

PUCO DR 010

Case No. 23-0301-EL-SSO

In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Authority to Provide for a Standard Service Offer Pursuant to R.C. § 4928.143 in the Form of an Electric Security Plan

**RESPONSES TO THE PUBLIC UTILITIES COMMISSION OF OHIO'S
DATA REQUESTS**

**PUCO DR-
010**

1. An excel version with formulas intact for attachment JL-4 in Lawless' testimony.
2. Has a bill impact assessment been done to see the impact of customers switching to NMB 2 rates?
 - a. Has a bill impact assessment been done to see the impact of customers staying on NMB 1 rates in the classes that are able to switch to NMB 2 rates?
 - i. Please provided any bill impact assessments that have been completed in Excel with formulas intact.
3. The percentage of customers in each class that have advanced meters.
4. The timeframe to upgrade to advanced meters for customers excluding the residential and lighting classes.
5. Can a customer request an advanced meter in a faster timeframe to switch to NMB 2 rates?
6. Can a customer with a newly installed advanced meter switch to the NMB 2 rates at any time, or is it once a year when the NMB rates go into effect?
7. An explanation on the retail customer NSPL calculation explained in Stien's testimony page 10 vs PJM's NSPL calculation based on transmission peak.
 - a. Are retail customers' NSPLs calculated at the time of the PJM transmission peak?
 - i. If not, please explain why.
8. Can a customer with an advanced meter opt out of NMB 2 rates?
9. How many customers will qualify for NMB 2 rates vs. the number of customers who will not?
 - a. Please break the customers out by service territory and class.
10. An estimate of the dollar amount for the proposed UFE billing line item that will flow through the NMB for a 12 month period.

Response: Original Response Sent 9/12/2023

1. Please see PUCO DR-010 – Attachment 1.

2. In developing this proposal, the Companies analyzed the potential bill impacts to customers from the proposed NMB 2 rates, compared to current Rider NMB rates. Please see PUCO DR-010 – Attachment 2. The assessment did not separate the customers based on whether they would remain on NMB 1 rates or if they would be on NMB 2 rates. The assessment also conservatively assumed that billing demand was equal to NSPL. It did not use exact values for specific customers or the calculated average ratio of NSPL to billing demand that can be seen in the attachment.
 - a. The Companies prepared a comparison of the proposed NMB 1 rates for commercial and industrial customers to the current Rider NMB rates.
 - i. Please see PUCO DR-010 – Attachment 3.
3. Of the approximately 235,000 Commercial customers, 19% have advanced meters. Of the approximately 3,000 industrial customers, 61% have advanced meters and of the approximately 1.9 million residential customers, 34% have advanced meters.
4. Grid Mod II is pending before the Commission which includes 700,000 additional smart meters for residential, industrial and commercial customers. The Companies estimate that approximately 90% of those meters will be installed on residential customers and the remaining 10% will be installed on commercial and industrial customers during the 4-year budget period proposed in Grid Mod II.
5. Yes. A customer can request the Company to install an advanced meter for an additional fee. See section 9 of tariff sheet no. 75.
6. Under the Companies' proposal, customers would not choose between the two rates. Rather, customers with advanced meters will be immediately updated to the NMB 2 rates. The billing system will charge each customer the correct rate, NMB 1 or NMB 2, based upon whether they have an advanced meter or not.
7. The Companies utilize the methods to calculate customer NSPLs as described in the Companies' manual titled "Determination of Capacity Peak Load Contributions and Network Service Peak Loads," which is available at: [PJMCapacityManualOH.pdf \(firstenergycorp.com\)](#).
 - b. While the single PJM Transmission Peak is utilized in the calculation to scale customer results, the calculation still utilizes the 5 highest peaks of a customer coincident with the 5 highest peaks of the Companies' seasonal peak in the same season as the PJM transmission peak to (1) allow for winter peaking utilities to calculate correlated customer NSPLs, and (2) allow customers' load diversity

to be present in the calculation of NSPL much like it is for the calculation of Peak Load Contributions (PLCs).

8. No. Commercial and industrial customers with advanced meters cannot opt-out of the NMB 2 rates. Under the Companies' proposal, the billing system will automatically enroll customers with advanced meters into the NMB 2 rates. This will support cost alignment and alleviate the administrative burden that would come with making NMB 2 optional and having to track customers who opt-in and opt-out.
9. Please see the following tables for the number of customers who would qualify for NMB 2 rates vs. NMB 1 rates based on current customer metering as of August 24, 2023.

		NMB 1	NMB 2
OE	GS	80,755	30,238
	GP	509	652
	GSU	7	97
	GT	1	187

		NMB 1	NMB 2
CE	GS	44,160	29,008
	GP	40	90
	GSU	233	340
	GT	-	15

		NMB 1	NMB 2
TE	GS	20,670	12,341
	GP	273	266
	GSU	-	8
	GT	4	62

10. For the twelve month period of June 2022 through May 2023, and based on energy prices alone (RT LMP), the estimated dollar amount for the proposed UFE billing line item that would flow through Rider NMB would be approximately a \$14,000 credit. The \$14,000 credit was comprised of approximately 5,000 hours where energy credits totaled approximately \$79.821 million and approximately 3,700 hours where charges totaled the approximately equal amount of \$79.807 million. As explained in the testimony of Companies' Witness Stein at p. 8, using profiles to mathematically derive customer hourly load data, including for customers who do not yet have advanced metering infrastructure ("AMI" or "smart" meters) is a contributor to UFE. As the Companies continue to install AMI meters, the volatile nature of UFE will decrease. In other words, the approximately \$80M credits and charges will reduce in magnitude. Unaccounted for Energy MWh quantities used in the example above can be found on the Companies' website at

https://firstenergycorp.com/upp/oh/oh_load_data.html and opening the file titled “Unaccounted For Energy.”

Revised and Supplemental Response Sent 10/20/23:

2. See PUCO DR- 010 – Attachment 2 Supplemental. The Attachment has been updated to include customer counts. Please note that this supplemental attachment includes all customers on each rate schedule and does not differentiate by meter type. The customers were grouped based on average billing demand and kWh usage over the most recent 12 months.
3. Of the Companies’ 1.9 million residential customers, approximately 33% have advanced meters. For the number of commercial and industrial customer premises on rate schedules GS, GP, GSU, and GT with advanced or interval meters, please see the revised response to subpart 9 below.
9. The Companies identified as of September 26, 2023, additional customers who would be on the proposed NMB 1 Rate. These are unmetered Rate GS customers and therefore were not included on the original list of customers who were queried by meter type. The following tables include these customers in addition to the customers who were previously provided, based on current data in the Companies’ billing system. The only changes from the table in the Companies’ original response are to Rider NMB 1, Rate GS.

		NMB 1	NMB 2
OE	GS	81,730	30,238
	GP	509	652
	GSU	7	97
	GT	1	187

		NMB 1	NMB 2
CE	GS	49,086	29,008
	GP	40	90
	GSU	233	340
	GT	-	15

		NMB 1	NMB 2
TE	GS	21,720	12,341
	GP	273	266
	GSU	0	8
	GT	4	62

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ANSWERS TO INTERROGATORIES

OHA Set 01 – INT-001 On page 11 of the Direct Testimony of FirstEnergy Witness Juliette Lawless, she states that NMB 2 charges will “apply only to commercial and industrial customers who have interval or advanced meters.” How many hospitals located in the FirstEnergy territory have interval or advanced meters? Please identify the numbers of hospitals customers for each territory (OE, CEI, TE).

Response: Objection. This request is vague and ambiguous in its use of the term “hospital.” This request is also unduly burdensome in requesting the number of customers who are hospitals in each of the Companies’ service territories as well as the number of customers who are hospitals that have interval and advance meters. Subject to and without waiving the foregoing objections, the Companies for purposes of this question interpret “hospitals” to include customer premises designated with the NAICS code 622, described as “Hospitals.”

The Companies have estimated the number of customer premises that are hospitals by using the NAICS code 622. See the following table for the total commercial and industrial customers who are estimated to be hospitals and which of these have interval or advanced meters as of August 2023:

	Total Estimated Hospitals	Estimated Hospitals with interval or advanced meters
OE	513	163
CEI	220	102
TE	147	56

OHA Set 01
Answer Prepared By: Juliette Lawless
As to Objections: Trevor Alexander

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ANSWERS TO INTERROGATORIES

OHA Set 01 How many hospitals will be charged on the proposed Rider NMB 1? Please
– INT-002 identify the numbers of hospitals customers for each territory (OE, CEI, TE).

Response: Objection. This Request is vague and ambiguous in its use of the phrase
“identify the numbers of hospitals customers for each territory.” Subject to and
without waiving the foregoing objection, see the Companies’ response to OHA
Set 01-INT-001. The estimated number of hospital customer premises
identified using NAICS code 622 without interval or advanced meters as of
August 2023, and that would be on Rider NMB 1, are provided below

OE	350
CEI	118
TE	91
Total	559

OHA Set 01
Answer Prepared By: Juliette Lawless
As to Objections: Trevor Alexander

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ANSWERS TO INTERROGATORIES

OHA Set 01 How many hospitals will be charged on the proposed Rider NMB 2? Please
– INT-003 identify the numbers of hospitals customers for each territory (OE, CEI, TE).

Response: Objection. This Request is vague and ambiguous in its use of the phrase “identify the numbers of hospitals customers for each territory.” Subject to and without waiving the foregoing objection, see the Companies’ response to OHA Set 01-INT-001. Under the Companies’ proposal, all commercial and industrial customers with interval or advanced meters would be on the proposed Rider NMB 2 rate.

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ANSWERS TO INTERROGATORIES

OHA Set 01 During the previous five years (2017-2022), please identify the dates for each
- INT-004 year that the Companies' four coincident system peaks occurred.

Response:

	Transmission Zone (HE EPT)	Transmission Zone (HE EPT)	Transmission Zone (HE EPT)	Transmission Zone (HE EPT)
2017	07/13/16 6:00 PM	08/12/16 3:00 PM	08/25/16 4:00 PM	09/07/16 5:00 PM
2018	06/13/17 2:00 PM	07/20/17 3:00 PM	07/21/17 3:00 PM	08/21/17 2:00 PM
2019	06/18/18 3:00 PM	07/16/18 2:00 PM	08/28/18 5:00 PM	09/04/18 2:00 PM
2020	07/10/19 5:00 PM	07/18/19 3:00 PM	07/20/19 6:00 PM	08/20/19 3:00 PM
2021	07/08/20 4:00 PM	07/10/20 1:00 PM	08/10/20 6:00 PM	08/27/20 3:00 PM
2022	06/28/21 2:00 PM	07/06/21 5:00 PM	08/09/21 5:00 PM	08/24/21 5:00 PM

OHA Set 01
Answer Prepared By: Juliette Lawless
As to Objections: Trevor Alexander

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ANSWERS TO INTERROGATORIES

OHA Set 01 How many hospitals participated in the Rider NMB Opt-Out Pilot Program?
– INT-005

Response: Objection. This Request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objections, as of October 1, 2023, none of the Rider NMB Opt-Out Pilot Program participants are or have been hospitals, based on NAICS code 622 as explained in the Companies' response to OHA Set 01-INT-001.

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RESPONSE TO REQUEST FOR PRODUCTION OF DOCUMENTS

OHA Set 01 Please produce all documents you referred to, reviewed, and/or relied upon
– RPD-001 when preparing responses to the above requests for admissions and
 interrogatories.

Response: Objection. This Request is vague and ambiguous in its use of the phrase “relied
 upon.” Subject to and without waiving the foregoing objections, the Companies
 do not have responsive documents because the data in the Companies’ responses
 were obtained by querying the Companies’ systems.

CERTIFICATE OF SERVICE

I certify that a true copy of the foregoing Objections and Responses to the Ohio Hospital Association's First Set of Interrogatories and Requests for Production of Documents upon The Ohio Edison Company, the Cleveland Electric Illuminating Company, and The Toledo Edison Company was served upon the persons below via electronic transmission on this 11th day of October, 2023:

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/s/ N. Trevor Alexander

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Cleveland Electric Illuminating Company, and
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**RESPONSES TO THE PUBLIC UTILITIES COMMISSION OF OHIO'S
DATA REQUESTS**

PUCO DR-020 Please provide the following related to DR 10:

1. DR -010-Attachment 1:
 - a. An explanation on why the NMB 2 NSPL rate is a combined rate for all the Companies and GS, GP, GSU, and GT classes.
 - b. Please explain how one uniform NMB 2 rate for all classes across all three EDUs better aligns non-market-based service costs with the cost causers.
2. DR -010-Attachment 2:
 - a. The estimated number of customers in each level of demand and NSPL for each Company and rate class.
3. DR 10-6:
 - a. How will the Company calculate a customer's NSPL for billing purposes when the customer currently does not operate on a Smart meter?
 - i. Will there be an estimate done? If so, please provide the assumptions and calculation of the estimate with an example.
 - b. Could customer's switching from NMB 1 to NMB 2 rates cause an issue with the forecast within the NMB?
 - c. Will bill impacts of the customer switching from NMB 1 to NMB 2 rates be considered before switching their billing?

Response:

1. DR-010-Attachment 1
 - a. The proposed NMB2 rate is a combined rate in order to align with how transmission costs are assigned by PJM, which are allocated based on NSPL, not by Operating Company or rate schedule.
 - b. There is one uniform transmission rate at PJM that does not differentiate based on the makeup of load that LSEs are serving. The differentiation is accomplished through the NSPL the customer is assigned. See also the Companies' response to 1a.
2. DR-010-Attachment 2
 - a. The Companies will be supplementing PUCO DR-010 – Attachment 2.

3. DR 10-6

- a. The Companies use the customer's monthly billed energy quantity that is profiled (back casted) to hourly values. Those hourly values are used in the determination of the customer's NSPL.
 - i. No.
- b. No. The rates for NMB 1 and NMB 2 are both based upon 100% of the revenue requirement to avoid fluctuation in rates. NSPLs used in the calculation of the proposed rates will be determined the summer before the rates will be implemented. NSPLs for each upcoming year are determined by the prior year's peaks.
- c. No. Under the Companies' proposal, NMB2 will apply to non-residential customers with interval or smart meters..

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**RESPONSES TO THE PUBLIC UTILITIES COMMISSION OF OHIO'S
DATA REQUESTS**

**PUCO
DR-016**

1. Please provide a description detailing how PJM bills each billing line item that passes through the NMB rider to the First Energy (FE) companies including the following:
 - a. Details of PJMs billing such as NSPL, Energy, or 12CP etc.
 - b. If the billing line item is reallocated amongst the FE companies or if it is directly billed to each FE company. If a billing line item is reallocated amongst the FE companies, please provide the methodology of the reallocation.
 - c. The PJM billing line items within each expense account listed below:
 1. NITS Expenses (507003)
 2. PJM Integration Costs - exclude from NITS Expenses
 3. MISO Exit Fees - exclude from NITS Expense
 4. Load Reconciliation for Reactive Services/Sch. 2 (507105)
 5. Load Reconciliation for Transmission Owner Scheduling, System Control & Dispatch Service/Sch. 1 (507502)
 6. Midwest Independent Transmission System Operator, Inc. (MISO) Transmission Expansion Plan (MTEP) Expenses (507513)
 7. PJM Integration Expenses (507514)
 8. MISO Exit Fee Expenses (507515)
 9. Legacy Regional Transmission Expansion Plan (RTEP) Expenses (507510)
 10. Non-Legacy RTEP Expenses (507509)
 11. Generation Deactivation Charges (507007)
 12. Meter Correction (506012)
 13. Emergency Energy (506013)
 14. Balancing Operating Reserves, Balancing Operating Reserve for Load Response and Reactive Services (507008)
 15. Planning Period Congestion Uplift (570039)
 16. PJM Customer Default (506510)
 17. Unaccounted for Energy

0222 25

- Response:**
- a. See response to subpart c below.
 - b. Direct billed charges from PJM to each of the FirstEnergy Ohio Operating Companies include NITS, Transmission Enhancement, and Reactive Supply. All other billing line items are charged to the Companies in aggregate and allocated to the individual Companies based on the previous month's energy load share.
 - c. Please see the table below for a description of the PJM billing line items within each expense account:

PJM Billing Line Item	PJM Determinant	Calc Detail
1. NITS Expenses (507003)	NSPL	Daily demand charges calculated as network customers' daily network service peak load contribution times 1/365th of the applicable zonal rate(s) for the zone(s) in which the network load is located.
2. PJM Integration Costs - exclude from NITS Expenses	NSPL	Costs included in NITS expenses that are excluded from Rider NMB, pursuant to Case No. 10-388-EL-SSO.
3. MISO Exit Fees - exclude from NITS Expense	NSPL	Costs included in NITS expenses that are excluded from Rider NMB, pursuant to Case No. 10-388-EL-SSO.
4. Load Reconciliation for Reactive Services/Sch. 2 (507105)	NSPL	Monthly pool-wide reactive revenue requirements allocated as charges to point-to-point customers (and to network customers in transmission zones with no reactive revenue requirements) based on their monthly peak usage of the PJM transmission system.
5. Load Reconciliation for Transmission Owner Scheduling, System Control & Dispatch Service/Sch. 1 (507502)	MWhs	Network customers pay applicable zonal rates provided in Schedule 1A of the Tariff based on the real-time MWh of monthly load they serve.
6. Midwest Independent Transmission System Operator, Inc. (MISO) Transmission Expansion	NSPL	Transmission reliability/economics projects.

Plan (MTEP) Expenses (507513)		
7. PJM Integration Expenses (507514)	NSPL	Costs included in NITS expenses that are excluded from Rider NMB, pursuant to Case No. 10-388-EL-SSO.
8. MISO Exit Fee Expenses (507515)	NSPL	Costs included in NITS expenses that are excluded from Rider NMB, pursuant to Case No. 10-388-EL-SSO.
9. Legacy Regional Transmission Expansion Plan (RTEP) Expenses (507510)	NSPL	Transmission reliability/economics projects.
10. Non-Legacy RTEP Expenses (507509)	NSPL	Transmission reliability/economics projects.
11. Generation Deactivation Charges (507007)	MWhs	Cost allocations to zonal load and firm withdrawal rights are determined by PJM based on the beneficiaries. These responsible customers pay the generation owners a share of the Deactivation Avoidable Cost Rate or the FERC-approved Cost of Service Recovery Rate.
12. Meter Correction (506012)	MWhs	Allocated to all LSEs based on real-time load (without losses) ratio shares.
13. Emergency Energy (506013)	MWhs	Allocated to real-time deviations from day-ahead net interchange that create a shorter real-time position.
14. Balancing Operating Reserves, Balancing Operating Reserve for Load Response and Reactive Services (507008)	MWhs	Total daily cost of operating reserve in the balancing market related to resources identified as Credits for Deviations is allocated based on regional shares of DA to RT deviations for LSEs.
15. Planning Period Congestion Uplift (570039)	FTR position	Participant's share of the allocated costs of providing the Uplift credits. Charges are allocated to FTR holders in proportion to their net positive total FTR Target Credits for the planning year. The calculation for the Uplift charge is: (positive FTR Target credit / Total PJM

		Positive FTR Target Credit) * PJM Total FTR and ARR Uplift Credit
16. PJM Customer Default (506510)	Gross billed activity of member	Member's gross activity as determined by summing the absolute values of the charges and credits for each of the Activity Line Items as accounted for and billed pursuant to the Operating Agreement for the month of default and the two previous months.
17. Unaccounted for Energy	LRS	This item is not billed by PJM. It is allocated to suppliers based on their hourly load-ratio share (LRS) of the total zonal load by the EDC.

OELC Set 01

Answer Prepared By: Juliette Lawless, Christopher Moravec, Ronald Lord
As to Objections: Trevor Alexander

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ANSWERS TO INTERROGATORIES

OELC Set 01– INT-001 For each year during the term of FirstEnergy’s ESP IV through the present year, please identify:

- a) The total number of customers and total number of accounts enrolled in FirstEnergy’s Rider NMB Pilot in each year;
- b) For each account enrolled in FirstEnergy’s Rider NMB Pilot at any time during the term of FirstEnergy’s ESP IV, that account’s Network Service Peak Load (“NSPL”) value for each year that the account was enrolled in the Rider NMB Pilot;
- c) For each account enrolled in FirstEnergy’s Rider NMB Pilot at any time during the term of FirstEnergy’s ESP IV, that account’s monthly billed demand for each month in each year that the account was enrolled in the Rider NMB Pilot; and
- d) An indication of which accounts enrolled in FirstEnergy’s Rider NMB Pilot at any time during the term of FirstEnergy’s ESP IV were enrolled through a reasonable arrangement approved by the PUCO.

Response:

a)

Year	Customers	Accounts	Premise Numbers
2016	41	44	44
2017	41	59	63
2018	53	73	77
2019	56	78	82
2020	61	85	89
2021	75	105	108
2022	77	109	112
2023	71	97	99

*This table include participants at the end of the NMB year; 2023 includes participants as of October 2023

- b) See OELC Set 01-INT-001 Attachment 1 Confidential.

- c) Objection. The Request is overbroad and unduly burdensome in requesting monthly billed demand for each month in each year for each account enrolled in First Energy's Rider NMB Pilot at any time during the Companies' ESP IV. Subject to and without waiving the foregoing objection, see OELC Set 01-INT-001 Attachment 1 Confidential for the monthly demands for each Pilot participant while participating in the Pilot program for March 2019 through July 2023.
- d) Objection. This Request is vague and ambiguous in its use of the phrase "An indication of which accounts enrolled in FirstEnergy's Rider NMB Pilot." This Request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. This Request improperly seeks or purports to require the Companies to provide information that is publicly available on the Commission's docket and thus equally available to the requesting party. Subject to and without waiving the foregoing objections, please see OELC Set 01-INT-001 Attachment 1 Confidential.

Answer Prepared By: Robert J. Greene, Christopher D. Harris, Juliette Lawless
As to Objections: Trevor Alexander

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ANSWERS TO INTERROGATORIES

OELC Set 01– INT-002 Referring to page 11, lines 7-9, of the testimony of Juliette Lawless filed in this Proceeding on April 5, 2023, Ms. Lawless testified that “the Companies are proposing to establish NMB 2 charges, which will apply only to commercial and industrial customers who have interval or advanced meters”, please provide the following information:

- a) A detailed description of what types of meters qualify as an “interval or advanced meter” for purposes of this NMB 2 proposal, including a description of the functions of a meter that qualifies as an “interval” or “advanced” and an identification by manufacturer, make and model number of meters available in the market that FirstEnergy has installed or will install as an “interval” or “advanced” meter in its service territory;
- b) Whether there is a distinction or difference between an “interval meter” and an “advanced meter,” or whether such phrases are referring to the same type of meter;
- c) How FirstEnergy notifies customers that an “interval or advanced meter” has been installed for their accounts and whether there is any indication on FirstEnergy’s monthly bill that a customer has an “interval or advanced meter” for their account; and
- d) How many accounts currently enrolled in the Rider NMB Pilot have interval or advanced meters.

Response: a) Objection. This Request is vague and ambiguous in its use of the phrase “descriptions of the functions of a meter that qualifies as an ‘interval’ or ‘advanced.’” The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). Subject to and without waiving the foregoing objections, Advanced meters and interval meters have the ability to record usage data in either hourly or 15-minute intervals. Below is a list interval and advanced meter types by manufacturer and model number.

Meter Type	Manufacturer	Model No.
Advanced	ITRON	C2SOD
Advanced	ITRON	C2SODS
Advanced	ITRON	CN2SOD
Advanced	ITRON	CN2SODS
Advanced	ITRON	CP2SOA
Advanced	ITRON	CP2SOAS
Advanced	ITRON	CP3SOA
Advanced	ITRON	CP3SOAS
Interval	ELSTER	A1RLCQ+
Interval	ELSTER	A3RALC
Interval	GENERAL ELECTRIC	KV2C
Interval	ITRON	SS3S2L
Interval	ITRON	SS4S2L
Interval	LANDIS & GYR	AXRS4E
Interval	LANDIS & GYR	RXRS4E

- b) Interval meters are legacy meters used to record usage data in interval blocks. Advanced meters are smart meters capable of recording interval usage and voltage data, two-way communication as well as providing near real time data to customers. In either case, the customer's NSPL is determined based on their own interval data and is not determined based on a load profile. .
- c) Typically, customers with interval meters would have requested those meters from the Companies, in which case no separate notice is necessary. Customers who are unsure if they have an interval meter may contact the Companies to inquire. For customer notification regarding advanced meters, please see: [What You Can Expect: Meter Installation \(firstenergycorp.com\)](http://firstenergycorp.com) and OELC Set 1-INT-002-Attachment 1. Customers' monthly bills include their meter number, which the Companies can identify as an advanced or interval meter, but customers would likely need to request that information from the Companies.
- d) 96 of the 99 customers currently enrolled in the Rider NMB Pilot have interval or advanced meters.

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ANSWERS TO INTERROGATORIES

OELC Set 01– INT-003 Referring to page 11, lines 7-9, of the testimony of Juliette Lawless filed in this Proceeding on April 5, 2023, Ms. Lawless testified that “the Companies are proposing to establish NMB 2 charges, which will apply only to commercial and industrial customers who have interval or advanced meters”, please provide the following information:

- a) A detailed description regarding why FirstEnergy is proposing to apply NMB 2 charges only to commercial and industrial customers who have interval or advanced meters;
- b) A detailed explanation regarding why FirstEnergy is requiring that a commercial or industrial customer have an interval or advanced meter in order for the account at issue to be subject to the proposed NMB 2 rate;
- c) An explanation regarding whether a commercial or industrial customer must have an interval or advanced meter in order for FirstEnergy to know or determine the NSPL value for the account at issue;
- d) A detailed description regarding how FirstEnergy believes an interval or advanced meter will help a commercial or industrial customer manage their load during times of expected peak usage in FirstEnergy territory;
- e) A detailed description of the process of enrolling a customer with a newly installed interval or advanced meter into the NMB 2 rate, including how soon (described in days or billing cycles) after the installation of an interval or advanced meter the commercial or industrial customer account will be transition to the NMB 2 rate;
- f) A detailed description of the frequency with which interval kWh energy usage and kW demand data from interval or advanced meters in FirstEnergy service territory is uploaded to a FirstEnergy customer’s online account portal¹ and made accessible to the customer through the portal, and how long that data for any particular day remains accessible to the customer;
- g) An explanation of whether or not a customer with an interval or advanced

¹ The FirstEnergy online account portal refers to the customer portal available through the “Log In” link at firstenergycorp.com with the data being available through the tool referred to by FirstEnergy as the “Analyze Usage Tool.”

meter can view their kWh energy usage and kW demand data at the same time it is recorded by the customer's meter (i.e., in "real-time") or alternatively whether the customer must wait a certain time period to have access to their energy usage and demand data;

- h) Whether an interval or advanced meter has the capability to predict or forecast peak load for FirstEnergy's service territory and, if so, whether such data is available to the customer through a FirstEnergy customer's online account portal; and
- i) Whether FirstEnergy is proposing to expand the data available through a FirstEnergy customer's online account portal to commercial and industrial customers with an interval or advanced meter.

Response:

- a) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). Subject to and without waiving the foregoing objection, customers with interval or advanced meters have the ability to control their loads during peak load periods, thus directly managing their assigned NSPLs and providing the opportunity to lower their NMB 2 costs. Customers without interval or advanced meters would not be able to directly manage their NSPL because their NSPL is determined based on a load profile, and therefore would likely not have the same opportunity to manage their NMB 2 charges as customers with interval or advanced meters.
- b) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). Subject to and without waiving the foregoing objection, please see the Companies' response to subpart a).
- c) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). Subject to and without waiving the foregoing objection, while an interval meter is not required to calculate any customer's NSPL, an interval meter is required for those customers desiring to see the effects of the load management efforts directly recognized in the calculation of their NSPL. For customers that do not have an interval or advanced meter, their NSPL is calculated based on a load profile and not their specific individually measured interval data.
- d) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). This Request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. The request also mischaracterizes the Companies' proposal. Subject to and without waiving the foregoing objections, please see the Companies' response to subparts a) and c).

- e) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). This Request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objections, the customer's bill following the installation of the interval or advanced meter would include charges for NMB 2 instead of NMB 1. This is done automatically through the Companies' billing system.
- f) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). This Request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objections, currently, interval data is uploaded to the customer portal daily after it has gone through verification processes and no longer than two days after the day of operation. The customer portal retains 24 months of interval usage history.
- g) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). This Request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objections, customers have the ability to view their usage data "in real time" by connecting energy monitoring equipment to an AMI meter using a qualified home area network (HAN) device or by requesting pulse service, which is further explained on the FirstEnergy Corp. website at: [Interval Metering and Pulse Service – Ohio Smart Meters \(firstenergycorp.com\)](http://firstenergycorp.com).
- h) Objection. This Request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, the meter technology deployed by the Companies does not have capability to forecast peak loads.
- i) No. The Companies are not proposing to expand the capabilities of the currently operating customer portal at this time.

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ANSWERS TO INTERROGATORIES

OELC Set 01– INT-005 Referring to FirstEnergy’s responses to Question #8 of PUCO DR-010, FirstEnergy states that “Commercial and industrial customers with advanced meters cannot opt-out of the NMB 2 rates. Under the Companies’ proposal, the billing system will automatically enroll customers with advanced meters into the NMB 2 rates. This will support cost alignment and alleviate the administrative burden that would come with making NMB 2 optional and having to track customers who opt-in and opt-out”, please provide the following information:

- a) A detailed description of the “administrative burden” referenced in FirstEnergy’s responses, including an estimate of the labor, overhead or other costs associated with such “administrative burden”; and
- b) A detailed description of how automatically enrolling a commercial or industrial customer with an interval or advanced meter in the NMB 2 rate “will support cost alignment”.

Response:

- a) Objection. The Companies object to this Request that purports to require a detailed, narrative response. Penn Central Transp. Co. v. Armco Steel Corp., 27 Ohio Misc. 76, 77 (C.P. 1971). Subject to and without waiving the foregoing objections, by "administrative burden", the Companies were referring to incremental administrative responsibilities required to make Rider NMB2 optional, as compared to the Companies' proposal. No estimate of the costs of these activities has been prepared, but the Companies anticipate that labor and potentially other-than-labor resources would be needed if Rider NMB2 was optional, including involvement from several internal groups such as Settlements, Customer Service, Settlements, Billing, Rates & Regulatory Affairs, Legal, IT, and others.

These incremental administrative activities may include, but would not be limited to:

- determining whether NMB2 would be opt-in or opt-out;
- developing processes/requirements for individual customers to

opt-in or opt-out, including potential IT changes that may be necessary;

- developing a process to track customer decisions, including potential IT changes that may be necessary;
- developing internal processes and controls to ensure ongoing compliance with the program requirements; and
- training internal personnel to support the opt-in / opt-out process.

- b) Objection. The Companies object to this Request that purports to require a detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76, 77 (C.P. 1971). Subject to and without waiving the foregoing objections, charging customers on a per NSPL basis under Rider NMB2 better aligns retail cost recovery with how the non-market-based services costs are assigned by PJM. See the direct testimony of Companies' witness Juliette Lawless at page 12, lines 6 through 11 and the direct testimony of Companies' witness Edward Stein at pages 10, line 2 through page 11, line 12.

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ANSWERS TO INTERROGATORIES

OELC Set 01– INT-006 For the proposed NMB 2 rate, will FirstEnergy use the actual NSPL values assigned to the account to bill NMB 2 charges, or will FirstEnergy use some other value? If some other value, please describe the calculation of that value.

Response: The Companies will use actual NSPL values assigned to the customer's account to bill Rider NMB 2 rates.

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ANSWERS TO INTERROGATORIES

OELC Set 01– INT-007 For the proposed NMB 2 rate, for those commercial and industrial customers in NMB 2, will NMB 2 rate charges be static on a month-to-month basis, only changing when the account at issue is assigned a new NSPL value on January 1 of any given year or when the NMB 2 rate is updated by FirstEnergy through its annual update filings referred to in the testimony of Juliette Lawless filed in this Proceeding at p. 11, lines 15-20? If not, please describe what other factors will lead to variations in the NMB 2 rate over the course of a calendar year.

Response: Yes, Rider NMB 2 charges for an individual customer will remain the same each month until either the customer is assigned a new NSPL value or the Rider NMB 2 rate is updated.

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ANSWERS TO INTERROGATORIES

- OELC Set 01– INT-008** Referring to FirstEnergy’s responses to Question #2 of PUCO DR-010, FirstEnergy states that “In developing this proposal, the Companies analyzed the potential bill impacts to customers from the proposed NMB 2 rates, compared to current Rider NMB rates. Please see PUCO DR-010 – Attachment 2. The assessment did not separate the customers based on whether they would remain on NMB 1 rates or if they would be on NMB 2 rates. The assessment also conservatively assumed that billing demand was equal to NSPL. It did not use exact values for specific customers or the calculated average ratio of NSPL to billing demand that can be seen in the attachment”, please provide the following information:
- a) If only commercial and industrial customers with interval or advanced meters will be on the NMB 2 rate, and assuming FirstEnergy knows who those customers currently are, why does FirstEnergy’s NMB 2 rate assessment described above not separate the customers based on whether they would remain on NMB 1 rates or be on NMB 2 rates;
 - b) If 81% of commercial customers and 39% of industrial customers in FirstEnergy territory do not currently have advanced meters, as described in FirstEnergy’s responses to Question #3 of PUCO DR-010, and thus those customers will not be on the NMB 2 rate as proposed by FirstEnergy, describe why FirstEnergy’s NMB 2 rate assessment includes those customers and how their inclusion potentially impacts the NMB 2 rate assessment;
 - c) Describe why FirstEnergy’s assessment assumes that “billing demand was equal to NSPL” when historical data shows that NSPL values can vary from billing demand over the course of a calendar year, and why FirstEnergy labels this assumption as “conservative”; and
 - d) Describe why FirstEnergy’s NMB 2 rate assessment does not use exact values for specific customers or the calculated average ratio of NSPL to billing demand, which is data presumably available to FirstEnergy.

Response:

Objection. The Companies object to these Requests that purport to require a

detailed, narrative response. *Penn Central Transp. Co. v. Armco Steel Corp.*, 27 Ohio Misc. 76,77 (C.P. 1971). The requests also mischaracterize the Companies' prior responses. Subject to and without waiving the foregoing objection, the Companies respond as follows:

- a) The Companies analyzed the impacts of proposed Rider NMB1 and Rider NMB2 rates separately. PUCO DR-010 Attachment 2 estimates the typical bill impacts on customers comparing current Rider NMB rates to proposed Rider NMB2 rates. PUCO DR-010 Attachment 3 estimates the typical bill impacts on customers comparing current Rider NMB rates to proposed Rider NMB1 rates. These analyses were not conducted on an individual customer basis, but rather, focused on average typical bill impacts across a series of usage levels for all customers, consistent with typical bill analyses included in the Companies' regulatory filings before the Commission. Under this approach, individual customers did not need to be separated between Rider NMB1 and Rider NMB 2.
- b) Please see the Companies' response to subpart a) above.
- c) As explained in the response to subpart a), the Companies' typical bill analyses were based on estimated average impacts across a series of usage levels. As can be seen in PUCO DR-010 – Attachment 2, the calculated percentage of NSPL to demand varies from 32.1% to 135.2% with the average of these being 78.2%. The Companies used 100% conversion of demand to NSPL since individual customers may have percentage difference of above or below these calculated percentages. For purposes of this analysis, the percentage was considered conservative since it is higher than the calculated average of the percentage conversion of demand to NSPL.
- d) Please see the Companies' response to subpart a). The analysis in PUCO DR-010 Attachment 2 includes the average ratios of NSPL to billing demand for each rate schedule. The Companies analyzed the estimated typical bill impacts using those ratios as well, but for the reasons explained in the response to subpart c), focused on the analysis assuming that average billing demand was equal to NSPL. In addition, customers served under Rider NMB 2 would have the opportunity to manage their peak loads before implementation, which could change the estimated impact of Rider NMB 2 for individual customers.

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RESPONSE TO REQUEST FOR PRODUCTION OF DOCUMENTS

**OELC Set
01 – RPD-
007** Please produce all studies, assessments, analyses, reports, or other documents relied on or referenced by FirstEnergy in developing the changes to Rider NMB proposed in FirstEnergy’s ESP V application in this Proceeding, including, but not limited to, the establishment of an NMB 2 rate and elimination of the Rider NMB Pilot.

Response: Objection. The Request is overbroad and unduly burdensome in requesting all studies, assessments, analyses, reports, or other documents relied on or referenced by FirstEnergy in developing the changes to Rider NMB proposed in FirstEnergy’s ESP V application in this Proceeding. The request is also vague and ambiguous as to the phrase “relied on”. Subject to and without waiving the foregoing objections, the Companies’ Rider NMB proposal in ESP V was informed by stakeholder comments submitted in Case No. 23-0051-EL-RDR and feedback received in meetings with interested stakeholders prior to filing of ESP V. In addition, please see Attachment JL-4 of the Application and PUCO DR-010 Attachment 2.

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Case No(s). 23-0301-EL-SSO

Summary: Exhibit OELC 22, 23, 24, 25, 26 electronically filed by Mr. Ken Spencer
on behalf of Armstrong & Okey, Inc..