

**BEFORE
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 Authority)	Case No. 23-301-EL-SSO
to Establish a Standard Service Offer)	
Pursuant to R.C. 4928.143 in the Form)	
of an Electric Security Plan.)	

**LIMITED MEMORANDUM CONTRA MOTION FOR
INTERIM RELIEF TO CONDUCT SSO AUCTIONS
SUBMITTED ON BEHALF OF THE STAFF OF THE
PUBLIC UTILITIES COMMISSION OF OHIO**

The Staff of the Public Utilities Commission of Ohio respectfully requests that the Public Utilities Commission of Ohio (Commission) grant the Companies’¹ Motion for Interim Relief² but with one modification.

The Motion requests interim relief that would allow the Companies to hold two standard service offer (SSO) auctions, one in late January/early February 2024 and one between mid-March and early April 2024, for SSO service after the end of their current electric security plan, which expires May 31, 2024. Staff supports the approval of relief for the Companies to hold such auctions, relief that the Commission has approved under

¹ FirstEnergy Ohio utility operating companies include Ohio Edison Company, The Toledo Edison Company and The Cleveland Electric Illuminating Company.

² *Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company’s Motion for Interim Relief to Conduct SSO Auctions and Request for Expedited Treatment*, Case No. 23-301-EL-SSO (Dec. 13, 2023) (the Motion).

similar circumstances previously.³ But in light of a recent Commission ruling in Case No. 23-781-EL-UNC (issued the same day that the Companies filed their Motion), the Commission should direct the Companies to include a proxy rate for capacity in the second auction (to occur between mid-March and early April 2024) that would allow for a two-year product that better reflects the Commission's recent Order on this issue. Including a proxy rate in the second auction being requested by the Companies will allow sufficient time for the modified auction product to be implemented and for pre-auction activities to be conducted.

On December 13, 2023, the Commission ruled that electric distribution utilities (EDUs) operating in Ohio should modify their SSO auction products to price capacity at a proxy rate for years in which no actual price has been established.⁴ In that case, Staff recommended that the Commission direct each of the Ohio EDUs to modify their SSO auction products to price capacity at a proxy rate for years in which the actual price has not been established. Staff explained that once the price is known, the capacity component would be trued-up to compensate for the difference between the actual and proxy prices.

Staff's recommendation in that case was based on delay and uncertainty in the PJM Interconnection, LLC (PJM) capacity markets. The recommendation was based on the successful implementation of proxy prices in other PJM jurisdictions without any

³ See, *In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143, in the Form of an Electric Security Plan*, Case No. 23-23-EL-SSO, et al., Entry (Sept. 20, 2023) (granting similar relief for AEP Ohio).

⁴ *In the Matter of the Proposed Modifications to the Electric Distribution Utilities' Standard Service Offer Procurement Auctions*, Case No. 23-781-EL-UNC, Finding and Order (Dec. 13, 2023).

apparent negative impacts. The Commission adopted Staff's recommendation in its December 13, 2023 Order.

Staff respectfully requests that the Commission grant the Companies' motion, with a modification requiring the Companies' proposed mid-March to early-April auction to include a proxy rate component for capacity for the 2025-2026 delivery year, thus allowing that auction to include both a 12-month and 24-month product.

Respectfully submitted,

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PROOF OF SERVICE

I hereby certify that a true copy of the foregoing **Limited Memorandum Contra Motion for Interim Relief to Conduct SSO Auctions**, Submitted on Behalf of The Staff of The Public Utilities Commission of Ohio, was served via electronic mail upon the following parties of record, this 20th day of December 2023.

/s/ Thomas G. Lindgren

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Summary: Memorandum Limited Memorandum Contra Motion for Interim Relief to Conduct SSO Auctions, Submitted on Behalf of The Staff of The Public Utilities Commission of Ohio electronically filed by Mrs. Kimberly M. Naeder on behalf of PUCO.