

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE 2019 REVIEW OF
THE SMART GRID MODERNIZATION
INITIATIVE CONTAINED IN THE TARIFFS
OF OHIO EDISON COMPANY, THE
CLEVELAND ELECTRIC ILLUMINATING
COMPANY, AND THE TOLEDO EDISON
COMPANY.

CASE NO. 18-1647-EL-RDR

ENTRY

Entered in the Journal on August 23, 2021

{¶ 1} Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, FirstEnergy or the Companies) 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.

{¶ 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 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.

{¶ 3} The Commission has approved several riders in FirstEnergy's approved ESP proceedings, some of which require the Companies to file annual updates. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 08-935-EL-SSO, et al.; *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 10-388-EL-SSO (ESP II Case); *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 12-1230-EL-SSO; *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 14-1297-EL-SSO (ESP IV Case). Among these Commission-approved riders is the Advanced Metering Infrastructure/Modern Grid Rider (Rider AMI). Rider AMI is a non-bypassable rider and operates as the mechanism for recovering the costs related to the deployment of smart grid and advanced metering

infrastructure. In the *ESP II Case*, the Commission provided its guidance in matters related to Rider AMI and costs that could be recovered through this rider. The Commission authorized FirstEnergy to collect smart grid costs that it incurred as part of its pilot program over a ten-year period through Rider AMI, with quarterly adjustments to the rate. The rider is billed monthly on a fixed customer charge basis.

{¶ 4} On March 31, 2016, the Commission approved FirstEnergy's application for its fourth ESP. *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 continued Rider AMI and 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 made the requisite application filings with the Commission for its grid modernization plan (Case No. 16-481-EL-UNC) and its distribution platform modernization plan (Case No. 17-2436-EL-UNC).

{¶ 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 initial phase of the Companies' grid modernization efforts. As noted in the Commission's orders, the approved costs related to the Companies' grid modernization plan are recoverable by FirstEnergy through Rider AMI. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 16-481-EL-UNC, et al., Opinion and Order (July 17, 2019) at ¶¶ 30-34; *ESP IV Case*, Opinion and Order (Mar. 31, 2016) at 22-23.

{¶ 7} Pursuant to the Commission's orders in the ESP and grid modernization proceedings, FirstEnergy was directed to file updates for Rider AMI on an annual basis, in a separate docket, no later than February of each year, for review by the Commission. The

Companies filed the required application in the above-captioned case on February 28, 2020.

{¶ 8} Staff filed its review and recommendation on December 24, 2020.

{¶ 9} Ohio Consumers' Counsel filed comments regarding Staff's recommendations on May 19, 2021.

{¶ 10} At this time, the attorney examiner finds that it is appropriate to set the deadline for reply comments as September 22, 2021.

{¶ 11} It is, therefore,

{¶ 12} ORDERED, That reply comments be filed by September 22, 2021. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Megan J. Addison

By: Megan J. Addison
Attorney Examiner

JRJ/mef

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Summary: Attorney Examiner Entry ordering reply comments be filed by September 22, 2021. electronically filed by Ms. Mary E. Fischer on behalf of Megan J. Addison, Attorney Examiner, Public Utilities Commission of Ohio