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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Complaint of Miles)	
Management Corp., Alok Bhajji, M.D., Inc.,)	
Union House Bar & Restaurant, and Regional)	
Therapy, Inc.,)	
)	
Complainants,)	Case No. 05-803-EL-CSS
)	Consolidated With Case Nos.:
v.)	04-28-EL-CSS
)	05-1011-EL-CSS
American Transmission Systems, Inc.,)	05-1012-EL-CSS
et al.)	05-1014-EL-CSS
)	05-1020-EL-CSS
Respondents.)	

**ANSWER OF AMERICAN TRANSMISSION SYSTEMS, INC.
AND THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
TO SECOND AMENDED COMPLAINT
OF MILES MANAGEMENT CORP., ET AL.**

Respondents American Transmission Systems, Inc. ("ATSI") and The Cleveland Electric Illuminating Co. ("CEI"), (collectively, "FirstEnergy Respondents"), for their Answer to the Second Amended Complaint, respond as follows:

FIRST DEFENSE

- Deny that Complainants were customers of CEI or ATSI. The FirstEnergy Respondents otherwise deny the allegations contained in paragraph 1 of the Second Amended Complaint for lack of knowledge or information sufficient to form a belief as to the truth thereof.
- Admit that ATSI is an Ohio corporation, that it is a subsidiary of FirstEnergy Corp., and that it provides wholesale electrical transmission service in

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certain portions of Ohio; and deny the remaining allegations contained in paragraph 2 of the Second Amended Complaint.

3. Admit that Cleveland Public Power ("CPP") provides electric service to customers in certain portions of Cleveland, Ohio, and deny the remaining allegations contained in paragraph 3 of the Second Amended Complaint for lack of knowledge or information sufficient to form a belief as to the truth thereof.

4. Admit that CEI is an Ohio corporation with a principal place of business in Cuyahoga County, Ohio and that CEI provides electric distribution service to customers in certain portions of Cuyahoga County, Ohio; and deny the remaining allegations contained in paragraph 4 of the Second Amended Complaint.

5. Admit that ATSI provides wholesale electrical transmission service in certain portions of Ohio; and that CEI provides electrical distribution service in certain portions of Ohio; deny the allegations contained in paragraph 5 as they pertain to Respondent Cleveland Public Power ("CPP") for lack of knowledge or information sufficient to form a belief as to the truth thereof; and deny the remaining allegations contained in paragraph 5 of the Second Amended Complaint.

6. Admit that, attached as Exhibit A to the Second Amended Complaint, is a document labeled as an "Interim Report" from an ad hoc created entity that became known as the U.S.-Canadian Power System Outage Task Force; aver that this document is inadmissible as evidence at any hearing in this matter; and otherwise deny the remaining allegations contained in paragraph 6 of the Second Amended Complaint.

7. Deny the allegations contained in paragraph 7 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

8. Deny the allegations contained in paragraph 8 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge or information sufficient to form a belief as to the truth thereof.

9. Deny the allegations contained in paragraph 9 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

10. In response to paragraph 10 of the Second Amended Complaint, FirstEnergy Respondents incorporate their responses to paragraphs 1 through 9 of this Answer.

11. Admit that ATSI and CEI are required to observe certain statutory and regulatory duties; deny the remaining allegations contained in paragraph 11 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

12. Deny the allegations contained in paragraph 12 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining

allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

13. Deny the allegations contained in paragraph 13 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

14. Deny the allegations contained in paragraph 14 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

15. In response to paragraph 15 of the Second Amended Complaint, Respondents incorporate their responses to paragraphs 1 through 14 of this Answer.

16. Deny the allegations contained in paragraph 16 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

17. Deny the allegations contained in paragraph 17 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

18. Deny the allegations contained in paragraph 18 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining

allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

19. In response to paragraph 19 of the Second Amended Complaint, Respondents incorporate their responses to paragraphs 1 through 18 of this Answer.

20. Deny the allegations contained in paragraph 20 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

21. Deny the allegations contained in paragraph 21 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

22. Deny the allegations contained in paragraph 22 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

23. Deny the allegations contained in paragraph 23 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

24. Deny the allegations contained in paragraph 24 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining

allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

25. Deny the allegations contained in paragraph 25 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

26. In response to paragraph 26 of the Second Amended Complaint, Respondents incorporate their responses to paragraphs 1 through 25 of this Answer.

27. Aver that Chapters 4905 and 4933 of the Ohio Revised Code set forth, among other things, duties that electric companies and other utilities owe; deny the allegations contained in paragraph 27 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

28. Deny the allegations contained in paragraph 28 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

29. Deny the allegations contained in paragraph 29 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

30. Deny the allegations contained in paragraph 30 of the Second Amended Complaint as they relate to the FirstEnergy Respondents; and deny the remaining allegations in that paragraph for lack of knowledge of information sufficient to form a belief as to the truth thereof.

31. Deny any and all allegations contained in the Second Amended Complaint not expressly admitted in this Answer.

SECOND DEFENSE

32. The Second Amended Complaint fails to state a claim for which relief may be granted.

THIRD DEFENSE

33. Respondents ATSI and CEI at all times complied with all applicable statutes, regulations, industry standards, reliability guidelines and tariffs.

FOURTH DEFENSE

34. The Commission lacks jurisdiction or authority to award certain types of relief requested in the Second Amended Complaint; *inter alia*, to award legal fees, expenses, and prejudgment interest or attorneys fees.

FIFTH DEFENSE

35. The electrical outage of August 14, 2003 arose from the acts and omissions of third parties over whom the FirstEnergy Respondents lacked any control or right of control.

SIXTH DEFENSE

36. To the extent any act or omission of ATSI or CEI contributed to the electrical outage of August 14, 2003, which is expressly denied, such act or omission does not violate any duty that ATSI or CEI allegedly had to any Complainant.

SEVENTH DEFENSE

37. To the extent that ATSI or CEI violated any applicable statute, regulation, industry standard, reliability guideline or tariff provision, which is expressly denied, such a violation was not the proximate cause of any damage or injury alleged by Complainants.

EIGHTH DEFENSE

38. Complainants' claims and/or damages are barred in whole or in part by the provisions of applicable tariffs.

NINTH DEFENSE

39. Respondent ATSI owed no legal duty to Complainants.

TENTH DEFENSE

40. The Second Amended Complaint fails to plead any cognizable cause of action under the requirements specified in the Commission's Orders in this proceeding of March 7, 2006 and April 26, 2006. For example, Complainants have failed to specify from which Respondent, if any, each Complaint receives or, on the relevant dates, received electric service.

ELEVENTH DEFENSE

41. Complainants lack standing to bring the Complaint.

TWELFTH DEFENSE

42. ATSI and CEI owed no legal duty to Complainants who were not its customers.

THIRTEENTH DEFENSE

43. To the extent Complainants did not sustain property damage or personal injury as a result of the electrical outage of August 14, 2003, Complainants' claims are barred by the economic loss rule.

FOURTEENTH DEFENSE

44. Some or all of Complainants' claims are limited or barred due to Complainants' failure to mitigate damages.

WHEREFORE, FirstEnergy Respondents respectfully request that this matter be dismissed with prejudice and that they be given such other relief that the law, equity and justice require.

Respectfully submitted,



David A. Kutik (Trial Counsel)
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Telephone: (216) 586-3939
Facsimile: (216) 579-0212
E-mail: dakutik@jonesday.com

Mark A. Whitt
JONES DAY
Mailing Address:
P.O. Box 165017
Columbus, Ohio 43216-5017
Street Address:
325 John H. McConnell Blvd., Suite 600
Columbus, Ohio 43215-2673
Telephone: (614) 281-3880
Facsimile: (614) 461-4198
E-mail: mawhitt@jonesday.com

COUNSEL FOR RESPONDENTS
AMERICAN TRANSMISSION SYSTEMS,
INC. and THE CLEVELAND ELECTRIC
ILLUMINATING CO.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Respondents' Answer to Second Amended Complaint of Miles Management Corp., et al. was mailed by ordinary U.S. mail to the following persons this 7th day of June, 2006.

Edward F. Siegel, Esq.
5910 Landerbrook Drive, Suite 200
Cleveland, OH 44124

W. Craig Bashein, Esq.
Bashein & Bashein Co., L.P.A.
55 Public Square, Suite 1200
Cleveland, OH 44113

Francis E. Sweeney, Jr. Esq.
323 Lakeside Avenue, Suite 450
Cleveland, OH 44113

Joel Levin, Esq.
Aparesh Paul, Esq.
Levin & Associates Co., L.P.A.
The Tower at Erieview, Suite 1100
1301 East Ninth Street
Cleveland, OH 44114

Paul W. Flowers, Esq.
Paul W. Flowers Co., L.P.A.
50 Public Square, Suite 3500
Cleveland, OH 44113

Leslie E. Wargo, Esq.
McCarthy, Lebit, Crystal & Liffman Co.,
L.P.A.
101 West Prospect Avenue
1800 Midland Building
Cleveland, OH 44115

Mark S. Grotefeld, Esq.
Daniel G. Galivan, Esq.
Grotefeld & Denenberg, LLC
105 West Adams Street, Suite 2300
Chicago, IL 60603

Christina L. Weeks, Esq.
Matthew L. Friedman, Esq.
Grotefeld & Denenberg, LLC
21 E. Long Lake Road, Suite 200
Bloomfield Hills, MI 48304

Patrick J. O'Malley, Esq.
Keis George LLP
55 Public Square, Suite 800
Cleveland, OH 44113



Mark A. Whitt
An Attorney for Respondents