

The Intervenors note that an extension of existing programs – if necessary – is not something that they oppose. But the Intervenors would instead urge the Commission, now that all parties have complied with the expedited procedural schedule, to issue an order in these cases before December 31, 2012.

II. RESPONSE

The Companies' request for a continuation was previously and jointly proposed by several parties. FirstEnergy now requests that the Public Utilities Commission of Ohio ("PUCO" or "Commission") approve the continuation of the existing plans "until replaced by the Proposed Plans as approved by the Commission."² Further, the Companies request an expedited ruling, stating that "clarity is important for administrators and customers regarding the continuation."³ Similar sentiments were expressed by several parties at the beginning of these cases – in opposition to an expedited schedule.

In a joint objection to FirstEnergy's proposed procedural schedule, several parties noted that a better solution to the Companies' expedited request was a continuation of the existing plans:

Since both the Companies' and the Intervenors' proposed schedules might result in the Companies' inability to fully implement new plans by January 1, 2013, Intervenors also request that the Commission allow the Companies to continue running the current plans past January 1, 2013 with full cost recovery until the Companies can begin implementing the new plans.⁴

FirstEnergy responded that such a request was "premature" and that there was "no indication that the authorization sought by the coalition was necessary."⁵ FirstEnergy requested this expedited process only *after* their plans and testimony were fully developed and submitted to the

² FirstEnergy Motion at 2 (December 7, 2012).

³ *Id.*

⁴ Joint Objection filed by the Environmental Law & Policy Center, Sierra Club, Ohio Environmental Council and Natural Resources Defense Council at 3-4 (August 6, 2012).

⁵ FirstEnergy Response to Joint Objection at 5 (August 10, 2012).

Commission. Thus, the time period was not shortened for the utility Companies to prepare their case, but was subsequently abbreviated for the responding parties to develop theirs.

FirstEnergy's request for an expedited schedule was predicated on a ruling occurring prior to the end of the year.⁶ The schedule was requested by FirstEnergy in order to: "...provide the Commission with sufficient time to issue its opinion and order in this proceeding so as to avoid any potential delay in implementing the Proposed Plans on January 1, 2013,"⁷ and in order to: "...afford the Companies the opportunity to finalize contracts with potential vendors and otherwise seamlessly transition from the Existing Plans to Proposed Plans without interruption."⁸

After receiving an expedited schedule as requested for the purpose of a facilitating a 2012 Order by the Commission, the Companies now request that the existing programs continue into 2013. If such an extension of existing programs was granted back in August, it may have afforded a full procedural schedule that would have provided parties a longer period of time to develop, present and execute their responses and issues with FirstEnergy's filings. The shorter schedule resulted in less time to review the filings, develop testimony, prepare witnesses and execute case strategy. If the Commission is unable to prepare and present an Order by mid-December, the Intervenors request that these circumstances be considered in future cases, when another utility submits a request for an expedited procedural schedule predicated on a quick ruling by the Commission. It potentially disadvantages interested parties and obligates the Commission to try and perform its duties in a manner which is perhaps unrealistic or simply not possible.

⁶ FirstEnergy Application at page 13 – the last of the seven procedural requests was: "Commission's Order Issued – No later than December 12, 2012."

⁷ FirstEnergy Application at 13.

⁸ FirstEnergy Application at 14.

As illustrated in the record, the parties in these cases worked diligently to prosecute their issues within the time allowed and provide the Commission with a full presentation of items for consideration – ranging from specific program improvements to broad policy considerations. Working within the confines of an expedited schedule, parties in these cases completed their advocacy within the time allowed, and the Attorney-Examiners worked carefully to ensure the evidentiary record was complete. Therefore, the Intervenors now state their preference that the Commission focus on preparing and issuing an Order in these cases to facilitate the launch of new and modified programs in the Companies’ service territories. In the alternative, the Intervenors respectfully request the Commission grant FirstEnergy’s motion and extend existing programs for the shortest period of time necessary to issue an order that maximizes energy efficiency opportunities, forwards Ohio policies and benefits FirstEnergy customers.

There are several reasons to abbreviate any continuation of existing programs. First, the Companies have had difficulty meeting the benchmarks in previous years.⁹ A long extension means the likely possibility that FirstEnergy will not meet compliance with the 2013 energy efficiency or peak demand benchmarks.¹⁰ While the Intervenors believe that this was within FirstEnergy’s control (i.e. the Companies could have filed the proposed plans prior to July 31st), it is important now to make the positive modifications and additions to the proposed plans and facilitate commencement as soon as possible, in order to maximize the amount of time available to the Companies for compliance efforts in 2013. The Intervenors understand the proposed portfolio may require extensive modification and additions, and we encourage the Commission

⁹ See, for example, the affidavit of John Dargie in Case No. 12-1533-EL-EEC, *In the matter of the Portfolio Status Report on the status of the Companies Energy Efficiency and Peak Demand Reduction Results for the year ended December 31, 2011* (May 15, 2012).

¹⁰ See the Supplemental Testimony of Dylan Sullivan at 3, lines 9-17 (October 22, 2012).

to give appropriate consideration to changes as proposed by various parties. The Intervenors request the Commission make these changes as expeditiously as possible.

Second, it will be important for the Companies to have as much time as possible to prepare a bid into PJM Base Residual Auctions in May of 2013.¹¹ The Intervenors and others have advocated for bidding in forecast energy efficiency savings. Assuming the Commission adopts these recommendations, FirstEnergy will need time to prepare an M&V report and make other bid preparations.

Finally, in addition to the consideration of the items above, there may be additional procedural activities, such as one or more applications for rehearing. While the Intervenors are optimistic that this will be unnecessary, it is an avenue available to all parties. The sooner that an Order is issued, the sooner such activities - if conducted - may be addressed and resolved. Therefore, the Intervenors respectfully request that the Commission issue an Order in these cases as soon as possible.

III. Conclusion

The Sierra Club, Ohio Environmental Council and Citizen Power respectfully request that the Commission issue an Order before the end of the year and allow FirstEnergy sufficient time to launch energy efficiency and peak demand reduction programs.

¹¹ The 2016/2017 PJM Base Residual Auction is scheduled for May 13, 2013:
www.pjm.com/~media/...ops/...auction.../rpm-auction-schedule.ashx

Respectfully Submitted,

/s/ Christopher J. Allwein

Christopher J. Allwein, Counsel of Record
Williams, Allwein and Moser, LLC
1373 Grandview Ave., Suite 212
Columbus, Ohio 43212
Telephone: (614) 429-3092
Fax: (614) 670-8896
E-mail: callwein@wamenergylaw.com

Manuel Somoza
Sierra Club Environmental Law Program
85 2nd Street, 2nd Floor
San Francisco, California, 94117
Telephone: (415) 515-0918
E-mail: manuel.somoza@sierraclub.org

Attorneys for the Sierra Club

/s/ Theodore S. Robinson

Theodore S. Robinson – Citizen Power
2121 Murray Avenue
Pittsburgh, PA 15127
Telephone: (412) 421-7029
Fax: (412) 421-6162
E-Mail: robinson@citizenpower.com

Attorney for Citizen Power

/s/ Cathryn N. Loucas

Cathryn N. Loucas, Esq. – Council of Record
Trent Dougherty, Esq.
1207 Grandview Avenue, Suite 201
Columbus, Ohio 43212-3449
(614) 487-7506 - Telephone
(614) 487-7510 – Fax
Cathy@theOEC.org
Trent@theOEC.org

**Attorneys for the Ohio Environmental
Council**

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing *Memorandum in Response by the Sierra Club, Ohio Environmental Council and Citizen Power* has been served upon the following parties via electronic mail on December 11, 2012.

/s/ Christopher Allwein

Christopher J. Allwein

Devin Parram
Attorney General's Office
Public Utilities Commission of Ohio
180 East Broad St., 6th Fl.
Columbus, OH 43215
Devin.parram@puc.state.oh.us

Kathy J. Kolich
Carrie M. Dunn
FirstEnergy Service Company
76 South Main Street
Akron, OH 44308
kjkolich@firstenergycorp.com
cdunn@firstenergycorp.com

Attorneys for FirstEnergy Service
Company

Cathryn N. Loucas
Trent Dougherty
The Ohio Environmental Council
1207 Grandview Avenue, Suite 201
Columbus, OH 43212-3449
Cathy@theOEC.org
Trent@theOEC.org

Colleen L. Mooney
Ohio Partners for Affordable Energy
231 West Lima Street
Findlay, OH 45839-1793
cmooney2@columbus.rr.com

Attorneys for the Ohio Environmental
Council

Robert Kelter
Justin M. Vickers
Nicholas McDaniel
Environmental Law & Policy Center
35 East Wacker Drive, Suite 1600
Chicago, IL 60601
jvickers@elpc.org
rkelter@elpc.org
NMcdaniel@elpc.org

Kyle L. Kern
Assistant Consumers' Counsel
Office of the Ohio Consumers'
Counsel
10 West Broad Street, Suite 1800
Columbus, OH 43216
kern@occ.state.oh.us

Attorneys for the Environmental Law
& Policy Center

Jody M. Kyler
David F. Boehm
Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202
jkyler@bkllawfirm.com
dboehm@bkllawfirm.com
mkurtz@bkllawfirm.com

Attorneys for Ohio Energy Group

Richard L. Sites
General Counsel & Senior Director of
Healthy Policy
Ohio Hospital Association
155 East Broad Street, 15th Floor
Columbus, Ohio 43215
ricks@ohanet.org

Michael K. Lavanga
Brickfield, Burchette, Ritts & Stone,
P.C.
1025 Thomas Jefferson Street, N.W.
8th Floor, West Tower
Washington, D.C. 20007
mkl@bbrslaw.com

Attorney for Nucor Steel Marion, Inc.

Gregory Price
Mandy Willey
Attorney Examiners
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215
gregory.price@puc.state.oh.us
mandy.willey@puc.state.oh.us

Thomas J. O'Brien
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215
tobrien@bricker.com

Attorney for Ohio Hospital
Association

Samuel C. Randazzo
Frank P. Darr
Joseph E. Olikier
Matthew R. Pritchard
McNees Wallace & Nurick LLC
21 East State Street, 17th Floor
Columbus, OH 43215
sam@mwncmh.com
fdarr@mwncmh.com
joliker@mwncmh.com
mpritchard@mwncmh.com

Attorneys for Industrial Energy
Users-Ohio

Glenn S. Krassen
Bricker & Eckler LLP
1001 Lakeside Avenue East, Suite 1350
Cleveland, Ohio 44114
gkrassen@bricker.com

Matthew W. Warnock
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215
mwarnock@bricker.com

Attorneys for Northeast Ohio Public
Energy Council

J. Thomas Siwo
Thomas J. O'Brien
Bricker & Eckler LLP
100 South Third Street
Columbus, OH 43215-4291
tsiwo@bricker.com
tobrien@bricker.com

Attorneys for Ohio Manufacturers'
Association

Theodore Robinson
Citizen Power
2121 Murray Avenue
Pittsburgh, PA 15217
robinson@citizenpower.org

Todd M. Williams
Williams Allwein & Moser, LLC
Two Maritime Plaza, 3rd Floor
Toledo, OH 43604
toddm@wamenergylaw.com

Gregory Poulos
EnerNOC, Inc.
471 East Broad Street, Suite 1520
Columbus, OH 43215
gpoulos@enernoc.com

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