

Office of the Ohio Consumers' Counsel

February 18, 2022

Ms. Tanowa Troupe, Secretary Public Utilities Commission of Ohio 180 East Broad Street, 11th Floor Columbus, Ohio 43215

RE: In the Matter of the Review of the Non-Market Based Services Rider contained in the Tariffs of Ohio Edison, The Cleveland Electric Illuminating Company, and The Toledo Edison Company, Case No. 21-1225-EL-RDR.

Dear Ms. Troupe:

The Ohio Consumers' Counsel ("OCC"), with this letter, is updating our Consumer Protection Comments filed on January 25, 2022. There, OCC expressed concerns that FirstEnergy is charging residential consumers higher rates to enable this program (that was adopted as part of its last electric security plan). Our update is prompted by the filing of a PUCO Staff report this week.

In our Comments, OCC recommended that the long-awaited PUCO review of this "pilot" electric rate program for large business customers be made to happen. The review would be consistent with the PUCO's expectation in 2016 that its Staff would conduct the review. The review was to include an assessment of the program's "cost-shifting" at the expense of other customers (including residential consumers), since FirstEnergy would expect to be made whole from business customers' participation in the program. Our concern about cost-shifting to residential consumers has been underscored by corporate participation in the program growing from 40 participants to over 70, over five years.

On February 14, 2022, the PUCO Staff filed a Review and Recommendation ("Staff Report"). The Staff recommended that the PUCO approve FirstEnergy's new rates and schedules for the pilot program, subject to modifications.

Importantly, the PUCO Staff stated in its Report the following with respect to FirstEnergy's Rider NMB pilot program:

In its 5th Entry on Rehearing in Case No. 14-1297-EL-SSO, dated October 16, 2016, the Commission noted that the Rider NMB pilot program bears further study to determine if the actual results of the pilot program, rather than the projected results are in the public interest. The Commission directs the Companies and Staff to review the actual results and report their findings to the Commission. *Staff notes this review will be initiated by the end of 2022.* (Emphasis added).

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OCC appreciates the PUCO Staff's plan to finally *initiate* a review of the Rider NMB pilot program, though the initiation could be as late as year-end and a target completion date was not stated.

Accordingly, and effective immediately, the PUCO should not allow FirstEnergy to add participants to the pilot program while the PUCO Staff conducts its review. This moratorium will protect consumers from increased bills due to cost shifting. The future of the program should then be decided after the PUCO Staff's review.

The PUCO Staff should publicly report its findings regarding FirstEnergy's Rider NMB pilot program. For transparency, that public filing should include the dollar amounts of cost shifting and higher charges to other consumers who are not participants in the pilot program. The public docketing of the Staff's review should be followed by at least an opportunity for public comment.

Thank you.

Very truly yours,

/s/ Angela D. O'Brien

Angela D. O'Brien (0097579) Counsel of Record Assistant Consumers' Counsel

cc: All Parties of Record & Attorney Examiners

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Summary: Correspondence Correspondence by Office of the Ohio Consumers' Counsel electronically filed by Ms. Alana M. Noward on behalf of O'Brien, Angela D.