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The case Number before the PUCO is Case Number 23-0301-EL-SSO.

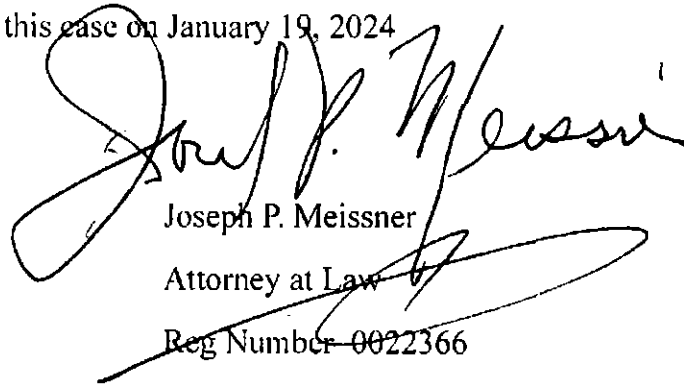
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This is a Cover Page for the Initial Brief which we are filing in the following FIFTH ESP Case filed by First Energy and its three subordinate companies.

The case Number before the PUCO is Case Number 23- 0301-EL-SSO in (he Mailer of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Authority to establish a Standard Service Offer Pursuant to Ohio Revised Code laws on the PUCO.

This is based on Authority to establish a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of An Electric Security Plan. 4928.143

This Initial Brief is due in this case on January 19, 2024



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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO
PUCO Case NO: 23-301- EI-SSO

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

INITIAL BRIEF IN FE ESP 5 CASE
BY
CITIZENS COALITION AND UTILITIES FOR ALL

Now Comes the Citizens Coalition and the Utilities for All (UFA) (along with their supporting community groups and individuals) who file this Initial Brief in this FE ESP Case 5.

The First Energy Companies which include Cleveland Electric Illuminating Company, Ohio Edison Company, and Toledo Edison Company have filed their Fifth ESP Plan. Our Coalition and members of this coalition have participated in the first Four ESP cases, including as intervenors. The Citizens Coalition and Utilities for All respectfully moved the PUCO to grant a leave to intervene for them and their members as well as individuals involved with them in this present case. This was granted.

In addition, it is our contention that our clients' interests are not adequately represented and uniquely represented by other parties in this proceeding. Our participation has and will

continue to contribute to the just and expeditious resolution of the issues and questions just as we have done in the past four ESP cases.

I. BACKGROUND

Our clients and supporters as we stated did participate in FE ESP 1, 2, 3, and 4. These four cases were resolved by global settlements in which we and many other parties (representative of all customer classes) generally participated. It is our view that these global settlements produced beneficial results for both the FE and its three subordinate companies as well as all customer classes and customers. Unfortunately, such a global settlement did not seem desirable by various parties in this case and so was never forthcoming. (We think this was a mistake, and we shall see if we were re right as the eight year of ESP5 unfold.)

We would point out that our client groups specifically advocated for the Fuel Fund Program in past FE ESP cases which has helped thousands of low- income families avoid dangerous and costly terminations of necessary electric service. In the last FE ESP 4 CASE we urged and achieved-with the help from First Energy the Customer Advisory Program. This has also helped thousands of FE customers with their electric service needs.

II. APOLOGY

Public hearings were held in this case in Cleveland on September 7, 2023, Four supporters of our coalitions gave public testimony in favor of various programs to help low-income families. They were not official representatives of the coalitions. Two of them did attend the First day of Official hearings in Columbus and listened to FE testimony especially from FE Witness Fanelli. Following this first day, they continued to study Witness Fanelli's

written testimony and do research on it. They reached various conclusions and wanted to offer more new views into the official testimony.

At that time as the official hearings were taking place, this counsel as told through his clients, that two of the individuals plus two others wanted to offer further testimony. It was indicated they could submit further public testimony. At all times they gave their real names as public witnesses. Their counsel understood they would have an opportunity toward the end of the formal hearings to give testimony and they pledged this would not interfere or hold up the formal hearings. They were asked to and did file their names.

They offered at these hearings what they were and are convinced would be helpful to all including the FE Company and its subordinates to carry out beneficial programs for customers and company. They did offer their testimony which we will refer to later. Then at the end of about fifteen minutes of testimony, the Bench became aware that three of the four had already offered public testimony on September 7. None of these witnesses nor this counsel were aware that this might be improper.

It remains the view of all these public witnesses involved in various ways with CC and UFA that their testimony was all focused sharply and given succinctly to help the Commission as well as the Companies. We urge the Commission and hearing examiners to consider their full testimony. This counsel apologizes and the witnesses apologize for any confusion and plead that was an innocent mistake on their part and they want their testimony all to be used by the Commission.

**III. EXPRESSION OF APPRECIATION TO FIRST ENERGY AND ITS
THREE SUBORDINATE COMPANIES**

From FE Witness Fanelli, the CC and UFA understand FE and the three Companies are spending \$52 million dollars of their own moneys to sponsor programs to help their customers including low-income families with programs to help them maintain and use their electric service. UFA and CC do want to express their appreciation for these Company efforts. These are tough times for many families and the ever-mounting inflation on all costs does hurt many customer families. It may seem a little odd to thank electric companies for their generosity, but there should be some customer appreciation when it is owed.

Both UFA and CC do recognize and do welcome all of this absolutely needed assistance from FE and its three subordinate companies for all customers, and especially poor families.

IV. HERE ARE CUSTOMERS OPPOSING ANY RATE INCREASES FOR FE AND ITS THREE COMPANIES.

There were a number of groups and customers, however, who expressed strong opposition to any rate increases. There were people at the public hearings in Norther Ohio who expressed strong criticisms of the electric companies. They pointed to the huge bribes paid by FE to the Ohio legislators. Some pointedly referred to one Chair of the PCO (I must confess that I always considered him a friend and that he was very helpful to other customer advocates fighting rate increases. In fact, I thought of him as the smartest individual in the OHIO utility arena for his experience and knowledge about utility matters.)

Here are three quotations from electric customers opposing any rate increases in FE ESP

5.

On Monday, September 11, 2023 9:30:38 AM PUBLIC UTILITIES COMMISSION OF OHIO Consumer Service Division Memorandum CASE ID: 00831818 CUSTOMER: Thomas Chizmar SERVICE ADDRESS: 6493 Fernhurst Avenue, Parma Heights, Ohio 44130 AIQ: Ohio Edison Company filed the following:***

“FirstEnergy got caught red-handed bribing Ohio officials in one of the biggest corruption cases in the state's history, and now they want to quietly pass through a \$1.4 billion increase to consumers? Proof, as always, FE only is concerned about their shareholders as they increase their payouts at a time when energy consumption continues to trend upward.

“With demand increasing, they're looking to make a cash grab while the consumers continue to suffer the consequences. Even with their so- called promise to help senior discount programs. Surely, this is offset easily by the \$1.4 billion ask and we'll never see any actual improvements in line quality or service - just more money getting yanked from our pockets year after year from these greedy fiends”

Here is a second customer opposing any rate increase.

To whom it may concern, I am referencing FirstEnergy and PUCO Case 23-301. As a senior citizen in Fulton County, Ohio, I DO NOT SUPPORT FirstEnergy's newest proposal to increase my electric bill beginning June 2024. Now is not the time for another rate hike! Ohioans are already facing financial difficulties with higher energy prices and inflation. As a senior citizen, I have limited income. I want my voice to be heard. I do not support FirstEnergy's newest proposal to increase my electric bill.

Here is a third objection: (CASE ID: 00831705 CUSTOMER: ANONYMOUS CONSUMER SERVICE ADDRESS: Maplecrest Rd, Woodmere, Ohio 44122 AIQ: Cleveland Electric Illuminating Company NIQ: 0000000000)

"I would like to object to the increased rate hikes being proposed by First Energy for infrastructure maintenance. Currently I am a single person in a house paying on average \$150 to \$250 (sometimes more)a month in ELECTRIC UTILITY cost. I try my best to conserve energy, however I have no idea how these bills are assessed. Especially since First Energy is just a part of my electric bill as a delivery provider. The cost is astronomical.

“The revenue generated from the associated cost should be sufficient to pay for infrastructural maintenance, seeing that this is what they are being paid for. I have had First Energy to check my meter multiple times due to the increase bills to no avail. My income is basically fixed. My neighbors, a number of retirees who are also on fixed

incomes cannot absorb these increasing rates. In addition to inflation, there is not much avenues for us residents to generate more income.

" We are faced with increasing property taxes, food and medical care expenses, unsure when will the constant barrage of increases end. This is especially in variance to the increasing compensation in both pay and benefits of the top executives at First Energy. This has to end and the proposed hike should be rejected by PUCO."

IV. FUEL ASSISTANCE PROGRAMS

Besides these general objections above to any rate increases, witnesses did discuss specific programs and how these should be maintained and expanded.

As ready pointed out it was the coalition groups who authored these programs. The goal of the one Fuel Fund program is to help low-income families who face imminent disconnection of their utility service and who have used up all other available programs. Low-income customers having used all other available aid program can apply to one of two community groups to get an FE supplied credit to their bill which means they will not be disconnected.

FirstEnergy is offering to continue this program as part of FE ESP 5. Both UFA and CC welcome this. Here is a letter filed as a Public Comment on the Fuel Fund program. This letter concerns PUCO Case for First Energy's new ESP case, PUCO Case Number 23-301-EL-SSO CASE ID: 00835183 CUSTOMER: It is from Rev. Douglas (Doug) Homer ADDRESS: 5018 Herman Avenue, Cleveland, Ohio 44102 Email: jhorner422@aol.com.

1. Thank you. 2 We urge the PUCO to ensure that FE continues this [fuel] program, or else the PUCO should deny any rate request now being sought by the company.

A second witness with much experience in the Fuel Fund Program is Public Witness Lawrence Bresler who gave detailed testimony after he first introduced himself

My name is Larry Bresler. I have been a social worker since 1973. I am currently executive director of Organize Ohio, am a member of the Utilities for All Organization,

and a founding and Coordinating Council member of the Ohio Poor People's Campaign. I have also been teaching at Case Western Reserve University's School of Applied Social Sciences for the past 18 years.

Then he testified: "I am here to testify regarding the (FE) proposed changes from the ISP 4 to ESP 5.

Lower-income residents in northern Ohio are facing daunting challenges. With the costs of housing, food and other basic needs greatly increasing, their incomes have only been increasing marginally. At the same time the First Energy default rates nearly doubled in June with now, another proposed rate increase that will begin in June 2024. This portends to a large increase of shutoffs of First Energy customers. Programs proposed by First Energy in ISP 5 will not improve the prospect for shutoffs, and in many respects will make it worse. Therefore, I am asking for the following:

1. Increase the amount of the Fuel Fund Program from \$2 million to \$4 million

I recognize that the fuel fund has not been fully used in recent times. However, that has been at a time when COVID related funds have been available to low-income customers. Now, with the home electric costs increasing dramatically, the need to assist low-income customers from having their electricity turned off is almost certainly going to increase substantially as well. Additional fuel funds will be needed.

2. Increase the maximum awarded substantially (say to \$750 a family) for the Fuel Fund Program

With the almost 100% increase in First Energy Utility rates, an increase is warranted for the maximum support that a family can receive.

3. First Energy should not put out for a bidding process for contracting for the Fuel Fund Program

When persons are seeking emergency utility assistance, it is important that they are working with an agency that is known, knowledgeable and respected in the community by the residents to be served as has been the case with Step Forward and CHN Housing Partners in the Cleveland area. By opening the Fuel Fund Program to a bidding process, and no longer contracting with an experienced local non-profit agency, you are jeopardizing the services provided in order to save some money.

Another public witness was community activist Don Bryant. Here is his introduction.

I am Don Bryant, a participant with Utilities For All and End Poverty Now. I retired from the US Postal Service after 35 years of service. I served as Cuyahoga County

Soil and Water Board Supervisor for three terms. I am currently serving as Board President with Cleveland Peace Action.

Here is his substantive testimony:

I have come before you today to speak for the thousands of First Energy customers who are struggling between paychecks or between jobs to keep families fed, clothed, housed, healthy and - to keep the lights on.

In our presumed post pandemic period, People are still getting back on their feet from economic setbacks, and inflation on costs of all commodities and services. As people are living close to the edge of homelessness, health crisis, or hunger, I suggest we avoid this calamity by putting utility service before excessive profit. It has been noted that First Energy made record profits during the pandemic.

In fact, the programs, and services that I request should be considered as costs of doing business in Ohio and not as a reduction in profit.

We must increase access to the Fuel Fund refund by granting this twice annually at a minimum of \$500 per credit.

A third public witness was Ms. Loh. Here is her PUCO testimony:

Ms. Loh is a resident in Cleveland, Ohio, as well as the Lead Advocate of the Homeless Congress for a decade, a member of many other grassroots organizations for years to help the unhoused, the low-income people to get back on their feet with their basic needs. Also, Loh has been continuously serving as Advisory Members at various Advisory Boards and Committees at the City of Cleveland and Cuyahoga County for various years.

The One big trouble that the unhoused and the low-income need urgent fixes is usually the Housing and Utility assistance. Since people's health conditions, people's means to access housing and utilities, and the economy all have been changed a lot throughout the time, the utility services and assistance should also catch up with the reality accordingly.

1. FirstEnergy is a for-profit utility company and has been directly involved with bribery while its business practices to its ordinary residential customers have neither been transparent nor fair. FirstEnergy has NOT provided the same customer services of quality to its ordinary residential customers. Now, FirstEnergy even wants to contract different companies which may have no experiences and ties to the ordinary residential customers to increase and/or even create more barriers for these ordinary residential customers to access needed information and services?

2. The access to the Fuel Fund Credit should be increased by granting the said assistance Twice annually at a minimum of \$500.00. This is One of the few programmes actually helping the ordinary residential customers to keep up with the High electricity rates during the seasons of severe weather which demands continuous electricity usages to keep temperatures fit for people's health conditions and to support various kinds of powered medical equipment accordingly. Otherwise, **even housing voucher holders may become unhoused [Again] because the disconnection of the electricity leads to the void of the housing vouchers!**

3. The programmes like the one to issue \$5.00 Monthly credit for seniors are actually harmful not only to seniors' eligibility to receive the Percentage of Income Payment Plan, ie PIPP, **but also all housing voucher holders' eligibility to housing voucher and/or the dollar**

amounts of the rent to pay due to such a credit being considered and calculated toward these seniors' and/or housing voucher holders' income by the Federal regulations with HUD, i.e. the US Department of Housing & Urban Development.

4, Yes, with Today's Economy and Complicated Public Policies on Housing, FirstEnergy's business practices should NOT be allowed to only benefit FirstEnergy itself and its share-holders while making more ordinary residential customers become unhoused / homeless. PUCO has the power and responsibility

All three public testifiers with decades years of experiences in the community declare their opposition to imposing any new and untried method for administering these funds. Two very fine organizations who helped devise the Fuel Fund program and have successfully administered these for many years continue to agree to administer the FE Fuel Fund Program. Why change? How long will this take? Who will be involved in administering this new process?

In a few words why mess with success?

In conclusion, all three expert public witnesses and longtime workers in the community urge the Companies and the PUCO to maintain the Fuel Fund Program, to continue with the companies who have done so well to administer this program, and to forego any kind of dangerous and untried bidding competition.

V. UFA AND CC URGE THE PUCO AND FIRST ENERGY TO MAINTAIN AND EVEN EXPAND THE CUSTOMER ADVISORY PROGRAM

The Customer Advisory Program (or CAP) was recommended in FEESP 4 in 2015. An energy advocate for 15 years in the HEAP program had noted the special assistance and advice received from FE by its commercial and industrial customers which was designed to help these customers achieve savings in their energy bills and to use the energy they received to the advantage of all FE customers. Her insight was that this same assistance should be offered to the residential (including low income) customers as well.

This CAP program was only supposed to last for three years of the FE ESP 4 period. But this program functioned so well that FE and its companies agreed with the residential customer representatives to offer this program throughout the full 8 years of ESP 4. All have agreed to this and such has been done for the past eight years.

Now in ESP 5 "somebody" is proposing to entirely end the CAP program. No substantive rationale has been provided to justify this. This unsubstantiated recommendation is contrary to testimony in this case.

Here is Witness Bresler's strong recommendation:

1. **First Energy should continue to fund the Consumer Advisory Program.** First Energy intends to defund the Consumer Advisory Program which provides electric utility saving advice to low-income First Energy customers. It has been funded at \$1 million a year. At a time with greatly increasing electric rates, it is more important than ever to continue to fund this program. Furthermore, to ensure its success, First Energy should set measurable contractual expectations as to the services that are provided to the low-income clients.

V. Customers advocates oppose a flawed FE Program which will only help a small group of eligible Seniors, and then only with a minuscule amount of assistance and this may windup eliminating the senior customers from meaningful programs such as the Percentage of income Payment Program (PIPP). This program should either be substantially improved or the money allocated to other beneficial programs such as CAP.

We repeat Witness Loh's earlier view of this \$5 a month crediting program.

"The programmes like the one to issue \$5.00 Monthly credit for seniors are actually harmful not only to seniors' eligibility to receive the Percentage of Income Payment Plan, i.e. PIPP, but also all housing voucher holders' eligibility to housing voucher and/or the dollar amounts of the rent to pay due to such a credit being considered and calculated toward these seniors' and/or housing voucher holders' income by the Federal regulations with HUD, i.e. the US Department of Housing & Urban Development.

"Yes, with Today's Economy and Complicated Public Policies on Housing, FirstEnergy's business practices should NOT be allowed to only benefit FirstEnergy itself and its share-holders while making more ordinary residential customers become unhoused / homeless. PUCO has the power and responsibility to ensure FirstEnergy

conducts business with transparency and fairness as well as is accountable for the plan(s) submitted! Thank you for this opportunity to testify!"

After reviewing this \$5 senior citizens credit program, expert witness Bresler offered these judgments

The new Senior Citizen Discount Program is unsatisfactory as proposed

First Energy is proposing a new senior citizen discount program which will be funded at \$2 million a year. Under this program low-income seniors will receive a discount of \$5 a month on their bills. As set up this is problematic. Seniors on the PIPP Plus Program would be ineligible to receive the discount.

To the best of my knowledge, there is no legal requirement for this restriction.

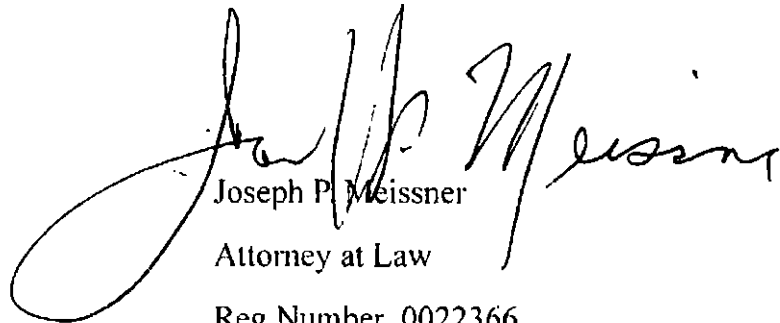
Furthermore, any PIPP Plus Program senior consumer would almost certainly be saving much more by being on the PIPP Plus Program than the customer would save from receiving a \$5 a month discount. It would be my expectation that any senior who would qualify for the Senior Discount Program would also qualify for PIPP Plus Program.

Consequently, I would expect and hope that low-income senior citizens would enroll in and/or stay on the PIPP Plus Program rather than applying for the negligible \$5 a month discount. Under these circumstances, I would expect that the Senior Discount Program would be substantially unused.

Witness Bresler summed up his entire testimony as follows:

"In conclusion we all share the interest in First Energy customers being able to meet their energy needs and not facing shutoffs. To that end, it is important to continue and expand the Fuel Fund Program operated by agencies who have the experience and knowledge to run such programs. At the same time, we need to maintain the Consumer Advisory Program to maximize low-income customers' to get the most efficient use out of their electricity. Finally, the Senior Discount Program needs to be rethought out in a way that actually helps low-income seniors."

V. CONCLUSION: WE URGE THE PUCO TO CONSIDER AND ADOPT THE ARGUMENTS AND RECOMMENDATIONS MADE BY THE CITIZENS COALITION AND BY UTILITIES FOR ALL. Thank you.



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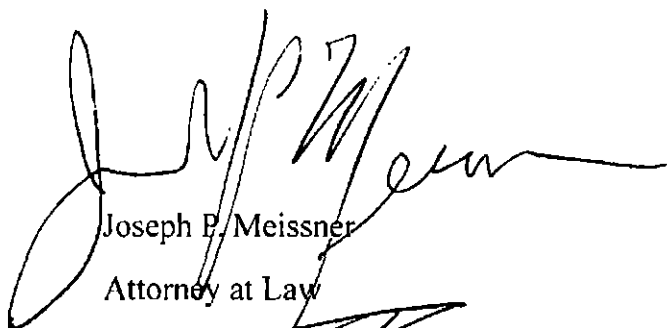
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Utilities for All

SERVICE

Copies of this Initial Brief from CC and UFA have been and are being served upon all parties to this case who have been allowed to join the case (as well as submitted to the PUCO for formal filing). This is the date of January 19, 2024. Some copies are being served by regular mail, others by internet and email, and others through the PUCO website.



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