

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE REVIEW OF THE
NON-MARKET-BASED SERVICES RIDER
PILOT PROGRAM ESTABLISHED BY OHIO
EDISON COMPANY, THE CLEVELAND
ELECTRIC ILLUMINATING COMPANY,
AND THE TOLEDO EDISON COMPANY.

CASE NO. 22-391-EL-RDR

ENTRY

Entered in the Journal on March 31, 2023

{¶ 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 customers within its certified territory a standard service offer (SSO) of all competitive retail electric services (CRES) 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 R.C. 4928.143.

{¶ 3} On August 25, 2010, the Commission issued an Opinion and Order approving a stipulation and two supplemental stipulations (Combined Stipulation), authorizing the Companies' second ESP for the period beginning June 1, 2011 through 2014. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 10-388-EL-SSO (*ESP II Case*). Among other terms, the Combined Stipulation authorized the Companies' Non-Market-Based Services Rider (Rider NMB). Rider NMB is a non-bypassable rider that is designed to recover non-market-based transmission-related costs, such as Network Integration Transmission Service charges, imposed on or charged to the Companies by the Federal Energy Regulatory Commission or PJM Interconnection, LLC (PJM). *ESP II Case*, Opinion and Order (Aug. 25, 2010) at 12.

{¶ 4} On July 18, 2012, the Commission issued an Opinion and Order approving a stipulation between FirstEnergy and certain parties, which provided for an ESP for the period beginning June 1, 2014 through May 31, 2016, pursuant to R.C. 4928.143. *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 12-1230-EL-SSO (*ESP III Case*). In that Opinion and Order, the Commission clarified that the Companies should file annually an application, in a separate docket, for a review of certain riders approved in that proceeding, including Rider NMB. *ESP III Case*, Opinion and Order (July 18, 2012) at 44.

{¶ 5} The Commission subsequently approved the NMB Pilot Program, which will allow customers served under the program to be billed directly by PJM or their competitive retail electric service provider and to no longer be subject to the Rider NMB rates. *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), Fifth Entry on Rehearing (Oct. 12, 2016). Participation in the NMB Pilot Program provides these customers an opportunity to control their transmission-related costs by controlling their Network Service Peak Load.

{¶ 6} When approving the Rider NMB Pilot Program, the Commission directed the Companies and Staff to review the actual results of the Rider NMB Pilot Program and report their findings to the Commission. The Commission directed that the review include, at a minimum: whether there is an aggregate savings in transmission costs for all of the Companies' customers, whether and how much in transmission costs are being shifted to customers not participating in the pilot program, whether the benefits of the pilot program outweigh any costs, and whether Rider NMB results in an overall cost savings to customers.

{¶ 7} Accordingly, on June 15, 2022, the Commission issued a Finding and Order directing Staff to reissue a request for proposal (RFP) to acquire audit services to assist the Commission with the review of the Rider NMB Pilot Program.

{¶ 8} On August 10, 2022, after reviewing the proposals submitted, the Commission selected Exeter Associates, Inc. (Exeter) to conduct the requested audit services, in

accordance with the terms set forth in the RFP. Pursuant to the terms of the RFP, a final audit report was to be filed by February 10, 2023.

{¶ 9} On January 6, 2023, Staff filed a motion for an extension of time, requesting that the final audit report be due on April 10, 2023. No party opposed the extension request or the request for an expedited ruling.

{¶ 10} By Entry issued January 23, 2023, the attorney examiner granted Staff's motion for an extension.

{¶ 11} On March 31, 2023, Staff filed a motion for a second extension of time, noting that Exeter has indicated it will require additional time to complete the audit report, given the complex nature of the case and delayed responses to certain data requests. Staff proposes that the final audit report be due on July 17, 2023. In the memorandum in support, Staff noted that the Ohio Consumers' Counsel (OCC) objected to the motion for an extension; however, in the motion itself, Staff inadvertently certified that no parties objected to the motion for continuance or the request for an expedited ruling, pursuant Ohio Adm.Code 4901-1-12(C).

{¶ 12} Counsel for OCC contacted the parties and the attorney examiners shortly thereafter to confirm that OCC objects to expedited treatment of the motion and would like to reserve the right to respond to the motion for extension.

{¶ 13} Ohio Adm.Code 4901-1-12(C) provides that any motion may include a specific request for an expedited ruling. If any party objects to the issuance of such a ruling, or if the moving party fails to certify that no party has any objection, any party may file a memorandum contra within seven days after the service of the motion, or such other period as directed.

{¶ 14} In order to be able to fully consider any arguments opposing the extension request before the existing April 10, 2023 audit report deadline, the attorney examiner finds

it appropriate to direct any memoranda contra Staff's motion for extension to be filed by April 4, 2023.

{¶ 15} It is, therefore,

{¶ 16} ORDERED, That any memoranda contra Staff's motion for an extension be filed by April 4, 2023. It is, further,

{¶ 17} 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

JSA/dr

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Case No(s). 22-0391-EL-RDR

Summary: Attorney Examiner Entry ordering that any memoranda contra Staff's motion for an extension be filed by April 4, 2023 electronically filed by Debbie S. Ryan on behalf of Megan J. Addison, Attorney Examiner, Public Utilities Commission of Ohio.