsidized by all SSO customers. IGS also takes issue with the potential customer confusion caused by an additional "trial period", as this does not truly represent the TVR offering. Finally, IGS asserts that OCC's proposal for the guarantees directly contradicts its concerns regarding the projected benefits of the *Grid Modernization Case*, again noting that, if customers are not fully incentivized to adjust their usage, the ability to achieve those projected benefits is effectively obstructed. FirstEnergy mirrors IGS's concerns by stating that customers are free to enroll or terminate their participation in the TVR program at any time, subject to the terms and conditions approved by the Commission. Furthermore, FirstEnergy notes that not only was a bill guarantee not included as part of the Stipulation approved in the *Grid Modernization Case*, this concept has neither been proposed by the Companies, Staff, or any other stakeholder, nor significantly discussed in the Collaborative Group. As such, FirstEnergy and IGS request that the Commission deny OCC's proposal at this time.

F. Commission Conclusion

{¶ 29} The Commission has reviewed the Companies' application and Staff's review and recommendations. The Commission finds that, in accordance with Staff's recommendations, the Companies' application is consistent with the order issued by the Commission in the *Grid Modernization Case*, does not appear to be unjust or unreasonable, and should be approved.

{¶ 30} While OCC contends that the Companies' application fails to contain the requisite information needed for the Commission to determine whether it complies with the Commission's directives in the *Grid Modernization Case*, we recognize that it is not uncommon for ATA filings to not include detailed strategy planning documents, such as customer education or marketing plans. See, e.g., *In re Columbus S. Power Co., Case No. 10-424-EL-ATA*, Finding and Order (Dec. 1, 2010). Furthermore, consistent with FirstEnergy's observations, we agree the attachments only bolster the Companies' claims that they have worked with members of the Collaborative Group, and intend to continue their efforts, in the development of the TVR program and associated issues regarding customer education and marketing. As such, we find the Companies' application to be sufficiently detailed and consistent with our directives in the *Grid Modernization Case*, most notably our intent for the process surrounding the development of TVR offerings to be collaborative in nature, as this will surely result in the most advantageous offering for FirstEnergy's customers.

{¶ 31} Turning to OCC's concerns regarding the benefits associated with the TVR offerings, the Commission emphasizes that the projected grid modernization benefits associated with TVR offerings included the eventual offerings of competitive suppliers. In fact, the Commission, when approving the Stipulation, made it clear that the Companies' offering would be a temporary offering until such time that a sufficient competitive market offering comparable rates is established, which was defined in the *Grid Modernization Case* as a market having either (a) at least three suppliers offering products utilizing AMI data or (b) at least three different types of time-varying products utilizing AMI data. The Commission will continue to monitor the progress of FirstEnergy's TVR offerings and the comparable offerings from the competitive market to ensure the full benefits contemplated by such offerings can be realized. Furthermore, we note that nothing in the Stipulation approved in the *Grid Modernization Case* precludes members of the Collaborative Group, or the Commission itself, from initiating the process for the Commission to evaluate whether the requisite competitive market has been established. While the process may be initiated in this way, the Commission will ultimately determine whether the Companies' TVR offering should be withdrawn, consistent with Mr. Santino Fanelli's testimony in the *Grid Modernization Case* where he extensively discussed the Commission's discretion in making that determination. As noted above, we find that FirstEnergy's application is consistent with the Commission's directive in the *Grid Modernization Case* to develop and propose a TVR offering for non-shopping customers that is "designed to achieve the energy and capacity savings detailed in the cost-benefit analysis * * *." *Grid Modernization Case*, Opinion and Order (July 17, 2019) at ¶¶ 38-39, 109-110.

{¶ 32} In response to the several additional customer protections proposed by OCC, we agree with FirstEnergy that several of these proposals are premature but merit additional discussion with Staff and other participating members of the Collaborative Group. One of the primary reasons the Commission has endorsed the implementation of advanced meters for electric utilities like FirstEnergy was the opportunity to provide customers with the ability to better control their energy usage and to reduce their energy costs. These TVR offerings allow residential consumers to take advantage of these advanced technologies. Despite finding the proposed rates to be relatively transparent, in order to ensure customers are making an informed, educated decision when choosing whether to enroll in these rates, and how they can successfully alter their consumption patterns to garner the anticipated benefits associated with the offerings, the Commission recognizes that a robust and informative customer education and marketing strategy needs to be implemented. The Commission directs FirstEnergy to work with Staff and the Collaborative Group, which includes OCC, to develop and review information and marketing materials to be provided to customers, as well as assess what resources should be available to address customer inquiries and complaints regarding such offerings. Specifically, the Commission encourages Staff and the other members of the Collaborative Group to discuss the additional informational protections proposed by OCC, as well as alternative measures, in order to strike the appropriate balance of information and associated expense needed to allow customers to effectively and efficiently participate in the TVR offering, if they elect to do so. Should OCC have a particular customer education plan in mind, it may present such a plan to Staff and other members of the Collaborative Group when determining the appropriate customer education and marketing plans that FirstEnergy must utilize. However, we disagree with OCC that certain bill guarantees are necessary at this time. As IGS and FirstEnergy aptly recognize, the entire purpose of the TVR offering is to enable customers to take advantage of time-differentiated pricing, providing an incentive to adjust their usage patterns. By adopting OCC's recommendation, we would effectively eliminate this incentive. As such, we agree that the TVR offering should not include such a guarantee. The customer education and marketing plan must be approved by Staff prior to the implementation of the TVR offering. We also agree with Staff's recommendation that the tariffs be revised to make the identified typographical corrections. However, we note that the tariff already clearly states that affirmative enrollment will be necessary for customers to participate in the TVR program; accordingly, no additional modifications to the proposed tariff language are necessary at this time.

{¶ 33} As a final matter, we find that the proposed tariffs are not for an increase in rates pursuant to R.C. 4909.18, and, as such, we find that a hearing is not necessary.

III. ORDER

{¶ 34} It is, therefore,

{¶ 35} ORDERED, That OCC and IGS's motions to intervene be granted. It is, further,

{¶ 36} ORDERED, That the Companies' application filed on January 17, 2020, be approved, consistent with this Finding and Order. It is, further,

{¶ 37} ORDERED, That FirstEnergy be authorized to file, in final form, two complete revised copies of tariffs, consistent with this Finding and Order, and that the final tariffs be approved, subject to final review by the Staff and the Commission. The Companies shall file one copy in their respective TRF docket and one copy in this case docket. It is, further,

{¶ 38} ORDERED, That the effective date of the new revised tariffs shall be a date not earlier than the date of this Finding and Order and the date upon which two complete copies are filed with the Commission. The new tariffs shall be effective upon a final customer education and marketing plan, as approved by Staff. It is, further,

{¶ 39} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

{¶ 40} ORDERED, That FirstEnergy comply with the directives set forth in this Finding and Order. It is, further,

{¶ 41} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:
Approving:
M. Beth Trombold
Lawrence K. Friedeman
Daniel R. Conway
Dennis P. Deters

MJA/kck