

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of )  
Ohio Edison Company for approval of ) Case No. 99-267-EL-AEC  
an Arrangement with an Existing )  
Customer (B.F. Goodrich Company). )

FINDING AND ORDER

The Commission finds:

- (1) The Applicant, Ohio Edison Company, is a public utility as defined in Section 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) On March 8, 1999, the Applicant petitioned this Commission for approval of an Electric Service Agreement with B.F. Goodrich Company (Customer). The Customer is investing capital in the amount of \$5,000,000 over the next year with the possible addition of a product line which will require an additional \$2,000,000 investment to increase efficiency and productivity, and solidify its manufacturing base at the service location.
- (3) The Agreement offers real time pricing in return for the Customer's agreement to enter into a long term contract with the Company. Increased electrical demand from new or expanding industrial use in the Company's service area will permit the Company to better utilize its facilities, resulting in more efficient operations.
- (4) The terms of the Agreement are as follows:
  - (a) The customer specific charge per month is \$24,270.
  - (b) Demand charge shall be \$3.25 per kW.
  - (c) Reactive charge shall be the highest monthly lagging KVAR, \$0.37 per KVAR.
  - (d) Energy Charges are as follows:

Hourly price per kWh up to the	<u>On-peak</u>	<u>Off-peak</u>
Base Energy Level	\$0.364	\$.0212

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician Anna M. Nixon Date Processed Aug 27, 1999

Hourly prices per kWh over the Base Energy Level will be based on the Real Time Pricing.

- (5) The Customer agrees to have the Applicant as its sole supplier of all electrical power to its facility.
- (6) The Agreement shall commence with PUCO approval, and shall expire on December 31, 2004 at 11:59 p.m.
- (7) The Agreement provides that both parties acknowledge that the electric industry may be restructured during the term of this agreement. Both parties acknowledge that they are sophisticated in the purchase of electricity and understand the issues surrounding Retail Wheeling. Based on this understanding and sophistication, both parties waive any and all rights to prematurely terminate this Agreement, even if permitted by law or regulatory order, unless as agreed to by both parties through an amendment to this Agreement.

The Agreement provides that the customer agrees to have the Applicant provide all of its requirements for electricity to the facility and the Applicant agrees to supply all of the electricity to the facility for the term of the agreement or until one year after Retail Wheeling becomes available, whichever ever occurs sooner. To terminate one year after Retail Wheeling becomes available either party must provide a ninety day advanced written notice to the other party. If the agreement is terminated early, the customer agrees to continue to purchase from the Applicant all components of electricity that remain regulated at the retail level.

- (8) All aspects of this contract to the extent they impact the company's electric restructuring will be considered by this Commission in the transition plan proceedings.
- (9) The Customer agrees that the Applicant shall be its sole supplier of all its electrical requirements. In the event the Applicant is not the sole supplier of all electrical power, the Customer may be billed for all incentives received as a result of this contract. The Applicant may pursue other remedies available to it for the Customer's breach, including specific performance, consequential and incidental damages.

Although this contract contains a provision reserving to the Applicant the right to pursue remedies other than rebilling

the parties are hereby put on notice that the Commission, by approving this contract, is not making any determination on the Applicant's right to seek such recovery outside of the rebilling provision. Nothing in this Entry shall constitute approval of the Applicant's ability to obtain such damages or specific performance.

- (10) Subject to the terms of this Finding and Order, the application should be approved pursuant to Section 4905.31, Revised Code.
- (11) This Agreement is categorized as a economic development Agreement. The Commission reserves the right to evaluate the effect of this agreement on distribution and transmission rates established after the Applicant's market development period as set forth by the electric restructuring bill .
- (12) Our approval of this contract does not constitute state action for the purpose of the antitrust laws. It is not our intent to insulate the Applicant or any party to a contract approved by this Finding and Order from the provisions of any state or federal law which prohibit the restraint of trade.

It is therefore,

ORDERED, That the Commission's approval of this contract does not constitute state action for the purpose of the antitrust laws. It is, further,


ORDERED, That subject to the terms of this Agreement, the application is approved and shall become effective pursuant to its terms. Two copies of the Agreement as filed shall be accepted for inclusion in this docket. It is, further,

ORDERED, That the Applicant include B.F. Goodrich Company in its semiannual reports regarding special arrangements for Economic Development. The semiannual reports should be submitted to the Electricity Division of the Commission's Utilities Department. It is, further,

ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon the Applicant, the Customer and all parties of record.

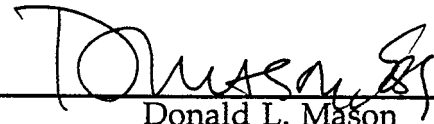
THE PUBLIC UTILITIES COMMISSION OF OHIO

  
Alan R. Schriber, Chairman

  
Ronda Hartman Fergus

  
Craig A. Glazer

  
Judith A. Jones

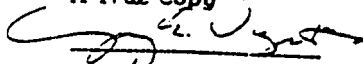
  
Donald L. Mason

WLG:sm

Entered in the Journal

**AUG 26 1999**

A True Copy



Gary E. Vigorito  
Secretary

CASE NUMBER 99-267-EL-AEC  
CASE DESCRIPTION OHIO EDISON/B.F. GOODRICH  
DOCUMENT SIGNED ON August 26, 1999  
DATE OF SERVICE Aug 27, 1999

PERSONS SERVED

PARTIES OF RECORD

ATTORNEYS

APPLICANT

B.F. GOODRICH COMPANY  
240 W. EMERLING  
AKRON, OH 44301

NONE

APPLICANT

OHIO EDISON COMPANY  
OFFICE OF THE PRESIDENT  
76 SOUTH MAIN STREET  
AKRON, OH 44308

KURT E. TUROSKY  
FIRSTENERGY  
76 SOUTH MAIN STREET  
AKRON, OH 44308