



House Public Utilities Committee

Prepared by:
Janine L. Migden-Ostrander
Consumers' Counsel

January 16, 2008

TRANSPARENCY, SPECIAL CONTRACTS AND SIDE-DEALS

Chairman Hagan, Members of the House Public Utilities Committee, thank you for the opportunity to address with you this morning the topic of transparency. It is not often that such a topic comes to the fore for full discussion as a stand-alone issue and I commend you for recognizing its importance and devoting your time and attention to it. What we resolve on this issue will set the tenor for years to come as to whether we are going to operate under a system of principles, laws and rules designed to preserve due process, fairness and informed decision-making which are explicit and fundamental principles of both the United States and Ohio Constitutions; or, whether we are going to turn our back on these ideals in favor of fast deals and half-baked short-term solutions that bind us to outcomes that are not known at the time the bargain is struck or not viable in the long term and that result in a repeated need to revisit how we handle electric service in Ohio.

I testify before you today as the Consumers' Counsel representing all of Ohio's 4.5 million residential customers. This representation includes protecting low-income customers who receive the benefits available under various programs to aid the poor, the moderate and middle-income customers who are not eligible for the special programs and who struggle to pay their utility bills and stay connected and all other residential customers.

Since becoming the Consumers' Counsel in April 2004, OCC has intervened in or participated in approximately 370 cases before state and federal administrative agencies or courts. Approximately 290 proceedings have been before the Public Utilities Commission of Ohio. It is the lawyers of the Office of the Ohio Consumers' Counsel (OCC) that have been in these proceedings day in and day out advocating for customers and it is our technical analysts – economists, accountants and engineers-- who have filed expert testimony that formed the backbone of OCC's advocacy. And there are many others at OCC who interact with consumers on a daily basis and hear their concerns that also contribute in these cases.

While I may be the public voice for the Office of the Ohio Consumers' Counsel, my comments to you this morning echo the collective voices of those from my office who speak every day on behalf of Ohio's residential customers who otherwise would not be heard in an administrative process that is often less than ideal and certainly far less than what we should be reaching for. We all need fairness and we need an opportunity to fully prepare and present our cases without a rush to judgment. We need negotiations to be fair with all parties having an equal opportunity to present their position. We need settlements in which all the costs to customers are known upfront instead of a process that allows companies to file for collection of future costs which at the time of settlement are unknown. We need rates to be based on actual costs and not numbers pulled from the sky that are based on the highest tolerance level of the residential and small commercial

customers that pay the bill. We need a process where in measuring the reasonableness of a settlement, full weight is not given to the signatures of parties who sign settlements because they have a side deal filled with exclusive benefits for them and no others.

In reviewing the issue of transparency, Consumers' Counsel would urge this General Assembly to interpret the word broadly to include issues of due process and accountability. Webster's Dictionary defines *transparent* as follows:

1. Having the property of transmitting rays of light so that bodies can be seen through; pervious to light; diaphanous; pellucid – opposed to opaque.
2. Poetic. Luminous; bright.
3. So fine in texture or open in mesh as not to conceal what lies beyond; sheer; gauzy.
4. **a** Readily understood; clear.
- b**. Easily detected; perfectly evident.
- c**. Guileless; free from pretense.

This is a good base from which to start. Transparency is for the Ohioans we serve. Transparency is what Ohioans deserve and are entitled to from their government.

1. The Administrative Law Process

The cases presented to the Public Utilities Commission of Ohio (PUCO or Commission) are complex and involve huge cost increases that are most often in the millions of dollars, sometimes hundreds of millions or even billions of dollars. These cases involve conveying money from customers to utilities in exchange for a service that remains constant. While retail competition theoretically exists, given the way it was structured in the Electric Transition Plan (ETP) proceedings back in 2000, as a practical matter, customers remain captive with no choice but to pay the rate increases. Simply put, they cannot competitively shop around – as was the vision and promise of S.B. 3. It is important to note that there are essentially two ways to protect customers. One is through competition in which market forces drive prices down. The other, a proxy for competition, is regulation in which rates are based on a utility's cost plus a reasonable rate of return. In order for regulation to work to protect customers, there must be a full and fair opportunity to evaluate costs. This is afforded to customers in the traditional rate case process where intervening parties are given ample time to conduct discovery and prepare their case and where a staff report is issued and evidentiary and public hearings take place. The process takes approximately nine months and that is just about right.

In contrast, under Sub. Sen. Bill 221, there are no due process guarantees for a whole host of potential increases that can rise into the billions of dollars. For example, in Sub. Sen. Bill 221, Sec. 4928.14(C) states that a utility may file an application for a modified standard service and that the commission shall set the date and time of the hearing. It is in this proceeding that the Electric Security Plan rate will be determined. There is no further detail. This means that a hearing can take place in one month from the application being filed to a more reasonable period of time. *Because this proceeding resembles a*

rate case under ORC Sec. 4909.18, the proposed statute should be amended to provide nine months to examine the entire complex filing and should include a report by the PUCO staff, like a rate case. Leaving the matter to the Commission's discretion is problematic, especially considering the track record for hearing preparation time since the implementation of SB 3. The typical Rate Stabilization Plan Proceeding and their spawn generally provide intervenors with on average, two to three months of preparation time. This is neither adequate nor fair to all parties in the case. Time is needed to conduct an in-depth review of the utility's initial filing which can be quite voluminous and technical and to prepare discovery – and receive responses which requires several rounds of follow-up discovery. Time is needed to potentially send out an RFP and hire consultants on discrete issues, discuss and formulate positions on issues and prepare testimony. This cannot be achieved in two and a half months.

Moreover, Chairman Schriber has stated that he foresees these cases taking place every ten years. Given the extended timeframe under which the baseline rate would be in effect, it is very important to get it right and to make sure that customers are not over-compensating the utilities for a full decade because insufficient time was provided to verify the amounts and rationales set forth in a utility filing. This is not in the public interest. Moreover, Chairman Schriber has also stated – in this hearing room in fact – that he would provide six to seven weeks for a hearing. OCC is the statutory representative of residential consumers and my staff works hard to provide the best representation possible. While we have done our best under the circumstances, history tells us that six to seven weeks is severely inadequate. I urge this Committee to provide the Commission with direction in requiring a full nine-month hearing as required for rate increases under existing Ohio Revised Code Sec. 4909.18.

The lack of process becomes even more egregious if one considers that under Sec. 4928.14(D) of Sub. Sen. Bill 221, the utility can file for an automatic increase for a wide variety of costs which include but are not limited to environmental compliance costs; fuel costs; construction costs; operating maintenance and other costs beyond the utility's control; costs of investments in generating facilities; and standby and default service. *These costs can run into the billions of dollars and yet there is no requirement for a hearing. As with the baseline rate proceeding establishing the electric security plan rate discussed above, the legislation should provide for full hearings with ample opportunity for preparation.*

Consider that prior to deregulation, fuel increases required annual proceedings to reconcile costs and included a biennial financial audit and management performance audit in which costs and practices were scrutinized to determine whether costs were just and reasonable and prudently incurred. All of these historic consumer protections that existed for years under regulation are lost under the proposed legislation. These need to be reestablished.

This legislature may also want to consider other changes to how cases are conducted in Ohio. For example, in some states the Attorney Examiner (or Administrative Law Judge) prepares a report which consists of findings and recommendations. Parties to the case are

then given the opportunity to file comments to these findings, all of which are given to the Commission for their deliberations. This would create a layer of independence as to what the evidence demonstrated.

A further consideration would be to have some public discussions and deliberations “in the sunshine” of Commission decisions. It used to be that there were two Commission meetings – one to discuss the case and the other to sign the orders. Now orders are signed and there is very little public discussion to know how and why the Commission reached the decision it did. With the amount of money at stake, customers deserve to know the rationale behind the decisions that affect their lives.

In sum, the legislation needs to be amended to, at a minimum, require due process and ample opportunity for intervenors to prepare their case, require audits where appropriate and assure there are public and evidentiary hearings by the Commission.

2. Prudency

“The difference between the almost right word and the right word is really a large matter – ‘tis the difference between the lightning bug and the lightning.” Mark Twain

It’s all in a word, yet this word matters greatly to consumers. Costs for which utilities seek recovery that fall within the zone of reasonableness are not necessarily – and should not be presumed to be – prudent. In LSC(?) Draft 6 of Sub. Sen. Bill 221, the Commission was required to find that for an electric security plan “...(t)he offer and the prices it establishes are just, reasonable, and **prudent** as to each customer class...” (Lines 1609-1610) and that for a market rate option “... the price is just, reasonable, and **prudent**...” (Lines 1661-1662). The version that passed the legislature removed this prudence language for both options - (Line 2096) and (Line 2147).

Prudence is defined in Black’s Law Dictionary as “carefulness, precaution, attentiveness and good judgment, as applied to action or conduct. That degree of care required by exigencies or circumstances under which it is to be exercised...This term, in the language of the law, is commonly associated with ‘care’ and ‘diligence’ and contrasted with ‘negligence.’”

The importance is that a cost the utility seeks to recover could fall within the zone of reasonableness but it may not have been the most prudent option. The removal of the word “prudence” withdraws a standard of care to which customers are entitled. It is entirely appropriate and fitting to include a prudency standard under which the electric utilities are held accountable for costs they seek to pass on to customers. The requirement of prudence, for example, currently exists in the purchase gas adjustment also known as the gas cost recovery rider. See Ohio Revised Code Sec. 4905.302. The deliberate removal of such a standard of accountability is disturbing. If the utilities intend to act prudently, if they intend to adhere to a reasonable level of accountability, then they should not object to a prudency standard. Just as they are accountable to their

shareholders, they should be accountable to their customers who pay the bills. *OCC recommends that the word “prudent” be reinserted.*

3. Transparency Includes the ability to Trace Costs

Another aspect of transparency that should not be overlooked is the need to verify costs in an open process. In the course of the discussions and hearings, a lot of assumptions have been made regarding negotiating settlements in cases. Whether cases are settled or litigated, it is important that the resulting rates be verifiable to some degree based on actual utility costs. This is the only way to ensure that customers are not overpaying the utility and that rates are just and reasonable. There are a number of stakeholders who advocate a return to regulation. If in fact that is a direction that may be considered, then we need to restore the consumer protections that are inherent in true – and not hybrid – regulation. That includes a full proceeding in which costs are examined and quantified.

For example, in a traditional rate case under Ohio Revised Code Sec. 4909.18, a utility would file for an increase and would demonstrate how its costs had risen in a wide variety of categories, such as for postage, labor and power plants. Each of these costs would be scrutinized and both the Commission Staff and the OCC would file testimony and recommendations as to what the appropriate amount of the increase should be. In the end, the Commission’s order would specify the amount of the increase to be granted in each area. The numbers were transparent. There was a record and a process and if two years later, someone wanted to review for whatever reason, what the revenue requirement granted for a particular item was, they could do so. Stipulations in rate cases were a little less clear. Certain, but not all categories of costs might be spelled out in the settlement documents. However, the settlements were based on a compromise of each party’s analysis of the appropriate total revenue requirements.

After SB 3 passed, we entered the era of free-wheeling deal making replete with numbers pulled from the air, with little opportunity to truly scrutinize the cost figures – and side-deals in which interest groups advocating on behalf of a settlement were exempt from the full force of the burden created by them. Invariably the utilities got most if not all of their requested increases, which was very different from what occurred in the typical regulated rate case.

We need to go back to a system of law and process where all sides are given an opportunity to present their case and decisions are based on concrete evidence. The public should be able to read an order and understand that the costs presented by the companies have been verified and their basis for inclusion in rates is just, reasonable and prudent. Transparency in this sense means being able to understand the basis for paying the rate charged.

4. Stipulations

Stipulations can achieve benefits that litigation cannot. For example, litigation is usually confined to the issues in the application and the decision is based on those issues.

Stipulations allow for more creativity and a larger view of issues beyond what may necessarily be filed in an application. The Stipulation process in Ohio utility proceedings, however, has been abused. What started as a process with all stakeholders in the room to reach a consensus (pre-SB 3), rapidly devolved to side-deals and discussions where some parties were sometimes excluded (post-SB 3). The utilities began a process of “shuttle diplomacy” where they would reach out to various parties and offer the minimal amount of concessions necessary to execute the deal and once they had a critical mass, the door shut and few other changes could be made. Discounts and special contracts were offered to large industrial customers and weatherization funding was offered to some low-income weatherization intervenors. The PUCO Staff usually appeared to be a willing party. Thus Stipulations were fashioned that granted the utility the lion’s share of what they were seeking resulting in increases that were not in the interests of all the parties who did not receive a special deal. In other words, looking at the settlement on its face, it was not in the best interest of the public.

Once a utility had enough parties on board with the settlement – sometimes the result of private negotiations – it has been difficult, if not impossible for an intervenor who was not privy to the private dealings to effectuate any meaningful change either by negotiations or proposing an alternative to the settlement. OCC has found itself in the difficult position of trying to change even limited elements of a settlement that, under the PUCO’s settlement standards, will likely be approved, but not necessarily improved with regard to consumer benefits. Such a process is deeply flawed. In the case of the Rate Stabilization Plans, OCC chose not to sign the stipulations and to instead challenge the cases at the Supreme Court of Ohio which vacated one decision and reversed in part the other two.

The problem for a transparent process on the utility’s application is that once a settlement is entered into, the scope of the hearing and the PUCO’s review are no longer based on standards for judging the utility company’s initial application even if the application is largely unchanged in the settlement. Instead, the hearing and the review are based on whether the settlement meets three PUCO criteria that I will discuss below. Parties that routinely settle cases at the PUCO know how the PUCO’s standard can work in their favor and against diversity in the result, to the point that the PUCO’s review criteria actually discourage transparency for a public process on the utility’s application. The challenges for the non-settling party--and for transparency--only increase after a settlement because typically there is a relatively limited opportunity allowed for discovery and case preparation on the settlement issues which can be brand new to the case.

The PUCO’s settlement criteria are as follows: 1) whether the settlement was a product of serious bargaining among capable knowledgeable parties; 2) whether the settlement benefits ratepayers and the public interest; and, 3) whether the settlement package violates an important principle or regulatory practice.

It was originally intended that satisfying the first criterion required a diversity of interests among parties signing a settlement. But the first criterion has devolved over the years to

the point now where settlements will be approved where merely limited segments of consumers, such as weatherization providers, are signatories. As diversity among settling parties becomes limited, the benefits for customers and the public interest have correspondingly narrowed under the second criterion. Moreover, some of the benefits under the settlement criteria are not transparent at all because they are in private side deals that the PUCO has protected from public disclosure. This was recently overturned by the Supreme Court of Ohio when they stated:

{¶ 86} Both the commission and intervenor IEU-O contend that the possible existence of separate, undisclosed agreements among some of the parties is irrelevant to the commission's evaluation of the reasonableness of the stipulation. They urge this court to conclude that the commission's reasonableness review is limited to the written stipulation, just, according to them, as we did in *Constellation*. Whether the stipulation was the product of serious bargaining, however, was not addressed in *Constellation* and cannot be resolved solely by reviewing the proposed stipulation. The commission cannot rely merely on the terms of the stipulation but, rather, must determine whether there exists sufficient evidence that the stipulation was the product of serious bargaining. Any such concessions or inducements apart from the terms agreed to in the stipulation might be relevant to deciding whether negotiations were fairly conducted. The existence of concessions or inducements would seem particularly relevant in the context of open settlement discussions involving multiple parties, such as those that purportedly occurred here. If there were special considerations, in the form of side agreements among the signatory parties, one or more parties may have gained an unfair advantage in the bargaining process. Therefore, we hold that the commission erred in denying discovery of this information based on lack of relevancy.¹

In order to assure the integrity of the legal process and to promote the laudable goal of transparency, the whole manner in which negotiations and settlements are reached and reviewed needs to be revisited so that a process is put in place where all parties have an opportunity to participate along with a fair and reasonable opportunity to argue their positions for adoption.

¹ Ohio Consumers' Counsel v. Pub. Util. Comm., 111 Ohio St.3d 300, 2006-Ohio 5789.

5. Side deals

The problem with side deals is that they are essentially secret. We do not know how many are out there and what are their terms and conditions. Therefore, it is hard to know how much of an adverse impact they have had on the customers who pay the subsidies for side deals. There is some concrete evidence as to the existence of a few side deals and much speculation as to many more. Efforts of intervenors over the years to obtain the side deals have not been supported by the Commission. Therefore, without the hard evidence, which is in and of itself an illustration of the problem of a lack of transparency, this testimony will provide information as to two which are known to exist.

The genesis of side deals and their profound adverse impact on the public can be traced back to the very first Electric Transition Plan (ETP) case involving FirstEnergy implementing the newly passed Senate Bill 3. In that case, the terms of a settlement were initially negotiated between just a few parties and the settlement was thereafter presented to the remaining intervenors. Intervenors had the choice of signing on, negotiating for very modest concessions or opposing the settlement. The settlement allowed FirstEnergy to collect from customers \$8.7 billion in stranded costs despite analysis by several consultants that demonstrated this amount to be excessive.

On February 13, 2001 a group of marketers filed a complaint against FirstEnergy alleging that FirstEnergy had continued to supply power to industrial customers using the market support generation that was supposed to be reserved for unaffiliated marketers to use in acquiring customers as a term of the Settlement in the ETP case. The purpose of unaffiliated suppliers was to jump start the competitive marketplace and in the words of the Commission, “to stimulate the development and diversity of competitive retail electricity markets.”² The suppliers in their complaint and brief requested that the terms of the settlement be honored so that they could utilize this market support generating capacity that FirstEnergy had commandeered for use in its agreements with the industrial customers. Although all the briefs were filed by November, 2001, the Commission has never issued a decision in this case. While most of the data is confidential, the question remains open as to whether the arrangements between industrial customers and FirstEnergy were part of a side-deal in the original FirstEnergy ETP case. These kinds of arrangements had an adverse impact on the nascent competitive market and were a harbinger for actions and policies to come that would undermine the legislative intent of Senate Bill 3.

A more recent example is the Duke Rate Stabilization Plan proceeding in which, according to a complaint filed by a whistleblower in federal court alleging wrongful termination, Duke’s subsidiary paid industrial customers that signed the settlement, the difference between the old rate and the new higher rate.³ In other words, the industrial customers who signed and supported the settlement paid the new rate increase amount every month and then received a check from a Duke subsidiary refunding them for the amount of the increase. A low-income weatherization provider who also supported the

² Entry on Rehearing, PUCO Case No. 99-1212-EL-ETP et al., p. 11 (September 13, 2000).

³ *Deeds v. Duke Energy Corp.*, Case No. 1:06CV835, Complaint (S.D. Ohio, December 7, 2006)

settlement received funds to do weatherization. These parties then supported the argument that these settlements were good public policy. As noted in the above discussion on stipulations, OCC on behalf of all Duke residential customers attempted to obtain these side deals in discovery. OCC's request was denied by the Commission based upon a lack of relevance to the decision. The Supreme Court of Ohio then overruled the Commission. The details regarding this situation and the one involving FirstEnergy as well, cannot be fully shared as so much of the information was ruled by the Commission to be proprietary – a ruling which OCC does not agree with based on our review of the documents.

OCC believes that customers have a right to know who is getting a subsidy and whether the recipient is getting it merely because it was part of an intervenor group or whether it is really needed. There should be full due process associated with any potential to take money out of the pockets of Ohio's hard-working, struggling families for the benefit of large corporations and special interests in utility rate cases. Indeed, the decision maker, the PUCO, should know what really is happening in a settlement before plotting a course about what may be just the tip of the iceberg. That would be a transparent process. By failing to require the disclosure of this information, OCC was unable to determine the amount of the subsidy and who is paying it. As we now understand it, this amount may be as high as \$20 million per year.

Ultimately, the problem with side deals is that parties who are insulated from the full impact of the terms of the settlement, stand before the Commission in support and argue that it is good public policy. This is disingenuous. These issues are too important and their impact on hard working families too great to be relegated to an atmosphere of "let's make a deal." This is why OCC urges the House to keep Sec. 4828.141 intact in Sub. Sen. Bill 221, which requires that these side deals between customers and the utility or its affiliates be discoverable.

6. Special Contracts

Special contracts have a long history at the PUCO. There are a number of different estimates as to how many are actually out there. FirstEnergy by far exceeds all the other utilities in terms of the number of contracts, which are in the hundreds and perhaps thousands. OCC does not know the exact number, nor when they originated and how many times they have been renewed.

Special contracts generally fall into three categories: economic development; competitive response; or, interruptible rates. Economic development contracts were usually negotiated if a business customer could demonstrate that it was going to expand its operation and add more employees or if a new business needed the rate as an inducement to locate in the region. These contracts were typically subsidized fifty percent by the utility's customers while the utility absorbed the other fifty percent and had a fixed term of typically five years.

Competitive response contracts were given to customers who might be considering some form of cogeneration and to bypass the utility. The utility viewed a customer's decision to pursue cogeneration as a potential loss in sales and therefore would negotiate a discount that the utility subsidized by and large. The third type of contract is an interruptible contract whereby the industrial customer is given a discount as set forth in a tariff in exchange for the utility having the right to curtail the customer's power during peak periods for a specified number of hours in the year. Generally, the curtailment option has been exercised infrequently.

The applications and contracts that accompany the filings are difficult to follow from the standpoint of trying to calculate the amount of the discount that industrial or commercial customers can receive. Without billing data from the customer receiving the discount, it is difficult to calculate in all cases what the subsidy is costing residential and other customers. Attachment A provides a random sample of special contracts filed at the Commission.

OCC opposes the grandfathering of special contracts as set forth in Sec. 4928.14(B)(4) of Sub. Sen. Bill 221. Many of these contracts are at least eight or nine years old, if not older. It is hard to know for sure as many contracts that were entered into in the 1990s were renewed through settlements in the Electric Transition Plan (ETP) proceedings. See Attachment B which is a Commission Finding and Order issued on June 20, 2002 approving the extension of numerous special contracts until the date that the Regulatory Transition Charges expire. These contracts were between industrial customers and the various Ohio utilities and resulted from the stipulations entered into in the ETP.

As an ancillary matter, because continuation of the special contracts insulated the industrial customers who had these contracts from the rate impacts of the Electric Transition Plans and presumably the Rate Stabilization Plans, the question remains as to whether the amendment in Sub. Sen. Bill 221 requiring that the Regulatory Transition Charges be continued to be collected applies to those industrial customers. This is because Sub. Sen. Bill 221 also grandfathers all the existing special contracts yet again.

OCC's position is that if, as a policy matter, the General Assembly believes it is necessary to provide a discount to industrial customers for economic development and job retention purposes, then it should **not** be done by grandfathering old contracts and setting up a system with hundreds of different baselines for the establishment of rates. OCC instead recommends that all contracts be allowed to expire and that criteria be established under which industrial customers could apply for a discount. Those criteria might include whether the company can document that the discount will allow it to increase or protect Ohio jobs or whether the company is planning to expand or enter the State, among other criteria. This would protect customers from subsidizing large corporations who do not need the subsidy. *We should not ask struggling working families to pay a portion of a large industrial customer's electric bill without first determining that the public assistance is needed to maintain jobs and help economic development in this state.*

The special contracts or subsidies should be available for a maximum of five years, after which the industrial customer would be required to reapply for a new contract if the customer believed it was needed. The cost of the subsidy should be shared by all customers including the utilities. This would continue the policy that existed under regulation and would help spread out the burden to others caused by the subsidy. Overall, a process such as that outlined above would allow the state to better manage the subsidies, with regard to eligibility and amounts.

Under Sub. Sen. Bill 221, customers who may no longer need or qualify for special subsidies would get them in perpetuity. For example, how do we know that a company that received a subsidy more than ten years ago because it was expanding, has maintained the same or greater level of jobs? Under the proposed legislation, the company receiving the subsidy could have exported the bulk of its jobs to another state or overseas. Is it fair for this customer to receive a discount on the backs of hard working families who are struggling to make ends meet? Further, it is unclear whether the utilities will continue to absorb the portion of the subsidy they have historically borne. This will increase the level of subsidy that residential and other customers will have to pay.

Thus, if the General Assembly determines it is in the public interest and for the greater good to provide a subsidy, then the General Assembly should provide criteria for eligibility and require a level of accountability that ensures that other customers' hard-earned money is being used for its intended purpose. Given the significant rate increases that customers may have to absorb in the coming years for all the expenses the utilities are claiming they will incur, we should be careful and verify costs that others would impose on captive customers.

7. Conclusion

The message I have hoped to convey with this testimony is the importance for transparency in all aspects of regulation. First, we need a process that allows all intervening parties the time needed to review complex utility requests. Second, we need an open and inclusive process so that back room deals that benefit a few are not used as inducements for settlements that are bad public policy for many. These settlements benefit the utilities by providing large increases that have not been properly scrutinized and they benefit those that sign the deals by providing them with benefits while shifting cost responsibility to others.

We need legislation that restores public trust and due process, not legislation that deprives us of basic rights, such as a right to a hearing. On behalf of Ohio's 4.5 million Ohio households, I hope you take this is an opportunity to raise the bar. Thank you and I am available to answer questions.

VAC

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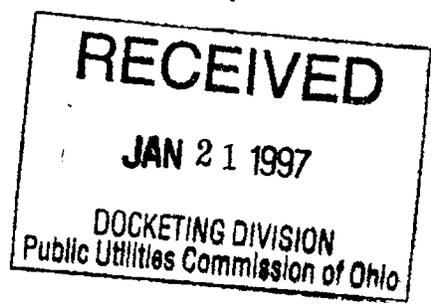


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Akron, Ohio 44308
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January 16, 1997

Ms. Daisy Crockron
Chief of Docketing
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43266-0573



Re: Sabin Robbins Paper Company

97-66 Ek ACC

Dear Ms. Crockron:

Enclosed are an original and thirteen (13) copies of an Application which we would appreciate you docketing on our behalf and assigning a case number.

Please time-stamp and return the extra copy to use for our files in the enclosed, self-addressed envelope.

Thank you for your consideration in this matter.

Sincerely,

James W. Burk
James W. Burk
Attorney

4
enclosures

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JAN 21 1997
DOCKETING DIVISION
Public Utilities Commission of Ohio

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

in the Matter of the Application)
of Ohio Edison Company for)
Approval of an Arrangement with)
A New Customer)
(Sabin Robbins Paper Company))

Case 97- Ldp -EL-AEC

APPLICATION

RECEIVED

JAN 21 1997

DOCKETING DIVISION

Public Utilities Commission of Ohio

Before
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application)
of Ohio Edison Company for)
Approval of an Arrangement with)
A New Customer)
(Sabin Robbins Paper Company))

Case No. 97- 666 -EL-AEC

APPLICATION

1. Ohio Edison Company is an electric public utility organized and doing business in Ohio and subject to the jurisdiction of this Commission respecting rates for electric service.

2. Changes and depressed conditions in the economy of the service area served by Ohio Edison Company make it desirable for Ohio Edison to enhance the attractiveness of locating or expanding in Ohio for existing and potential industrial customers able to provide new loads and employment here.

3. Increased load 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. Accordingly, the Company has entered into a contract with a new Customer considering location at a site at Rt. 13, in Mansfield, Ohio, for the operation of a paper converting and distribution plant. A copy of the contract is attached hereto as "Exhibit A".

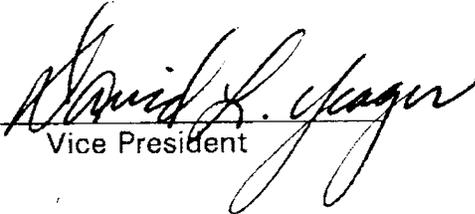
5. Under the terms of the contract, Ohio Edison has, subject to this Commission's approval, agreed to certain short term concessions in billing load to induce the Customer to consider, continue, and go forward with location at the Mansfield site. The rate is compensatory and provisions for service to this Customer are otherwise to be as provided for in the Company's applicable rate schedule as it now exists or may be modified.

6. Not only will the Customer benefit from this rate if it considers the Mansfield site, but its additional investment in Ohio will benefit all residents of Ohio and not be to the detriment of any Ohio Edison customers.

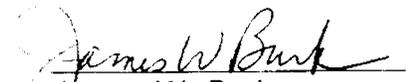
7. Ohio Edison agrees to include a report with respect to this Customer in its semi-annual reports on other similar customers, as provided for in the Commission's Finding and Order of June 17, 1986, in Case Nos. 84-84-EL-AEC, et al.

WHEREFORE, Ohio Edison Company requests that this contract be approved as a reasonable arrangement under R.C. 4905.31 and, because the Customer's decision must soon be made, that such approval be given as quickly as possible to encourage a favorable decision on the Mansfield site.

OHIO EDISON COMPANY

By 
Vice President

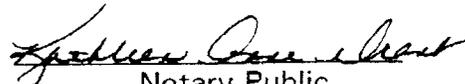
By 
Secretary


James W. Burk
Attorney for Applicant
Ohio Edison Company
76 South Main Street
Akron, OH 44308
(330) 384-5861

STATE OF OHIO)
) ss.
COUNTY OF SUMMIT)

Personally appeared before me D. L. Yeager and N. C. Ashcom, being first duly sworn, depose and say that they are Vice President and Secretary, respectively, of Ohio Edison Company, and that the statements contained in the foregoing Application are true as they verily believe.

Sworn to before me and subscribed in my presence this 14th day of January, 1997.


Notary Public

KATHLEEN ANNE GRANT
Notary Public, State of Ohio
Resident of Summit County
My Commission Expires Jan. 3, 1999

**CONTRACT
FOR
SPECIAL ARRANGEMENTS FOR ECONOMIC DEVELOPMENT**

Rates 21 and 23

Customer Name Sabin Robbins Paper Company
 Location RT 13
Mansfield Ohio
 Type of Operations Paper Converting and Distribution

Existing Customer
 New Customer *
 Existing Facility
 New Facility

Added Space (sq. ft.) 135,000
 Estimated New Load 400 KW
 Estimated New Employment 35

In consideration of the agreement of the above-named, as evidenced by its signature below, to consider location, expansion, or continuation of manufacturing operations in Ohio Edison Company's service area, Ohio Edison agrees that if this agreement is signed and construction or expansion activities are commenced on or before (date) 5/31/97, then, for a period beginning from a mutually acceptable effective date and extending to December 31, 2005, Ohio Edison Company will reduce billing loads the base load for each month 50 percent the first year, 40 percent the second year, 30 percent the third year, and 20 percent the fourth year through December 2005.

For existing customers, a base load will be established based on previous history and circumstances. If the customer is an existing customer relocating to another service location, the billing history at the former location will be used to determine the base load. For new customers the base load will be zero.

Except as provided above, all provisions, prices and regulations of Ohio Edison Company's standard general service rates (Rates 21 or 23) shall apply, as said rates may be modified by the Public Utilities Commission of Ohio.

If the customer fails to pay its bill for electric service when due, before the addition of a late payment charge, it shall forfeit this special contract rate for that billing month and Rate 21 shall apply, as said rate may be modified by the Public Utilities Commission of Ohio.

* Where a new customer assumes the operation of a previous customer presently shut down, such new customer shall be considered an "existing customer" and the billing history of the previous customer will be used to determine the increase in billing load.

The provisions of this contract are subject to approval by the Public Utilities Commission of Ohio. Subject to approval by the Public Utilities Commission of Ohio, implementation of this contract may begin after filing upon written notification from the customer that the new/expansion load has been added and that the customer is ready to implement the contract. Ohio Edison Company agrees to use its best efforts to obtain the necessary approval.

This contract is not assignable without the prior written consent of Ohio Edison Company. The effective date of this contract is the later date set forth below.

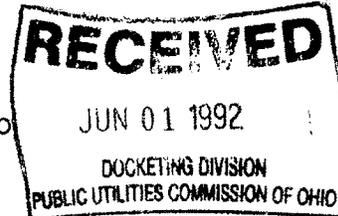
This contract is entered into by Ohio Edison Company to enhance the attractiveness of Ohio Edison's service area, but nothing herein obligates the above-named customer or potential customer to locate or expand in Ohio Edison's service area.

IN WITNESS WHEREOF the parties hereto have signed below as of the date specified below.

Salvin Robbins Paper Co.
(Customer Name)
By [Signature]
(Authorized Signature)
Title President
Date 12/14/96

OHIO EDISON COMPANY
By [Signature] ^{ENR}
(Authorized Signature)
Title Regional Manager
Date 1/2/97

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO



In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric)
Service Agreement with The May)
Company)

Case No. 92-974-EL-AEC

A P P L I C A T I O N

The Cleveland Electric Illuminating Company, hereinafter referred to as the "Company", the Applicant herein, respectfully seeks approval of an authorization to file with this Commission an Electric Service Agreement, hereinafter referred to as the "Agreement", between the Company and The May Company, hereinafter referred to as the "Customer".

The Agreement, as set forth in and attached hereto, will provide for special arrangements not otherwise provided by the Company's rate schedules and riders applicable to the Customer at the time service is provided.

The Customer shall be served and billed under the Company's Large Commercial Schedule. However, a \$.007 per kWh reduction shall apply to the total monthly usage registered for each monthly bill during the term of this Agreement.

The Company, in order to encourage capital improvement investment within the Downtown Cleveland Facility, offered the Customer capital investment incentive.

The Company and the Customer agree that three percent of total monthly revenue shall be placed in a special capital investment account administered by the Company. The Customer further agrees that the Company will be its sole supplier of electricity.

The Agreement shall commence with the first billing period following PUCO approval and continue thereon for five (5) years.

WHEREFORE, the Company prays that the Commission issue its Order herein approving said Agreement and permit said Agreement be filed and made effective as of its effective date.

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By: *Eric J. [Signature]*

Title: Vice President

Attorney for Applicant

M. Regulinski

By: *Ang M. [Signature]*

Title: Treasurer

ELECTRIC SERVICE AGREEMENT

This Agreement, by and between The May Company, hereinafter called the "Customer", and The Cleveland Electric Illuminating Company, hereinafter called the "Company", entered into as of May 28, 1992.

W I T N E S S E T H

WHEREAS, the Customer owns the May Company building located at 158 Euclid Avenue in Downtown Cleveland, hereinafter known as the "Facility"; and,

WHEREAS, the Company desires to encourage retention of employment and the revitalization of business in the Downtown area; and,

WHEREAS, the Customer requested assistance from the Company in the reduction of its operating costs, including electric energy costs; and,

WHEREAS, the Customer has expanded in the past and may in the near future add additional stores thus increasing employment and consumption in the Company's service territory; and,

WHEREAS, the Customer is proficient in their Demand Side Management Programs and is considering all of its energy options; and,

WHEREAS, the Customer is considering municipal power as an alternative source of energy; and,

WHEREAS, the Company and the Customer desire to enter into an agreement which would lower the Customer's operating costs and provide an incentive for capital investment projects.

NOW, THEREFORE, in consideration of the premises, the parties hereto agree with each other as described in the following sections:

1. The Customer's Facility shall receive electric service and shall be billed under the rates, terms and conditions of the Industrial Schedule of PUCO No. 12, Electric Service, including Rider No. 1, and all other riders applicable with this schedule, and the General Rules and Regulations in effect at the time of service, including Section 7, as may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO).

2. The Customer shall receive a \$.007 per kilowatthour reduction to be applied to the total monthly kilowatthour usage registered at the Facility. This reduction shall not affect any of the Company's Riders or Tariffs as approved by the PUCO.

3. The Company shall establish and administer a Capital Investment Account subject to the rules and conditions contained herein. The account shall be a non-interest bearing account. Beginning with the billing for the first bill rendered following PUCO approval of this Agreement, which shall be confirmed in writing by the Company, and continuing sixty (60) consecutive months thereafter, the Company shall place 3% of the Customer's total monthly billed revenues into a special investment account to be utilized as follows:

(a) Capital Investment Account: The Capital Investment Account established and administered by the Company shall contain three percent (3%) of the Customer's billed revenue established each month. The moneys in the account shall be accessible by the Customer for any and all capital improvement projects at the Facility designed to improve the Facility. Moneys may be withdrawn from the account at any time subject to the provisions of (b) and (c) below.

(b) Use of Funds: Use of the funds in the account shall require participation of the Customer. The Company will contribute one half of the project cost or the amount accumulated in the investment account, whichever is less. Capital investments cannot include consumable items not involved in the Facility upgrade such as road vehicles or furniture. The Company will review information on a proposed project submitted by the Customer to make a determination whether the project qualifies for funding under the investment account. Upon approval by the Company for funding and a decision to proceed by the Customer, one-half of the allocation will be made available to the Customer at project start and the balance upon project completion. Withdrawals from the account shall not exceed accumulated amounts.

(c) Unspent Funds: Any moneys remaining in the account after the Agreement has been in effect for sixty (60) consecutive months may be allocated by the Customer over the subsequent three months in the manner described in (a) and (b) above, provided the projects will be completed, after which remaining moneys will remain with the Company.

4. The Customer agrees this Agreement may not be assigned or otherwise transferred to another person or entity, including a successor owner or occupant of the Facility, without the written consent of the Company, which consent shall not be unreasonably withheld. This paragraph shall not apply to a successor entity resulting from a consolidation or merger of the Customer with a related entity.
5. The Customer agrees that the Company shall be the sole electric supplier of all electricity consumed by the Customer during the term of this Agreement at 158 Euclid Avenue, Cleveland, Ohio.
6. Any notices required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

The May Company
158 Euclid Avenue
Cleveland, Ohio 44115

and, if to the Company, at:

Director - Commercial Marketing
Cleveland Electric Illuminating Company
P.O. Box 5000
Cleveland, Ohio 44101

7. This Agreement shall be for a period of five (5) years, commencing with the first bill rendered for service after approval of this Agreement by the PUCO. Except as provided in Paragraph 3(c) and Paragraph 8, the Agreement shall terminate at the end of the five (5) years following PUCO approval, whereupon the Customer shall be served under the appropriate Company rate schedule. In the event that PUCO approval is not issued within six (6) months from the date of signature of this Agreement by both parties, either party may cancel this Agreement to the other party upon prior written notice.
8. In the event the Company is no longer the sole supplier of all the Customer's electric power requirements to the Facility by reason of Customer's action only, which would have the effect of canceling this Agreement, the Company shall recalculate the Customer's bill for the time the Agreement was in existence by applying the rates, terms, riders and conditions of rate schedules that otherwise could apply to service at the time rendered, except for this Agreement. Said billing shall be for the difference between the recalculated amount under those tariff schedules, and the amount billed under the provisions of this Agreement, plus the amount of the capital investment incentive received by the Customer. The Customer shall pay the final bill within thirty (30) days after the date of receipt of

the bill by the Customer, and if the bill remains unpaid, interest at the rate of 1.5% per month on undisputed amounts shall be charged and paid. This cancellation and rebilling provision is a remedy optional to both parties and not the exclusive remedy available to them and alternative remedies, including specific performance, consequential and incidental damages, may be pursued instead.

9. In the event that the Customer closes its store at 158 Euclid Avenue, Cleveland, Ohio, or the property is sold, this Agreement shall become null and void as if never entered into and the corresponding rates, riders, terms, and conditions applicable to customers receiving a like service under substantially the same circumstances, shall apply to the Facility. In doing so, both parties shall hold each other harmless of any form of liability or claims which may arise.

10. The parties recognize this Agreement is subject to the approval of the PUCO. In the event the PUCO disapproves this Agreement, or materially changes, alters or modifies it, or a court of competent jurisdiction, regardless of the manner the matter was brought before it, disapproves it, or materially changes, alters or modifies it, the Agreement is null and void as if never entered into and the rates, riders, terms and conditions, including the General Rules and Regulations of PUCO No. 12, applicable to customers receiving a like service under substantially the same circumstances, conditions, load characteristics and requirements, shall be applicable.

IN WITNESS WHEREOF, the parties, hereto have entered into this Agreement the day and year first written.

The May Company

By: _____

Title: _____

The Cleveland Electric Illuminating Company

By: _____

Title: _____

Vice President



**CENTERIOR
ENERGY**

6200 Oak Tree Boulevard
Independence OH
216-447-3100

Mail Address
PO Box 94661
Cleveland, OH 44101-4661

6

RECEIVED

MAY 8 1996

DOCKETING DIVISION
Public Utilities Commission of Ohio

May 7, 1996

The Public Utilities Commission
of Ohio
ATTN: Docketing Division
180 East Broad Street
Columbus, Ohio 43266-0573

SUBJECT: Case No. 96-**453** -EL-AEC
APSCO International

Dear Sirs:

Enclosed please find an original and twenty (20) copies of an Application of Cleveland Electric Illuminating Company for approval of an Application for APSCO International.

Please date stamp five (5) copies and return to the following:

Dawn R. Young
Rates & Contracts, I-442
Centerior Service Company
6200 Oak Tree Blvd.
Independence, Ohio 44131

Please forward any interrogatories to Cassie Stopar.

Sincerely,

John P. Wack
Manager
Rates & Contracts

JPW:dry

Enclosures

cc: R. B. Fortney

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 Joan Schaeffer Date Processed 5-9-96

Operating Companies
Cleveland Electric Illuminating
Toledo Edison

RECEIVED

MAY 8 1996

DOCKETING DIVISION
Public Utilities Commission of Ohio

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric)
Service Agreement with APSCO)
International)

Case No. 96-453-EI-AEC

APPLICATION

The Cleveland Electric Illuminating Company, hereinafter referred to as the "Company", the Applicant herein, respectfully seeks PUCO approval of an Electric Service Agreement, hereinafter referred to as the "Agreement" between the Company and APSCO International, hereinafter referred to as the "Customer".

The Agreement, as set forth in and attached hereto, will provide for special arrangements not otherwise provided by the Company's rate schedules and riders applicable to the Customer at the time service is provided.

The Customer will receive an Economic Development Discount on all demand charges at its new facility.

The Customer agrees that the Company will be its sole supplier for electricity during the term of the Agreement.

The Agreement shall commence with the bill rendered for electric service in November 1996 and shall continue thereon for nine (9) years.

WHEREFORE, the Company prays that the Commission issue its Order herein approving said Agreement and permit said Agreement be filed and made effective as of its effective date.

The Cleveland Electric Illuminating Company

By: [Signature]

Title: Vice President

Attorney for Applicant

M.C. Regulinski

By: [Signature]

Title: Treasurer

ELECTRIC SERVICE AGREEMENT

This Agreement made and entered into as of the 23 day of April, 1996, by and between The Cleveland Electric Illuminating Company, hereinafter called the "Company", and APSCO International, hereinafter called the "Customer".

WITNESSETH

WHEREAS, the Customer requests electric service by the Company to its new facility which will be located within the Company's service territory at a site still to be determined, hereinafter known as the "Facility"; and,

WHEREAS, the Company desires to provide incentives that will encourage economic development, expansion and new employment in Northeast Ohio.

WHEREAS, the Customer desires to enter into an agreement which would provide such incentives to make the Facility more competitive.

NOW, THEREFORE, in consideration of the premises, the parties hereto agree with each other as described in the following sections:

1. Electric Service. The Company shall render electric service to the Facility under the provisions of the General Rules and Regulations, including Paragraph 7 thereto, of PUCO No. 12, Electric Service, and under the rates, charges, riders, including Rider No. 1, terms and conditions of those schedules of PUCO No.12, Electric Service, deemed appropriate by the Company, as may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO), and that are in effect at the time of service being rendered. Electric service rendered shall be charged and billed separately unless otherwise provided for by the appropriate schedules. The Customer agrees to accept and pay for such service as provided for herein, subject to the incentive provided for by Section 2.

2. Incentive. The Customer shall receive the incentive fully described in Appendix A to this Agreement, which is incorporated herein by reference. Such incentive shall apply during the term of this Agreement stated in Section 7 herein.

3. Sole Electric Power Requirement. The Customer agrees to have the Company as the sole supplier of all electric power to the Facility, and the Company agrees to supply all of the electric power to the Facility.

4. Assignment. The Customer agrees that this Agreement shall not be assigned or otherwise transferred to another, including a successor owner or occupant of the Facility, without the written consent of the Company. The benefits and obligations of the Company may be assigned by the Company to any successor in interest without Customer approval.

5. Notices. Any notice required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

Apsco International
5976 Heisley Road
Mentor, Ohio 44060

and, if to the Company, at:

Director - Sales
Cleveland Electric Illuminating Company
P.O. Box 5000
Cleveland, Ohio 44101

6. Rebilling Provision. In the event that the Company should no longer be the sole supplier of all electric power to the Facility during the term of this Agreement, which will be construed as a breach of, and has the effect of canceling this Agreement, the Company may bill the Customer for the amount of the incentive already received under the Agreement. Such incentive is described in the Appendix to this Agreement. The Customer shall pay such bill within thirty (30) days after the date of the receipt of the bill by the Customer, and if the bill remains unpaid, interest at the rate of 1.5% per month shall be charged and paid. Notwithstanding the foregoing, this cancellation and rebilling provision is a remedy optional to the Company for the Customer's breach and not the exclusive remedy available to the Company. The Company may elect to forego its cancellation and rebilling remedy in favor of pursuing all other remedies available to it for the Customer's breach, including specific performance, consequential and incidental damages.

7. Term and Effective Date. This Agreement shall be effective beginning with the electric bill rendered for the month of November 1996 and shall continue for nine (9) years thereafter. This Agreement shall terminate with the electric bill rendered for the month of October 2005. Upon termination of this Agreement, the Customer will be served under the appropriate Company rates on file with the PUCO, without the incentive applying.

8. Force Majeure. If because of Force Majeure, either party shall be unable to carry out any of its obligations under this Agreement or fully to deliver or utilize the electric service of the Company contemplated herein, then the obligations of that party shall be suspended to the extent made necessary by Force Majeure. The party affected by Force Majeure shall give notice to the other party as promptly as practical of the nature and probable duration of such Force Majeure. "Force Majeure" shall mean acts of God, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or facilities, or other causes of similar nature which are beyond the reasonable control of the party and which wholly or partially prevent the supplying of electricity by the Company or the receiving or utilization of such electricity by the Customer, provided that the effect of such Force Majeure shall be eliminated insofar as possible with all reasonable dispatch; provided further, that performance by the parties hereunder shall be excused only to the extent made necessary by the Force Majeure condition; provided further, that neither party shall be required to settle a labor dispute on terms unacceptable to the party affected; and provided further, that neither party shall be required to rebuild all or a major portion of its facilities which are destroyed or substantially impaired by a Force Majeure condition.

neither party shall be required to settle a labor dispute on terms unacceptable to the party affected; and provided further, that neither party shall be required to rebuild all or a major portion of its facilities which are destroyed or substantially impaired by a Force Majeure condition.

9. Governing Law. The validity, construction and performance of this Agreement shall be determined in accordance with the laws of the State of Ohio.

10. Clause Heading. The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.

11. Entire Agreement. This Agreement, together with the Appendix thereto, contains the entire agreement between the parties and there are not representations, understandings or agreements, oral or written, which are not included herein. This Agreement cannot be changed except by written instrument executed by duly authorized representatives of the parties.

12. Governmental Approvals. This Agreement is subject to all applicable rules and regulations, and all necessary approvals or authorizations, of any governmental authority. The Company will use its best efforts to secure any necessary approval of this Agreement by the PUCO with the assistance and cooperation of the Customer. The Company and the Customer shall also use their best efforts to secure any other approvals or authorizations from any other governmental authorities, which approvals or authorizations may be necessary at any time during the continuance of this Agreement.

13. Contingency Condition. This Agreement is subject to the Customer completing the acquisition and construction of a new facility in Perry Township.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

APSCO INTERNATIONAL

By: Mark A. Iowa

Title: Plant Manager

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By: Scott C. Martin

Title: INDUSTRIAL REPRESENTATIVE

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By: Thomas D. Smith

Title: Vice President

dated 4-23-96

Economic Development Incentive

In the event the Customer's monthly demand at the Facility reaches at least 100 kWd, the Customer will receive the following monthly discounts to all demand charges for the Facility.

The Customer will receive such discounts for the ninety-six (96) consecutive months with the first month of the discount being ~~January 1997~~ November 1996 *will*

The demand discounts will begin the later of (a) the month stated in this Appendix or (b) the month when the Customer's demand reaches at least 100 kWd. The term of the discount shall be for sixty months beginning with the month stated in this Appendix.

<u>Period</u>	<u>Discounts on Demand Charges</u>
Month 1 - Month 12	50%
Month 13 - Month 24	40%
Month 25 - Month 36	30%
Month 37 - Month 60	20%
Month 61 - Month 96	10%

The Customer may delay the start of this Economic Development Discount by up to six months due to construction delays. The Customer must provide the Company written notification that it wishes to delay the start of the Economic Development Discount prior to ~~December~~ October, 1996.

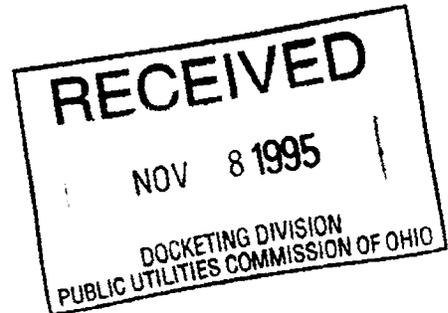


**CENTERIOR
ENERGY**

6200 Oak Tree Boulevard
Independence OH
216 447-3100

Mail Address
P.O. Box 94661
Cleveland OH 44101 4661

November 7, 1995



The Public Utilities Commission
of Ohio
ATTN: Docketing Division
180 East Broad Street
Columbus, Ohio 43266-0573

SUBJECT: Case No. 95-1038 -EL-AEC
Lake Erie Screw Corp.

Dear Sirs:

Enclosed please find an original and twenty (20) copies of an Application of Cleveland Electric Illuminating Company for approval of an Application for Lake Erie Screw Corp.

Please date stamp five (5) copies and return to the following:

Dawn R. Young
Rates & Contracts, I-442
Centerior Service Company
6200 Oak Tree Blvd.
Independence, Ohio 44131

Please forward any interrogatories to Steve Hadick.

Sincerely,

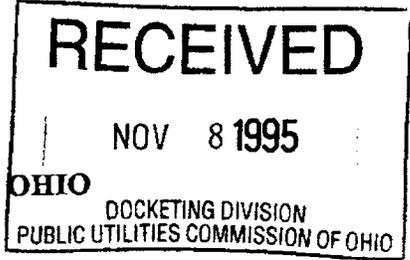
John P. Wack
Manager
Rates & Contracts

JPW:dry

Enclosures

cc: R. B. Fortney

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 D. J. Fed Date Processed 11-9-95



BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric)
Service Agreement with Lake Erie)
Screw Corporation)

Case No. 95-1038-EL-AEC

APPLICATION

The Cleveland Electric Illuminating Company, hereinafter referred to as the "Company", the Applicant herein, respectfully seeks PUCO approval of an Electric Service Agreement, hereinafter referred to as the "Agreement" between the Company and Lake Erie Screw Corporation, hereinafter referred to as the "Customer".

The Agreement, as set forth in and attached hereto, will provide for special arrangements not otherwise provided by the Company's rate schedules and riders applicable to the Customer at the time service is provided.

The Company will encourage demand side management and energy efficiency by providing special funds for energy efficiency projects undertaken by the Customer.

A special account will be established to equal 10% of the expected revenue from the Customer based on 12 months' historical usage. Thereafter, the Company will contribute amounts into the account, in months 13, 25, 37 and 49 of the Agreement, equivalent to 5% of the expected revenue from the Customer based on the same historic usage.

The Customers agrees that the Company will be its sole supplier for electricity during the term of the Agreement.

The Agreement shall commence with the bill rendered for electric service in November 1995 and shall continue thereon for five (5) years.

Wherefore, the Company prays that the Commission issue its Order herein approving said Agreement and permit said Agreement be filed and made effective as of its effective date.

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By: Terence M. Kempic
Title: Vice President

By: Bob Blane
Title: Treasurer

Attorney for Applicant: Mark Kempic

ELECTRIC SERVICE AGREEMENT

This Agreement made and entered into as of the 24 day of October, 1995, by and between The Cleveland Electric Illuminating Company, hereinafter called the "Company", and Lake Erie Screw Corporation located at 13001 Athens Avenue, Lakewood, hereinafter called the "Customer".

W I T N E S S E T H

WHEREAS, the Customer currently is provided electric service by the Company to the facilities with locations and Company Account Numbers as provided on Appendix 1 incorporated herein by reference, hereinafter known individually or collectively as the "Facility"; and,

WHEREAS, the Company desires to provide incentives that will improve productivity, efficiency and quality, thereby encouraging production, expansion and retention of employment in Northeast Ohio.

WHEREAS, the Customer desires to enter into an agreement which would provide such incentives to make the Facility more competitive.

NOW, THEREFORE, in consideration of the promises, the parties hereto agree with each other as described in the following sections:

1. Electric Service. The Company shall render electric service to the Facility under the provisions of the General Rules and Regulations, including Paragraph 7 thereto, of PUCO No. 12, Electric Service, and under the rates, charges, riders, including Rider No. 1, terms and conditions of those schedules of PUCO No.12, Electric Service, deemed appropriate by the Company, as may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO), and that are in effect at the time of service being rendered. Electric service rendered shall be charged and billed separately unless otherwise provided for by the appropriate schedules. The Customer agrees to accept and pay for such service as provided for herein, subject to the incentive provided for by Section 2.

2. Incentive. The Customer shall receive the incentive described in Appendix 2 to this Agreement, which is incorporated herein by reference. Such incentive shall apply during the term of this Agreement stated in Section 7 herein.

3. Sole Electric Power Requirement. The Customer agrees to have the Company as the sole supplier of all electric power to the Facility, and the Company agrees to supply all of the electric power to the Facility.

4. Assignment. The Customer agrees that this Agreement may not be assigned or otherwise transferred to another, including a successor owner or occupant of the Facility, without the written

consent of the Company. The benefits and obligations of the Company may be assigned by the Company to any successor in interest following Customer notification, however, the Customer hereby consents to the assignment of this Agreement to the successor in interest of CEI in merger proceedings in effect as of the date of execution of this Agreement.

5. Notices. Any notice required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

UP-FINANCE
LAKE ERIE SCREW CORP
13001 ATHENS AVE
LAKEWOOD, OHIO 44107

and, if to the Company, at:

Director - Central Sales
Cleveland Electric Illuminating Company
P.O. Box 5000
Cleveland, Ohio 44101

6. Rebilling Provision. In the event that the Company should no longer be the sole supplier of all electric power to the Facility during the term of this Agreement, which will be construed as a breach of, and has the effect of canceling this Agreement, the Company may bill the Customer the amount of the incentive the Company has already provided the Customer under the Agreement. Such incentive is described in Appendix 2 to this Agreement. The Customer shall pay such bill within thirty (30) days after the date of the receipt of the bill by the Customer, and if the bill remains unpaid, interest at the rate of 1.5% per month shall be charged and paid. Notwithstanding the foregoing, this cancellation and rebilling provision is a remedy optional to the Company for the Customer's breach and not the exclusive remedy available to the Company. The Company may elect to forego its cancellation and rebilling remedy in favor of pursuing all other remedies available to it for the Customer's breach, including specific performance, consequential and incidental damages.

7. Term and Effective Date. This Agreement shall be effective beginning with the electric bill rendered in the month of DECEMBER 1995 and shall continue for five (5) years thereafter. This Agreement shall terminate with the electric bill rendered for the month of NOVEMBER 2000. Upon termination of this Agreement, the Customer will be served under the appropriate Company rates on file with the PUCO, without the incentive applying.

8. Force Majeure. If because of Force Majeure, either party shall be unable to carry out any of its obligations under this

Agreement or fully to deliver or utilize the electric service of the Company contemplated herein, then the obligations of that party shall be suspended to the extent made necessary by Force Majeure. The party affected by Force Majeure shall give notice to the other party as promptly as practical of the nature and probable duration of such Force Majeure. "Force Majeure" shall mean acts of God, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or facilities, or other causes of similar nature which are beyond the reasonable control of the party and which wholly or partially prevent the supplying of electricity by the Company or the receiving or utilization of such electricity by the Customer, provided that the effect of such Force Majeure shall be eliminated insofar as possible with all reasonable dispatch; provided further, that performance by the parties shall be excused only to the extent made necessary by the Force Majeure condition; provided further, that neither party shall be required to settle a labor dispute on terms unacceptable to the party affected; and provided further, that neither party shall be required to rebuild all or a major portion of its facilities which are destroyed or substantially impaired by a Force Majeure condition.

9. Confidentiality of Information. All information provided in, or in connection with, this Agreement, whether printed, written or oral, shall be held in confidence and used only for the business purpose for which it was provided, except to the extent made public by the PUCO.

10. Governing Law. The validity, construction and performance of this Agreement shall be determined in accordance with the laws of the State of Ohio.

11. Clause Heading. The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.

12. Entire Agreement. This Agreement, together with the Appendices thereto, contains the entire agreement between the parties and there are not representations, understandings or agreements, oral or written, which are not included herein. This Agreement cannot be changed except by written instrument executed by duly authorized representatives of the parties.

13. Governmental Approvals. This Agreement is subject to all applicable rules and regulations, and all necessary approvals or authorizations, of any governmental authority. The Company will use its best efforts to secure any necessary approval of this Agreement by the PUCO with the assistance and cooperation of the Customer. The Company and the Customer shall also use their best efforts to secure any other approvals or authorizations from any other governmental authorities, which approvals or authorizations may be necessary at any time during the continuance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

LAKE ERIE SCREW CORPORATION

By: Michael A. Shank

Title: VP - FINANCE

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By: Thomas J. Kinnel

Title: Vice President

APPENDIX 1

To The Electric Service Agreement between
The Cleveland Electric Illuminating Company
and Lake Erie Screw Corporation
dated October 24, 1995

Account Number

156-0000106-011

Address

13001 Athens Avenue
Lakewood, OH 44107

APPENDIX 2

To The Electric Service Agreement between
The Cleveland Electric Illuminating Company
and Lake Erie Screw Corporation
dated October 24, 1995

ENERGY EFFICIENCY ACCOUNT

- (a) The Account. An Energy Efficiency Account shall be established and administered by the Company. The monies in the account shall be made available to the Customer for Energy Efficiency projects at the Facility, or at other facilities receiving electric service from the Company as the Company authorizes in its sole discretion, which are designed to increase energy efficiency, increase production in an energy efficient manner, increase plant efficiency or competitiveness through electric applications. Energy Efficiency Projects will not include equipment such as vehicles, tow motors, office furniture or other items not relating to production or the physical structure of the Facility or other facilities. Monies may be made available from the account at any time subject to the provisions of (b) and (c) below.
- (b) Use of Energy Efficiency Account. The Company will review information on a proposed project submitted by the Customer to make a determination whether the project qualifies for funding under this Energy Efficiency Account. Upon approval by the Company for funding and a decision to proceed by the Customer, one-half of the allocation will be made available to the Customer at the commencement of the project and the balance upon project completion. Withdrawals from the account shall not exceed the amount within the account regardless of approved funding.
- (c) Company Contribution to Energy Efficiency Account. Upon the effective date of the Agreement, the Company shall contribute 10% of the estimated revenue from the Customer for that Facility, based on the previous 12 months usage. Based on the revenue from that same 12 months of usage, the Company shall contribute 5% of the estimated revenue for that Facility in each of months 13, 25, 37 and 49 of this Agreement. The Company shall reduce each such contribution on a pro rata basis for each month that timely payments do not occur during those periods.

The Energy Efficiency Account is a non-interest bearing account. Creation of this account is not a customer contribution, nor evidence of indebtedness to the Customer. Any monies remaining in the Energy Efficiency Account at the cancellation or termination of the Agreement shall remain with the Company.

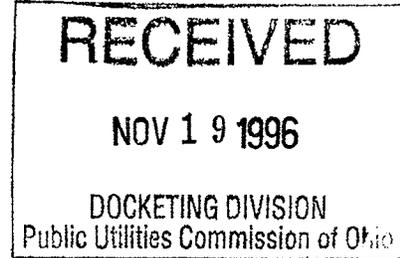


76 South Main St.
Akron, Ohio 44308
330-384-5151

DIRECT DIAL: 330/384-5861

November 11, 1996

Ms. Daisy Crockron
Chief of Docketing
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43266-0573



Re: Specialty Metals Processing, Inc.

96-1234-EL-AEC

Dear Ms. Crockron:

Enclosed are an original and twelve (12) copies of an Application which we would appreciate your filing on our behalf and assigning a case number.

Also enclosed is an additional copy to be time-stamped and returned to us for our records in the enclosed, self-addressed envelope.

Sincerely,

James W. Burk
Attorney

SI
enclosures

151151

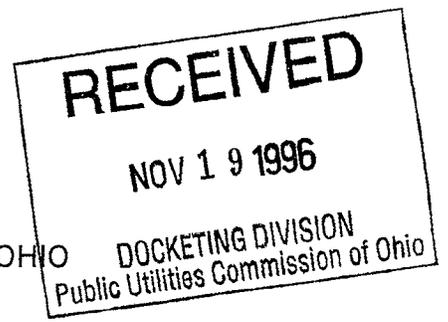
This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
Technician Jerry Schaeffer Date Processed 11-20-96

RECEIVED
NOV 19 1996
DOCKETING DIVISION
Public Utilities Commission of Ohio

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application)
of Ohio Edison Company for)
Approval of an Arrangement with) Case 96- 1234 -EL-AEC
A New Customer)
(Specialty Metals Processing, Inc.))

APPLICATION



Before
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application)
of Ohio Edison Company for)
Approval of an Arrangement with)
A New Customer)
(Specialty Metals, Inc.))

Case No. 96-1234-EL-AEC

APPLICATION

1. Ohio Edison Company is an electric public utility organized and doing business in Ohio and subject to the jurisdiction of this Commission respecting rates for electric service.

2. Changes and depressed conditions in the economy of the service area served by Ohio Edison Company make it desirable for Ohio Edison to enhance the attractiveness of locating or expanding in Ohio for existing and potential industrial customers able to provide new loads and employment here.

3. Increased load 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. Accordingly, the Company has entered into a contract with a new Customer considering location at a site at 837 Seasons Road, in Stow, Ohio 44224, for the operation of a stainless steel and aluminum manufacturing plant. A copy of the contract is attached hereto as "Exhibit A".

5. Under the terms of the contract, Ohio Edison has, subject to this Commission's approval, agreed to certain short term concessions in billing load to induce the Customer to consider, continue, and go forward with location at the Stow site. The rate is compensatory and provisions for service to this Customer are otherwise to be as provided for in the Company's applicable rate schedule as it now exists or may be modified.

6. Not only will the Customer benefit from this rate if it considers the Stow site, but its additional investment in Ohio will benefit all residents of Ohio and not be to the detriment of any Ohio Edison customers.

7. Ohio Edison agrees to include a report with respect to this Customer in its semi-annual reports on other similar customers, as provided for in the Commission's Finding and Order of June 17, 1986, in Case Nos. 84-84-EL-AEC, et al.

WHEREFORE, Ohio Edison Company requests that this contract be approved as a reasonable arrangement under R.C. 4905.31 and, because the Customer's decision must soon be made, that such approval be given as quickly as possible to encourage a favorable decision on the Stow site.

OHIO EDISON COMPANY

By Barry M. Miller
Vice President

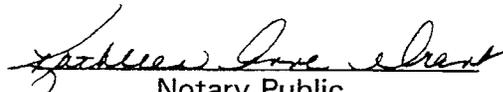
By Harry Clemons
Secretary

James W. Burk
James W. Burk
Attorney for Applicant
Ohio Edison Company
76 South Main Street
Akron, OH 44308
(330) 384-5861

STATE OF OHIO)
) ss.
COUNTY OF SUMMIT)

Personally appeared before me B. M. Miller and N. C. Ashcom, being first duly sworn, depose and say that they are Vice President and Secretary, respectively, of Ohio Edison Company, and that the statements contained in the foregoing Application are true as they verily believe.

Sworn to before me and subscribed in my presence this 11th day of November, 1996.


Notary Public

KATHLEEN ANNE GRANT
Notary Public, State of Ohio
Resident of Summit County
My Commission Expires Jan. 3, 1999



OHIO EDISON COMPANY

CONTRACT
FOR
SPECIAL ARRANGEMENTS FOR ECONOMIC DEVELOPMENT
Rates 21 and 23

Customer Name Specialty Metals Inc.
 Location 837 Seasons Road
Stow, OH 44224

Existing Customer Existing Facility
 New Customer * New Facility

Type of Operation: Manufacturer of Stainless Steel & Aluminum
 Added Space (Sq. Ft.) 46,000 Base Load (kVA) 750 kVA
 Estimated New Load: _____ Estimated New Employment: 20

In consideration of the agreement of the above-named, as evidenced by its signature below, to consider location, expansion, or continuation of manufacturing operations in Ohio Edison Company's service area, Ohio Edison agrees that if this agreement is signed and construction or expansion activities are commenced on or before (date) September 30, 1997 then, for a period beginning from a mutually acceptable effective date and extending to December 31, 2005, Ohio Edison will reduce billing loads above the base load for each month 50 percent the first year, 40 percent the second year, 30 percent the third year, and 20 percent the fourth year through December 2005.

For existing customers, a base load will be established based on previous history and circumstances. If the customer is an existing customer relocating to another service location, the billing history at the former location will be used to determine the base load. For new customers the base load will be zero.

Except as provided above, all provisions, prices and regulations of Ohio Edison Company's standard general service rates (Rates 21 or 23) shall apply, as said rates may be modified by the Public Utilities Commission of Ohio.

If the customer fails to pay its bill for electric service when due, before the addition of a late payment charge, it shall forfeit this special contract rate for that billing month and Rate 21 shall apply, as said rate may be modified by the Public Utilities Commission of Ohio.

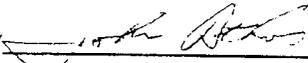
** Where a new customer assumes the operation of a previous customer presently shut down, such new customer shall be considered an "existing customer" and the billing history of the previous customer will be used to determine the increase in billing load.*

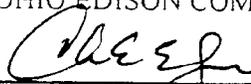
The provisions of this contract are subject to approval by the Public Utilities Commission of Ohio. Subject to approval by the Public Utilities Commission of Ohio, implementation of this contract may begin after filing upon written notification from the customer that the new/expansion load has been added and that the customer is ready to implement the contract. Ohio Edison Company agrees to use its best efforts to obtain the necessary approval.

This contract is not assignable without the prior written consent of Ohio Edison Company. The effective date of this contract is the later date set forth below.

This contract is entered into by Ohio Edison Company to enhance the attractiveness of Ohio Edison's service area, but nothing herein obligates the above-named customer or potential customer to locate or expand in Ohio Edison's service area.

IN WITNESS WHEREOF the parties hereto have signed below as of the date specified below.

By 
(Authorized Signature)
Title PRESIDENT
Date 8/21/96

OHIO EDISON COMPANY
By 
(Authorized Signature)
Title: Regional Manager
Date 10/22/96



**CENTERIOR
ENERGY**

6200 Oak Tree Boulevard
Independence OH
216-447-3100

Mail Address
P.O. Box 94661
Cleveland OH 44101-4661

November 7, 1995

The Public Utilities Commission
of Ohio

ATTN: Docketing Division
180 East Broad Street
Columbus, Ohio 43266-0573

SUBJECT: Case No. 95-1037 -EL-AEC
Fayette Tubular Products, Inc.

RECEIVED

NOV 8 1995

DOCKETING DIVISION
PUBLIC UTILITIES COMMISSION OF OHIO

Dear Sirs:

Enclosed please find an original and twenty (20) copies of an Application of The Toledo Edison Company for approval of an Application for Fayette Tubular Products, Inc.

Please date stamp five (5) copies and return to the following:

Dawn R. Young
Rates & Contracts, I-442
Centerior Service Company
6200 Oak Tree Blvd.
Independence, Ohio 44131

Please forward any interrogatories to Jerry Zeleny.

Sincerely,

John P. Wack
Manager
Rates & Contracts

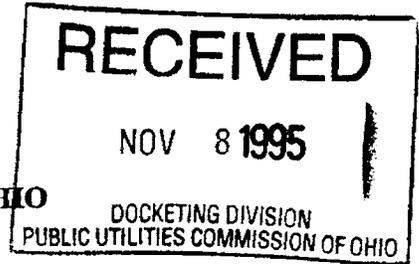
JPW:dry

Enclosures

cc: R. B. Fortney

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 [Signature] Date Processed 11-9-95

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO



In the Matter of the Application of)
The Toledo Edison Company for)
Approval of an Economic Development)
Agreement with Fayette Tubular)
Products.)

Case No. 95-1037-EI-A EC

APPLICATION

The Toledo Edison Company, hereinafter referred to as the "Company", the applicant herein files with, for approval by this Commission of an Electric Service Agreement, hereinafter referred to as the "Agreement", between the Company and Fayette Tubular Products hereinafter referred to as the "Customer".

The Agreement, as set forth in and attached hereto, will provide for special arrangements not otherwise provided by the Company's rate schedules and riders applicable to the Customer at the time service is provided.

The Company will encourage production, expansion and retention of employment in Northwest Ohio by providing the Customer with a Electric Service Agreement.

WHEREFORE, the Company prays that the Commission issues its Order herein approving said Agreement and permit said Agreement to be filed and made effective as its effective date.

THE TOLEDO EDISON COMPANY

By: *Kevin D. Smith*

Title: *Vice President*

By: *AM Blar*

By: *Treasurer*

ELECTRIC SERVICE AGREEMENT

This Agreement made and entered into as of the 30 day of October, 1995, by and between The Toledo Edison Company, hereinafter called the "Company", and Fayette Tubular Products, Inc. hereinafter called the "Customer".

WITNESSETH

WHEREAS, the Customer currently is provided electric service by the Company to the facility with location and Company Account No. as provided in Appendix 1 incorporated herein by reference, hereinafter known individually or collectively as the "Facility"; and,

WHEREAS, the Company desires to provide incentives that will improve productivity, efficiency and quality, thereby encouraging production, expansion and retention of employment in Northwest Ohio.

WHEREAS, the Customer desires to enter into an agreement which would provide such incentives to make the Facility more competitive, and to maintain or expand its facilities in Northwest Ohio.

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable considerations, the parties agree as follows:

1. Electric Service. The Company shall render electric service to the Facility under the provisions of the General Rules and Regulations, including Paragraph 7 thereto, of PUCO No. 12, Electric Service, and under the rates, charges, riders, including Rider No. 1, terms and conditions of those schedules of PUCO No. 12, Electric Service, deemed appropriate by the Company, as may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO), and that are in effect at the time of service being rendered. Electric service rendered shall be charged and billed separately unless otherwise provided for by the appropriate schedules. The Customer agrees to accept and pay for such service as provided for herein, subject to the incentive provided for by Section 2.

2. Incentive. The Customer shall receive the incentive fully described in Appendix 1 to this Agreement, which is incorporated herein by reference. Such incentive shall apply during the term of this Agreement stated in Section 7 herein.

3. Sole Electric Power Requirement. The Customer agrees to have the Company as the sole supplier of all electric power to the Facility, and the Company agrees to supply all of the electric power to the Facility.

4. Assignment. The Customer agrees that this Agreement shall not be assigned or otherwise transferred to another, including a successor owner or occupant of the Facility, without the written consent of the Company. The benefits and obligations of the Company may be assigned by the Company to any successor in interest without Customer approval.

5. Notices. Any notice required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

Controller
Fayette Tubular Products, Inc.
203 E. Railroad
Fayette, Ohio 43521

and, if to the Company, at:

Director - Sales West
The Toledo Edison Company
300 Madison Avenue
Toledo, Ohio 43652

6. Rebilling Provision. In the event that the Company should no longer be the sole supplier of all electric power to the Facility during the term of this Agreement, which will be construed as a breach of, and has the effect of canceling this Agreement, the Company may bill the Customer for the amount of the incentive already received under the Agreement. Such incentive is described in the Appendix to this Agreement. The Customer shall pay such bill within thirty (30) days after the date of the receipt of the bill by the Customer, and if the bill remains unpaid, interest at the rate of 1.5% per month shall be charged and paid. Notwithstanding the foregoing, this cancellation and rebilling provision is a remedy optional to the Company for the Customer's breach and not the exclusive remedy available to the Company. The Company may elect to forego its cancellation and rebilling remedy in favor of pursuing all other remedies available to it for the Customer's breach, including specific performance, consequential and incidental damages.

7. Term and Effective Date. This Agreement shall be effective beginning with the electric bill rendered for the month of November 1995 and shall continue for seven (7) years thereafter. This Agreement shall terminate with the electric bill rendered for the month of October 2002. Upon termination of this Agreement, the Customer will be served under the appropriate Company rates on file with the PUCO, without the incentive applying.

8. Force Majeure. If because of Force Majeure, either party shall be unable to carry out any of its obligations under this Agreement or fully to deliver or utilize the electric service of the Company contemplated herein, then the obligations of that party shall be suspended to the extent made necessary by Force Majeure. The party affected by Force Majeure shall give notice to the other party as promptly as practical of the nature and probable duration of such Force Majeure. "Force Majeure" shall mean acts of God, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or facilities, or other causes of similar nature which are beyond the reasonable control of the party and which wholly or partially prevent the supplying of electricity by the Company or the receiving or utilization of such electricity by the Customer, provided that the effect of such Force Majeure shall be eliminated insofar as possible with all reasonable dispatch; provided further, that performance by the parties hereunder shall be excused only to the extent made necessary by the Force Majeure condition; provided further, that neither party shall be required to settle a labor dispute on terms unacceptable to the party affected; and provided further, that neither party shall be required to rebuild all or a major portion of its facilities which are destroyed or substantially impaired by a Force Majeure condition.

9. Confidentiality of Information. All information provided in, or in connection with, this Agreement, whether printed, written or oral, shall be held in confidence and used only for the business purpose for which it was provided, except to the extent made public by the PUCO.

10. Governing Law. The validity, construction and performance of this Agreement shall be determined in accordance with the laws of the State of Ohio.

11. Clause Heading. The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.

12. Entire Agreement. This Agreement, together with the Appendix thereto, contains the entire agreement between the parties and there are not representations, understandings or agreements, oral or written, which are not included herein. This Agreement cannot be changed except by written instrument executed by duly authorized representatives of the parties.

13. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

14. Governmental Approvals. This Agreement is subject to all applicable rules and regulations, and all necessary approvals or authorizations, of any governmental authority. The Company will use its best efforts to secure any necessary approval of this Agreement by the PUCO

with the assistance and cooperation of the Customer. The Company and the Customer shall also use their best efforts to secure any other approvals or authorizations from any other governmental authorities, which approvals or authorizations may be necessary at any time during the continuance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

FAYETTE TUBULAR PRODUCTS, INC.

By: Ronald A. Arien
Title: General Mgr.

THE TOLEDO EDISON COMPANY

By: Deanna H. Ruvic
Title: Vice President

APPENDIX 1

To the Electric Service Agreement between

The Toledo Edison Company

and Fayette Tubular Products, Inc.

dated October 30,1995

1 Definitions. This Agreement shall be subject to the definitions contained in this paragraph.

(a) Appropriate Rate Schedule. This term shall mean the rates, terms and conditions of the rate schedule contained in PUCO No. 7 deemed appropriate as determined by the Company on the basis of the Customer's usage characteristics, and the applicable riders thereto filed with the PUCO as they may be amended or revised.

(b) Non-Fuel Revenue Portion of the Appropriate Rate Schedule. This term shall mean the Customer's total monthly bill as computed on the Appropriate Rate Schedule excluding the Electric Fuel Component, and the Interim Emergency and Temporary Recovery of Percentage of Income Payment Plan Arrearages.

(c) Monthly Reference Level. This term shall mean a monthly electrical usage of 260 KVA and 142,000 kWh.

2 In the event the Customer maintains or improves its existing load characteristics, and gives consideration to expanding production , retaining or increasing employment for this Facility, Then the Company will adjust the Non-Fuel Revenue Portion of the Appropriate Rate Schedule associated with electric usage above the Monthly Reference downward by a 30% discount.

3 Account Number

Address

227-0029007-120

203 E. RailRoad, Fayette,OH. 43521



6200 Oak Tree Boulevard
Independence OH
216-447-3100

Mail Address
P.O. Box 94661
Cleveland, OH 44101-4661

December 29, 1996

RECEIVED

DEC 31 1996

DOCKETING DIVISION
Public Utilities Commission of Ohio

The Public Utilities Commission of Ohio
ATTN: Docketing Division
180 East Broad Street
Columbus, Ohio 43266-0573

SUBJECT: Case No. 96-1445 EL-AEC
Bunting Bearings, Corp.

Dear Sirs:

Enclosed please find an original and twenty (20) copies of an Application of the Cleveland Electric Illuminating Company for approval of an Application for Bunting Bearings, Corp.

Please date stamp five (5) copies and return to the following:

Brenda V. Williams
Rates & Contracts, I-442
Centerior Service Company
6200 Oak Tree Blvd.
Independence, Ohio 44131

Please forward any interrogatories to Cassie Stopar.

Sincerely,

John P. Wack
Manager, Rates & Contracts

JPW:bwv

Enclosures

cc: R. B. Fortney

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 Joan Schuyler Date Processed 1-2-97

Operating Companies:
Cleveland Electric Illuminating
Toledo Edison

RECEIVED
DEC 31 1996
DOCKETING DIVISION
Public Utilities Commission of Ohio

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**In the Matter of the Application of)
The Toledo Edison Company for)
Approval of an Electric Service)
Agreement with Bunting Bearings)
Corp.)**

Case No.

96-1445-EL-AEC

APPLICATION

The Toledo Edison Company, hereinafter referred to as the "Company", the applicant herein, respectfully seeks PUCO approval of an Electric Service Agreement, hereinafter referred to as the "Agreement", between the Company and Bunting Bearings, Corp., hereinafter referred to as the "Customer".

The Customer is currently provided electric service by the Company and the Customer wishes to continue purchasing its entire electrical requirements from the Company.

This Agreement was developed to encourage the retention and growth of electric load. The Agreement also seeks to provide the customer with a competitively priced source of electric energy.

The Agreement provides for an incentive adjustment which establishes a reference level usage. Any incremental non-fuel revenue above the reference level non-fuel revenue will be credited.

The Company prays that the Commission issues its Order herein approving said Agreement and permit said Agreement to be filed and made effective as its effective date.

THE TOLEDO EDISON COMPANY

By: Kathleen A. Frustan

Title: Assistant Treasurer

By: Delores Hagrove

Title: ASSISTANT Treasurer

ELECTRIC SERVICE AGREEMENT

This Agreement made and entered into as of the th 16 day of December, 1996, by and between The Toledo Edison Company, hereinafter called the "Company", and Bunting Bearings, Corp. hereinafter called the "Customer".

WITNESSETH

WHEREAS, the Customer currently is provided electric service by the Company to the facility with location and Company Account No. as provided in Appendix 1 incorporated herein by reference, hereinafter known individually or collectively as the "Facility"; and,

WHEREAS, the Company desires to provide incentives that will improve productivity, efficiency and quality, thereby encouraging production, expansion and retention of employment in Northwest Ohio.

WHEREAS, the Customer desires to enter into an agreement which would provide such incentives to make the Facility more competitive, and to maintain or expand its facilities in Northwest Ohio.

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable considerations, the parties agree as follows:

ELECTRIC SERVICE

The Company shall render electric service to the Facility under the provisions of the General Rules and Regulations, including Paragraph 17 thereto, of PUCO No. 7, Electric Service, and under the rates, charges, riders, including Rider No. 1, terms and conditions of those schedules of PUCO No. 7, Electric Service, deemed appropriate by the Company, as may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO), and that are in effect at the time of service being rendered. Electric service rendered shall be charged and billed separately unless otherwise provided for by the appropriate schedules. The Customer agrees to accept and pay for such service as provided for herein.

2. INCENTIVE

The Customer shall receive the incentive fully described in Appendix 1 to this Agreement, which is incorporated herein by reference. Such incentive shall apply during the term of this Agreement stated in Section 7 herein.

3. SOLE ELECTRIC POWER REQUIREMENT

The Customer agrees to have the Company as the sole supplier of all electric power to the Facility, and the Company agrees to supply all of the electric power to the Facility.

4. ASSIGNMENT

The Customer agrees that this Agreement shall not be assigned or otherwise transferred to another, including a successor owner or occupant of the Facility, without the written consent of the Company and such consent shall not be unreasonably withheld. The benefits and obligations of the Company may be assigned by the Company to any successor in interest without Customer approval.

5. NOTICES

Any notice required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

President
Bunting Bearings Corp.
1001 Holland Park Blvd.
Holland, Ohio 43528

and, if to the Company, at:

Director - Sales West
The Toledo Edison Company
300 Madison Avenue
Toledo, Ohio 43652

6. REBILLING PROVISION

In the event that the Company should no longer be the sole supplier of all electric power to the Facility during the term of this Agreement, which will be construed as a breach of, and has the effect of canceling this Agreement, the Company may bill the Customer for the amount of the incentive already received under the Agreement. Such incentive is described in the Appendix to this Agreement. The Customer shall pay such bill within thirty (30) days after the date of the receipt of the bill by the Customer, and if the bill remains unpaid, interest at the rate of 1.5% per month shall be charged and paid. Notwithstanding the foregoing, this cancellation and rebilling provision is a remedy optional to the Company for the Customer's breach and not the exclusive remedy available to the Company. The Company may elect to forego its cancellation and rebilling remedy in favor of pursuing all other remedies available to it for the Customer's breach, including specific performance, consequential and incidental

damages.

7. TERM AND EFFECTIVE DATE

This Agreement shall be effective beginning with the electric bill rendered for the month of January 1997 and shall continue for seven (7) years thereafter. This Agreement shall terminate with the electric bill rendered for the month of December 2003. Upon termination of this Agreement, the Customer will be served under the appropriate Company rates on file with the PUCO, without the incentive applying.

8. FORCE MAJEURE

If because of Force Majeure, either party shall be unable to carry out any of its obligations under this Agreement or fully to deliver or utilize the electric service of the Company contemplated herein, then the obligations of that party shall be suspended to the extent made necessary by Force Majeure. The party affected by Force Majeure shall give notice to the other party as promptly as practical of the nature and probable duration of such Force Majeure. "Force Majeure" shall mean acts of God, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or facilities, or other causes of similar nature which are beyond the reasonable control of the party and which wholly or partially prevent the supplying of electricity by the Company or the receiving or utilization of such electricity by the Customer, provided that the effect of such Force Majeure shall be eliminated insofar as possible with all reasonable dispatch; provided further, that performance by the parties hereunder shall be excused only to the extent made necessary by the Force Majeure condition; provided further, that neither party shall be required to settle a labor dispute on terms unacceptable to the party affected; and provided further, that neither party shall be required to rebuild all or a major portion of its facilities which are destroyed or substantially impaired by a Force Majeure condition.

9. CONFIDENTIALITY OF INFORMATION

All information provided in, or in connection with, this Agreement, whether printed, written or oral, shall be held in confidence and used only for the business purpose for which it was provided, except to the extent made public by the PUCO.

10. GOVERNING LAW

The validity, construction and performance of this Agreement shall be determined in accordance with the laws of the State of Ohio.

11. CLAUSE HEADING

The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define,

limit or extend the scope or intent of the clauses to which they pertain.

12. ENTIRE AGREEMENT

This Agreement, together with the Appendix thereto, contains the entire agreement between the parties and there are not representations, understandings or agreements, oral or written, which are not included herein. This Agreement cannot be changed except by written instrument executed by duly authorized representatives of the parties.

13. COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

14. GOVERNMENTAL APPROVALS

This Agreement is subject to all applicable rules and regulations, and all necessary approvals or authorizations, of any governmental authority. The Company will use its best efforts to secure any necessary approval of this Agreement by the PUCO with the assistance and cooperation of the Customer. The Company and the Customer shall also use their best efforts to secure any other approvals or authorizations from any other governmental authorities, which approvals or authorizations may be necessary at any time during the continuance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

BUNTING BEARINGS, CORP.

By: *Thomas Kunatowski*

Title: PRESIDENT

THE TOLEDO EDISON COMPANY

By: *Barbara A. Fursten*

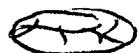
Title: *Assistant Treasurer*

APPENDIX 1

To the Electric Service Agreement between
The Toledo Edison Company
and Bunting Bearings, Corp.
dated December 16th, 1996

1. Definitions. This Agreement shall be subject to the definitions contained in this paragraph.
 - (a). Appropriate Rate Schedule. This term shall mean the rates, terms and conditions of the rate schedule contained in PUCO No. 7 deemed appropriate as determined by the Company on the basis of the Customer's usage characteristics, and the applicable riders thereto filed with the PUCO as they may be amended or revised.
 - (b). Non-Fuel Revenue Portion of the Appropriate Rate Schedule. This term shall mean the Customer's total monthly bill as computed on the Appropriate Rate Schedule excluding the Electric Fuel Component, and the Interim Emergency and Temporary Recovery of Percentage of Income Payment Plan Arrearages.
 - (c). Monthly Reference Level I. This term shall mean a monthly electrical usage of 775 KW and 420,000 kWh for the Delta Facility.
 - (d). Monthly Reference Level II. This term shall mean a monthly electrical usage of 484 KW and 228,000 kWh for the Holland Facility.
2. The Company will adjust the Non-Fuel Revenue Portion of the Appropriate Rate Schedule associated with electric usage above Monthly Reference Level I downward by a 25% discount.
3. The Company will adjust the Non-Fuel Revenue Portion of the Appropriate Rate Schedule associated with electric usage above Monthly Reference Level II downward by a 30% discount.
4.

<u>Account Number</u>	<u>Address</u>
223-0030330-090	1001 Holland Park Blvd., Holland OH. 43528
227-0031666-110	200 Van buren St., Delta OH. 43515





**CENTERIOR
ENERGY**

15

6200 Oak Tree Boulevard
Independence OH
216-447-3100

Mail Address
P.O. Box 94661
Cleveland, OH 44101-4661

July 22, 1997

The Public Utilities Commission
of Ohio

ATTN: Docketing Division
180 East Broad Street
Columbus, Ohio 43266-0573

SUBJECT: Case No. 97- **802** -EL-AEC
Chrysler Corporation

RECEIVED - DOCKETING DIV
97 JUL 23 PM 12:16
PUCO

Dear Sirs:

Enclosed please find an original and twenty (20) copies of an Application of Toledo Edison Company for approval of an Application for Chrysler Corporation.

Please date stamp five (5) copies and return to the following:

Lynn Pavlik
Rates & Contracts, I-442
Centerior Service Company
6200 Oak Tree Blvd.
Independence, Ohio 44131

Please forward any interrogatories to Jerry Zeleny.

Sincerely,

Sharon L. Noewer
Manager
Rates & Contracts

SLW:imp

Enclosures

cc: R. B. Fortney

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 Ann M. [unclear] Date Processed July 24, 1997

Operating Companies:
Cleveland Electric Illuminating
Toledo Edison

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**In the Matter of the Application of)
The Toledo Edison Company for)
Approval of the Electric Service)
Agreement with Chrysler)
Corporation)**

Case No. 97- 802 -EL-AEC

APPLICATION

The Toledo Edison Company, hereinafter referred to as the "Company," the applicant herein, respectfully seeks PUCO approval of an Electric Service Agreement, hereinafter referred to as the "Agreement", between the Company and Chrysler Corporation, hereinafter referred to as the "Customer".

The Agreement, as set forth in and attached hereto, will provide for special arrangements not other wise provided by the Company's rate schedules and riders applicable to the Customer at the time service is provided.

The Company desires to provide incentives that will encourage production, expansion and new employment in Northwest Ohio.

The Customer's Total Load will be billed on a special rate design, which is contained in Section 6 of the Agreement.

The Agreement contains provisions whereby the Customer can reduce the amount of electricity it purchases from the Company over the term of the Agreement.

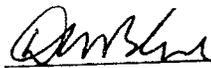
The Agreement shall become effective with the bill issued in the month of August 1997 and terminates with the bill issued for usage in the month of July 2006.

The Agreement also includes a Comparable Facility Price Protection clause which guarantees that the Company will make any rate provided to a Comparable Facility available to the Customer under similar terms and condition.

WHEREFORE, the Company prays that the Commission issue its Order approving said Agreement, and permit it to be filed and made effective as of its effective date.

The Toledo Edison Company

By: 
Title: Vice President

By: 
Title: Treasurer

Attorney for the Company: Mark R. Kempic

**ELECTRIC SERVICE AGREEMENT
BETWEEN
THE TOLEDO EDISON COMPANY
AND
CHRYSLER CORPORATION**

This Electric Service Agreement is made and entered into this 9th day of July, 1997, by and between The Toledo Edison Company, a corporation organized and existing under the laws of the State of Ohio, hereinafter the "Company", and Chrysler Corporation, a corporation organized and existing under the laws of the State of Delaware, hereinafter the "Customer", and known individually as "Party" and collectively as the "Parties".

WITNESSETH

WHEREAS, the Customer receives electric service from the Company for the following manufacturings plant, hereinafter known as the "Facilities".

<u>Name</u>	<u>Address</u>	<u>Company Acct. No.</u>
Chrysler Jeep	1000 Jeep Parkway	224-0003547-130
Chrysler Perrysburg	8000 Chrysler Dr.	222-0031217-030

WHEREAS, the electricity industry is undergoing significant change that may affect the Parties and both Parties recognize the changing industry accept this long term Agreement;

WHEREAS, the Customer is confronting increased competition in its global markets and has a pressing and current need to address issues that affect the quality and price of electricity furnished by the Company;

WHEREAS, the Customer and the Company desire to enter into this Electric Service Agreement, hereinafter known as the "Agreement",

WHEREAS, the Customer desires to purchase firm power for its Facilities requiring special conditions which may not be provided for by the electric schedules of the Company, and the Company is willing to supply such firm power under the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, it is agreed as follows:

1. EXISTING AGREEMENT

This Agreement shall supersede and cancel the prior Jeep and Perrysburg Agreements (PUCO Case No. 93-1963-EL-AEC and Case No. 93-1962-EL-AEC) between the Parties for the supply of Electric Power to the Facilities as of the Effective Date of this Agreement.

2. DEFINITIONS.

This Agreement shall be subject to the following definitions in addition to the definitions contained in PUCO No. 7, Electric Service.

- 2.1 Electric Power. Electric Power means electric energy and capacity.
- 2.2 Load. Load means electric demand measured in kilowatts and served under the Monthly Rates in Section 6 herein. The Customer's demand for billing purposes ("Monthly Billing Demand") shall be the highest thirty (30) minute integrated kWd attained during that monthly billing period. The 30-minute period is determined by Company approved metering, which approval shall not be unreasonably withheld and the 30-minute period is not restricted to any specific 30-minute start and stop period provided that such 30-minute period is acceptable to both Parties. The current 30-minute period begins at the top of the hour (eg. 8:00 am) and continues to the bottom of the hour (eg. 8:30 am). The Company and the Customer by mutual agreement may establish longer or shorter periods for demand billing.
- 2.3 Partial Plant Closure. Partial Plant Closure shall mean when, on a continuous (three consecutive months) basis, the Monthly Billing Demand drops below 5,000 kW at Chrysler Perrysburg and 10,000 kW at Chrysler Jeep.
- 2.4 Permanent Plant Closure. Permanent Plant Closure shall mean when, on a continuous (three consecutive months) basis, no product is produced.

3. SERVICE CONDITIONS:

- 3.1 The Company shall provide Firm Electric Power to the Facilities under the provisions of the General Rules and Regulations of PUCO No. 7, Electric Service, as may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO), and that are in effect at the time of service being rendered provided, however, that in the event of a conflict between this Agreement and the provisions of such Tariff, the provisions of this Agreement shall prevail.

- 3.2 The Parties also agree that the Service Reliability and Quality Terms contained in Appendix No. 1 to this Agreement, incorporated herein by reference shall apply to the electric service supplied by the Company to the Customer. In the event of any conflict between the terms in Appendix No. 1, the Company's general rules and regulations or good utility practice such conflict shall be resolved by the Customer's election of the applicable standard.
- 3.3 Upon Customer request, the Company shall provide the Customer with the Customer's meter load usage information and other pertinent information related to Chrysler's energy usage for billing purposes that is useful to the Customer for administering this Agreement, provided that any metering or ancillary equipment beyond existing installed facilities will be installed at the sole expense of the Customer.
- 3.4 In the event the Customer elects, pursuant to Section 4.3 below to reduce the Total Contract Load supplied by the Company, the Company shall provide such unbundled transmission, distribution and ancillary services, according to such rates, terms and conditions as may be approved by the PUCO or other regulatory agencies, as the Customer may reasonably require to obtain electric power from a source other than the Company.

4. TOTAL CONTRACT LOAD:

- 4.1 The initial Total Contract Load for the Facilities shall be set equal to the average Monthly Billing Demand for each Facility during the 1996 calendar year and shall be adjusted in accordance with Sections 4.2, 4.3, and 4.4.
- 4.2 If the actual Monthly Billing Demand at the Facilities in any month exceeds the Total Contract Load then in effect for each respective Facility, that Monthly Billing Demand shall become the new Total Contract Load for that Facility.
- 4.3 In January 2001, and every January thereafter for the remaining term of the Agreement, the Customer may, at its option to the extent legally permissible, reduce the Total Contract Load purchased from the Company to:

<u>Year</u>	<u>Total Contract Load</u>	<u>Minimum Load at any Individual Facility*</u>
2001	90%	50%
2002	80%	40%
2003	70%	25%
2004	60%	0%
2005	50%	0%

* Excluding adjustments for partial or total plant closure

The total power requirements that are resourced by the Customer may be taken at any plant or portion of a plant or combination thereof that are being served by The Toledo Edison Company, provided however, that no individual Facility may reduce its Total Contract Load or Adjusted Contract Load (as appropriate) of purchases from the Company by more than 50% in 2001, 60% in 2002 and 75% in 2003. In 2004 the Customer may remove a total Facility under the terms of this Section 4.3.

4.4 Adjusted Total Contract Load is defined as the Total Contract Load adjusted for:

- (a) Revisions made in accordance with Section 4.3 and
- (b) Revisions made as a result of Partial or total Permanent Plant Closures. Adjustment for partial plant closures will be based on historical usage.

5 REACTIVE DEMAND:

5.1 Each month the Company shall determine the net leading (power factor greater than 100%) or lagging (power factor less than 100%) reactive kilovoltampere demand registered during the same 30-minute period as the Monthly Billing Demand.

5.2 If the rkVA demand so determined is lagging, the Reactive Billing Demand shall be the rkVA which are in excess of 10 percent of the Monthly Billing Demand.

If the rkVA demand so determined is leading, the Reactive Billing Demand shall be the rkVA which are in excess of 40 percent of the Monthly Billing Demand.

6. MONTHLY RATES:

The following monthly rates apply to the Load at the Facilities for the indicated years. No change, surcharge, supplement or addition of any type shall be made to any of the rates or charges in Sections 6.1 through 6.5 or section 7 except as indicated in section 6.6 and 6.7. The rates herein specified include all taxes of any kind.

	1997- 1999	2000	2001	2002	2003	2004	2005- 2006
6.1 <u>Kilowatt Demand Billing Charge:</u>							
For the first 10,000 kWd	\$8.25	\$8.25	\$8.25	\$8.25	\$8.00	\$8.00	\$7.70
For the next 40,000 kWd	\$7.50	\$7.50	\$7.50	\$7.50	\$7.00	\$6.45	\$6.00
For the next 50,000 kWd	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50
For all additional kWd	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
6.2 <u>Kilowatthour Charge:</u>							
For the first 420 kWh per kWd	\$0.0183	\$0.0172	\$0.0167	\$0.0155	\$0.0150	\$0.0150	\$0.0145
For the next 130 kWh per kWd	\$0.0060	\$0.0060	\$0.0060	\$0.0060	\$0.0060	\$0.0060	\$0.0060
For all additional kWh	\$0.0050	\$0.0050	\$0.0050	\$0.0050	\$0.0050	\$0.0050	\$0.0050
6.3 <u>Reactive Demand Charge:</u>							
For each rkVAd	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
6.4 <u>Supply Voltage Discount:</u>							
Each kWd for: 132 kv	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80
69kv	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
6.5 <u>Customer Substation Discount:</u>							

If the Customer elects to furnish and maintain, lease or otherwise contract for all transforming, switching and other equipment on the Customer's premises for either Facility, a discount of \$0.30 per kWd of Total Load shall be applied to the monthly bill for that specific Facility.

6.6 Applicable Riders:

For the entire term of the Agreement, the following riders which are contained in the indicated sheets of PUCO No. 7, Electric Service, shall apply to the Customer's monthly bill for each Facility:

- | | | | |
|-----|-------------|--|---------------|
| (a) | Rider No. 1 | Electric Fuel Component Rate | Sheet No. 86 |
| (b) | Rider No. 3 | Interim Emergency, Temporary Recovery Method for PIPP Arrearages | Sheet No. 134 |

6.7 Base Charges Adjustment:

"Base Charges" shall include the charges described in Sections 6.1 through 6.5 of this Agreement.

The Base Charges Adjustment ("BCA") will be equal to \$0.0145 minus the Electric Fuel Component ("EFC"), multiplied by the monthly kWh. If the resulting BCA is positive, the absolute value of the BCA shall be added to Base Charges for that month. If the resulting BCA is negative, the absolute value of the BCA shall be subtracted from the Base Charges for that month.

- 6.8 EFFECT ON OTHER SERVICES. The prices, terms and conditions of this Agreement are the product of serious and lengthy bargaining between the Customer and the Company. The Customer and the Company hereby acknowledge that this Agreement addresses the Customer's need to meet the demands of the increasingly competitive global marketplace during the term of the Agreement. The Customer and the Company further acknowledge that this agreement addresses the Company's desire to make more certain the revenues it can reasonably anticipate from the Customer.

7 MINIMUM CHARGE:

- 7.1 The monthly minimum charge for each Facility shall be the Kilowatt Demand Billing Charge multiplied by fifty percent (50%) of the Adjusted Total Contract Load.
- 7.2 This Minimum Charge shall apply for the entire term of the Agreement except in the event of a permanent plant closure or pre-scheduled model changeover when such Minimum Charge shall not apply to the Facilities. During pre-scheduled maintenance outages, the Customer's billing demand shall be adjusted so the load factor, for billing purposes, equals the average load factor at the Facility over the most recent 12 month period in which no pre-scheduled maintenance outages occurred.

8. NEW LOADS:

The Customer may, during the term of this Agreement, add new load at its Facilities or build, either by itself or in joint partnership (through a reasonable level of affiliation), another facility which will also be eligible for service under the terms of this Agreement; however the Customer is not required to take electric service under this Agreement for any new load. Any new facility must have a Monthly Billing Demand of at least 5,000 kWd in order to be eligible for such service.

9. SOLE ELECTRIC POWER REQUIREMENT :

The Customer agrees to have the Company as the sole supplier of all Electric Power to the Facilities from the August 1997 bill and the Company agrees to supply all of the Electric Power to serve the Adjusted Total Contract Load at the Facilities, from the commencement of this Agreement through the bill issued for the month of December 2000.

With the bill issued for the month of January 2001 through the remaining term of this Agreement, the Customer agrees to have the Company as the sole supplier of the Total Contract Load of each Facility and the Company agrees to supply all of the Electric Power for the Adjusted Total Contract Load at each of the Facilities.

10. TERM AND EFFECTIVE DATE:

This Agreement shall become effective with the bill issued in the month of August 1997 and shall continue thereafter, terminating with the bill issued for the month of July 2006.

11. COMPARABLE FACILITY PRICE PROTECTION:

11.1 "Comparable Facility" shall be defined as any customer who is an automotive or automobile parts producing company with monthly demand (kWd) at a single facility in excess of 5,000 kVa and located within the certified service territory of The Toledo Edison Company, as such service territory is defined on the effective date of this Agreement.

11.2 If the Company (which shall be defined in this Section 11.2 as The Toledo Edison Company) provides an arrangement, after the effective date of this Agreement, with rates which cover generation, transmission, distribution, transformation regulatory and/or ancillary costs, on a bundled or unbundled basis ("Arrangement") to any customer with a Comparable Facility, as defined in Section 11.1, then the Customer will have the right to utilize these rates, or any combination of these rates and existing tariff rates for its Adjusted Total Contract Load. In order to

utilize these rates, the Customer must comply with all other terms and conditions of the Arrangement including firm and interruptible load characteristics and conditions. The Customer would continue to utilize the rates, terms and conditions of the Arrangement, until the earlier of the termination date of the Arrangement or this Agreement. In the event the Customer elects to take service under the rates, terms, or conditions of the Arrangement and the term of the Arrangement is shorter than the termination date of the Agreement, then the Customer shall revert, upon expiration of the term of the Arrangement, to this Agreement for the balance of its original term. With respect to this Section, the Company will not use unique rate designs to intentionally preclude the Customer from utilizing the rates developed for a customer with a Comparable Facility.

- 11.3 If the Company provides an Arrangement to the Customer for load that is no longer served under Section 4.3 herein, then the Customer's Adjusted Total Contract Load will not be eligible for such Arrangement.
- 11.4 If the Company provides an Arrangement to a customer with a Comparable Facility for a portion of its load that could be released or was released pursuant to a provision comparable to Section 4.3 herein, then the Customer's Adjusted Total Contract Load will not be eligible for such Arrangement.

12. OTHER TERMS AND CONDITIONS:

- 12.1 Assignment. This Agreement may be assigned or otherwise transferred by the Customer to another, including, without limitation, any successor owner or occupant of the Facility, with the written consent of the Company. Such consent shall not be unreasonably withheld. The benefits and obligations of the Company may be assigned by the Company to the successor in interest of The Cleveland Electric Illuminating Company of Cleveland, Ohio upon final regulatory approval of the Company's pending merger with The Toledo Edison Company.

The terms of this clause shall not apply to any change in the corporate name or identity of the Customer that does not involve any sale, merger, or other large scale corporate transaction materially altering the actual party currently known to this Agreement as the Chrysler Corporation.

- 12.2 Notices. Any notice required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

Plant Manager
Toledo Assembly Plant
1000 Jeep Parkway
Toledo, Ohio 43693

Plant Manager
Toledo Machining Plant
8000 Chrysler Dr.
Perrysburg, Ohio 43551

and, if to the Company, at:

Director- Sales
The Toledo Edison Company
300 Madison Avenue
Toledo, Ohio 43652

- 12.3 Force Majeure. If because of Force Majeure, any party shall be unable to carry out any of its obligations under this Agreement or fully to deliver or utilize the electric service of the Company contemplated herein, then the obligations of that party shall be suspended to the extent made necessary by Force Majeure. The party affected by Force Majeure shall give notice to the other parties as promptly as practical of the nature and probable duration of such Force Majeure. "Force Majeure" shall mean acts of God, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or Facility, or other causes of similar nature which are beyond the reasonable control of the party and which wholly or partially prevent the supplying of electricity by the Company or the receiving or utilization of such electricity by the Customer, provided that the effect of such Force Majeure shall be eliminated insofar as possible with all reasonable dispatch; provided further, that performance by the parties hereunder shall be excused only to the extent made necessary by the Force Majeure condition; provided further, that none of the parties shall be required to settle a labor dispute on terms unacceptable to the Party affected; and provided further, that none of the parties shall be required to rebuild all or a major portion of its facility which are destroyed or substantially impaired by a Force Majeure condition.
- 12.4 Confidentiality of Information. All information provided in, or in connection with, this Agreement, whether printed, written or oral, shall be held in confidence and used only for the business purpose for which it was provided, except to the extent made public by the PUCO.
- 12.5 Governing Law. The validity, construction and performance of this Agreement shall be determined in accordance with the laws of the State of Ohio.
- 12.6 Clause Heading. The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.
- 12.7 Governmental Approvals. This Agreement is subject to all applicable rules and regulations, and all necessary approvals or authorizations, of any governmental authority. The Company will use its best efforts to secure any necessary approval of

this Agreement by the PUCO with the assistance and cooperation of the Customer. The Parties shall also use their best efforts to secure any other approvals or authorizations from any other governmental authorities, which approvals or authorizations may be necessary at any time during the continuance of this Agreement.

- 12.8 Modification. This Agreement shall be modified only by a written amendment signed by all signatory parties hereto.
- 12.9 No Waiver. Except as expressly provided herein, neither Party shall, by any act, omission or otherwise, be deemed to have waived any of its rights or remedies under this Agreement unless such waiver shall be in writing and signed by a duly authorized officer of the Party against which such act, omission or waiver is asserted. Such written waiver on one occasion shall not be construed as a waiver of any rights or remedies which a Party shall otherwise have on any subsequent occasion.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

CHRYSLER CORPORATION

By: *M. Gatz*

Title: *Vice President*

THE TOLEDO EDISON COMPANY

By: *Devenne Linn*

Title: *Vice President*

Appendix No. 1
to the Electric Service Agreement
between
The Toledo Edison Company
and
Chrysler Corporation
dated July 9, 1997

Service Reliability and Power Quality:

1. Payments for Zero Voltage Events, over a total of one per year, for the Facilities served pursuant to this Agreement will be based on the following schedule for the term of this Agreement:

<u>Facility</u>	<u>Payment Amount:</u>
Jeep Plant	\$75,000 per chargeable event
Perrysburg Plant	\$75,000 per chargeable event

A "Zero Voltage Event" shall be defined as an electric occurrence whereby the voltage, as demonstrated by on-site monitors, is zero for one or more cycles on the Company's System. The Company's "System" shall be defined at the current division of the Customer's and the Company's owned equipment and be used to determine where zero voltage will be determined. Zero Voltage Events caused by the Customer or utility systems other than the Company's will not be included in the count.

If a 'good' year occurs, whereby no Zero Voltage Events occur, a credit of one unused event will be carried over to the next year. The maximum target, therefore, will be two in any year.

The Company shall not rely upon the Force Majeure provisions of this Agreement to avoid making payment under this Section, except where an Act of God, such as a tornado causes damage to the Company's system which could not have been reasonably prevented by application of the best available engineering and technology. It is the intention of the Parties that invocation of this exception shall occur only under unique circumstances and the Company will bear a heavy burden in justifying its application.

2. Power quality monitors will be installed at each of the Facilities prior to July 1, 1998 with the associated costs being shared equally by the Parties.

3. After the power quality monitors are installed, both Parties, will work together for a period of twelve (12) months to quantify voltage sags as defined by the IEEE curve and mutually agree upon a maximum annual target and potential annual improvements. Compensation for events exceeding the target in any year will be the same as for Zero Voltage Events as defined in Appendix No.1, Section 1.
4. At the end of this Agreement and for loads no longer covered by this Agreement nor served by the Company, the Company, at the Customer's request, will provide the same level of equipment/interconnections at the then current charges, terms and conditions for such equipment/interconnections.

84-84

EXHIBIT A

OHIO EDISON COMPANY
CONTRACT
FOR
SPECIAL ARRANGEMENTS FOR ECONOMIC DEVELOPMENT

Date June 16, 1986

Name Chrysler Plastic Products Corporation

<input checked="" type="checkbox"/> Existing Customer	Type of Operation <u>Mfg. Vinyl Siding</u>
<input type="checkbox"/> New Customer*	<u>for residential use</u>
<input checked="" type="checkbox"/> Existing Facility	* Added Space (sq. ft.) <u>25,000</u>
<input type="checkbox"/> New Facility	Estimated New Load <u>990KVA</u>
Location <u>3130 W. Monroe St.</u>	Estimated New Employment <u>100</u>
<u>Sandusky, Ohio 44870</u>	

In consideration of the agreement of the above-named, as evidenced by its signature below, to consider location or expansion of manufacturing operations in Ohio Edison Company's service area, Ohio Edison agrees that if such location or expansion commences on or before (date) January 1st, 1987, then, for a period of five years from the date permanent service, substantially as estimated above, commences at the facility specified above, Ohio Edison will reduce the total new or increased billing loads for each month 50 percent the first year, 40 percent the second year, 30 percent the third year, 20 percent the fourth year and 10 percent the fifth year.

For existing customers, the increased billing load for each month shall be the excess of the billing load over that for the like month of the twelve-month period immediately prior to the date this contract is executed. If the customer is

*Where a new customer assumes the operation of a previous customer presently shut down, such new customer shall be considered an "existing customer" and the billing history of the previous customer will be used to determine the increase in billing load.

* Contract for outside 25,000 sq. ft. warehouse space to replace existing area.



an existing customer relocating to another service location, the billing history at the former location will be used to determine the increase in billing load.

Except as provided above, all provisions, prices and regulations of Ohio Edison Company's standard general service rate (Rate 23) shall apply.

The provisions of this contract are subject to approval by The Public Utilities Commission of Ohio and cannot be effective unless and until such approval is obtained. Ohio Edison Company agrees to use its best efforts to obtain the necessary approval.

This contract is not assignable without the written consent of Ohio Edison Company.

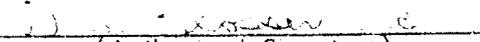
This contract is entered into by Ohio Edison Company to enhance the attractiveness of locating or expanding operations in Ohio Edison's service area, but nothing herein obligates the above-named customer or potential customer to locate or expand in Ohio Edison's service area.

IN WITNESS WHEREOF the parties hereto have signed below as of the date specified above.

Name Chrysler Plastic Products Corp.

OHIO EDISON COMPANY

By 
(Authorized Signature)

By 
(Authorized Signature)

Title A.J. Schell, Plant Manager

Title Division Manager



File
FirstEnergy

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01 JAN 24 AM 10:41

4
76 South Main St.
Akron, Ohio 44308

PUCO

1-800-633-4766

January 23, 2001

The Public Utilities Commission
of Ohio
Attention: Docketing Division
180 East Broad Street
Columbus, Ohio 43215-3793

SUBJECT: Case No. 01-167-EL-AEC
PPG Industries, Inc.

Dear Sirs:

Enclosed please find an original and eleven (11) copies of an Application of The Ohio Edison Company for approval of an Arrangement with PPG Industries, Inc.

Please date stamp three (3) copies and return in the enclosed envelope.

Sincerely,

Steven Ouellette

Steven E. Ouellette *ee*
Director,
Pricing & Regulatory Affairs

Enclosures

cc: R. Fortney

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. Hicks* Date Processed *Jan 24, 2001*

RECEIVED-DOCKETING DIV

01 JAN 24 AM 10:41

PUCO

In the Matter of the Application)
Of The Ohio Edison Company for)
Approval of an Electric EL-AEC)
Service Agreement with)
PPG Industries, Inc.)

Case No. 01-167 EL-AEC

APPLICATION

The Ohio Edison Company, hereinafter referred to as the "Company", the applicant herein files with, for approval by this Commission of an Electric Service Agreement, hereinafter referred to as the "Agreement", between the Company and PPG Industries, Inc. hereinafter referred to as the "Customer".

The Agreement, as set forth in and attached hereto, will provide for special arrangements not otherwise provided by the Company's rate schedules and riders applicable to the Customer at the time service is provided.

The Company will encourage production, expansion and retention of employment in Ohio by providing the Customer with an Electric Service Agreement.

The Customer desires to enter into an agreement, which would provide incentives making the Customer more competitive.

The Customer desires to enter into an agreement with the Company as a supplier of electric power and in return the Company will provided **Special Arrangements for Economic Development (SAED)** for the Customer.

All of the Customer's **demand growth** will be **discounted for billing purposes**, by the percentages listed below. The Company will offer this billing discount on all the incremental demand above a stated reference level. The reference or base level for the Customer will be set at **4539 kVA**. The billing discounts will be as follows:

Months 1- End of 2005 30%

WHEREFORE, the Company prays that the Commission issues its Order herein approving said Agreement and permit said Agreement to be filed and made effective as its effective date.

THE OHIO EDISON COMPANY

By: *Sh. [Signature]*

Title: Director of Pricing and Regulatory Affairs,
Rate Department

By: *[Signature]*

Title: **CORPORATE SECRETARY**

**CONTRACT
FOR
SPECIAL ARRANGEMENTS FOR ECONOMIC DEVELOPMENT
Rate 28**

Customer Name PPG Industries Inc.
Location 4829 Fairland Road
Barberton, Ohio 44203

Existing Customer
 New Customer *

Existing Facility
 New Facility

Type of Operation: Processes initiators and chloroformates for chemical processing, CR-39 optical plastic monomer, specialty silicas and teslin microporous synthetic sheet material for use in printed surfaces, textiles and medical instrument packaging.

Added Space (Sq. Ft.) 40,000

Estimated New Load: 1,750 kVa

Estimated New Employment: 30-40

In consideration of the agreement of the above-named, as evidenced by its signature below, to consider location, expansion, or continuation of manufacturing operations in Ohio Edison Company's service area, Ohio Edison agrees that if this agreement is signed and construction or expansion activities are commenced on or before (date) December, 2001 then, for a period beginning from a mutually acceptable effective date and extending to December 31, 2005, Ohio Edison will reduce monthly billing loads above the base load for each month by 30 percent through December 2005.

For existing customers, a base load will be established based on previous history and circumstances. If the customer is an existing customer relocating to another service location, the billing history at the former location will be used to determine the base load. For new customers the base load will be zero.

Except as provided above, all provisions, prices and regulations of Ohio Edison Company's General Service - High Use Manufacturing, Rate 28 or other qualifying full electric service rate shall apply, as said rates may be modified by the Public Utilities Commission of Ohio, as long as the customer continues to qualify for Rate 28, and as it may be amended.

If the customer fails to pay its bill for electric service when due, before the addition of a late payment charge, it shall forfeit this special contract rate for that billing month and Rate 28 or other qualifying full electric service rate shall apply, as said rate may be modified by the Public Utilities Commission of Ohio.

In the event that the Customer's usage falls below the base usage or the Customer transfers a significant portion of its electric load to a non-Ohio Edison energy source during the term of this Agreement, which will be construed as a breach of, and has the effect of canceling the Agreement, the Company shall bill the Customer for the amount of the incentive already received by the Customer through the date of such breach. The Customer shall pay such amount within thirty (30) days after the date of the receipt by the Customer of the Company's bill for such amount, and if the bill remains unpaid, interest at the rate of 1.5% per month shall be charged and paid. The parties agree that this cancellation and rebilling provision is not the exclusive remedy available to the Company. The Company may pursue all other remedies available to it for the Customer's breach, including without limitation specific performance, consequential and incidental damages.

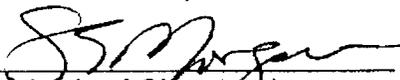
The provisions of this contract are subject to approval by the Public Utilities Commission of Ohio. Subject to approval by the Public Utilities Commission of Ohio, implementation of this contract may begin after filing upon written notification from the customer that the new/expansion load has been added and that the customer is ready to implement the contract. Ohio Edison Company agrees to use its best efforts to obtain the necessary approval.

This contract is not assignable without the prior written consent of Ohio Edison Company. The effective date of this contract is the later date set forth below.

This contract is entered into by Ohio Edison Company to enhance the attractiveness of Ohio Edison's service area, but nothing herein obligates the above-named customer or potential customer to locate or expand in Ohio Edison's service area.

IN WITNESS WHEREOF the parties hereto have signed below as of the date specified below.

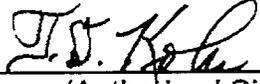
OHIO EDISON COMPANY
~~PPG Industries, Inc.~~

By 
(Authorized Signature)

Title Regional President

Date 12/31/00

PPG INDUSTRIES, INC.
~~OHIO EDISON COMPANY~~

By 
(Authorized Signature)

Title: PURCHASING SPECIALIST, ENERGY

Date 12/26/2000

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)
Cincinnati Gas & Electric Company for)
Approval of a Contract with Champion) Case No. 95-315-EL-AEC
International Corporation.)

In the Matter of the Application of The)
Toledo Edison Company for Approval)
of an Electric Service Agreement with) Case No. 96-1404-EL-AEC
Schuller International, Inc.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 98-374-EL-AEC
Service Agreement with Areway Inc.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 98-994-EL-AEC
Service Agreement with Standard)
Products Co.)

In the Matter of the Application of)
The Toledo Edison Company for)
Approval of an Electric EL-AEC) Case No. 98-1182-EL-AEC
Service Agreement with Rotaforge Inc.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 98-1624-EL-AEC
Service Agreement with Strategic)
Materials.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 99-362-EL-AEC
Service Agreement with Yuasa, Inc.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 99-581-EL-AEC
Service Agreement with Kismet)
Products, Inc.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 99-678-EL-AEC
Agreement with Tenneco Automotive.)

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Technician ADJ Date Processed 6/20/03

In the Matter of the Application of)
The Toledo Edison Company for)
Approval of an Electric Service) Case No. 99-679-EL-AEC
Agreement with Sunoco, Inc.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Arrangement with) Case No. 99-690-EL-AEC
A New Customer Ravens Metal)
Products.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Arrangement with) Case No. 99-691-EL-AEC
An Existing Customer Rez-Tech)
Corporation.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an) Case No. 99-728-EL-AEC
Arrangement with an Existing)
Customer (McDonalds Corporation).)

In the Matter of the Application of)
Toledo Edison Company for Approval)
of an Arrangement with an Existing) Case No. 99-729-EL-AEC
Customer (McDonalds Corporation).)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 99-790-EL-AEC
Agreement with USY – US Yachiyo Inc.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 99-791-EL-AEC
Agreement with Hidreth)
Manufacturing, LLC.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 99-792-EL-AEC
Agreement with Ashland Conveyor)
Products.)

In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Lane City Center, L.P. d.b.a. Sheraton Cleveland City Centre.	) ) ) ) ) )	Case No. 99-793-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Tenk Machine & Tool Company.	) ) ) ) )	Case No. 99-794-EL-AEC
In the Matter of the Application of Monongahela Power Company for Approval of an Electric Service Agreement with Eveready Battery Company.	) ) ) ) )	Case No. 99-853-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with CIMA Plastics Group.	) ) ) ) )	Case No. 99-974-EL-AEC
In the Matter of the Application of The Toledo Edison Company for Approval of the First Amendment to the Electric Service Agreement with Tempglass, Inc.	) ) ) ) )	Case No. 99-975-EL-AEC
In the Matter of the Application of The Toledo Edison Company for Approval of an Electric Service Agreement with LaFarge Lime Company.	) ) ) ) )	Case No. 99-1013-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Rossborough Supply Company.	) ) ) ) )	Case No. 99-1039-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval an Electric Service Agreement with Nestle USA, Inc.	) ) ) ) )	Case No. 99-1040-EL-AEC

In the Matter of the Application of)
 The Cleveland Electric Illuminating)
 Company for Approval an Electric) Case No. 99-1041-EL-AEC
 Service Agreement with Primary)
 Health Systems of Ohio L.P.)

In the Matter of the Application of)
 The Cleveland Electric Illuminating)
 Company for Approval of an Electric) Case No. 99-1044-EL-AEC
 Service Agreement with The)
 Sherwin-Williams Company.)

In the Matter of the Application of)
 The Cleveland Electric Illuminating)
 Company for Approval of an Electric) Case No. 99-1046-EL-AEC
 Service Agreement with PHS Mt.)
 Sinai, Inc.)

In the Matter of the Application of)
 The Cleveland Electric Illuminating)
 Company for Approval of an Electric) Case No. 99-1047-EL-AEC
 Service Agreement with Dillards)
 Department Stores, Inc.)

In the Matter of the Application of)
 The Ohio Edison Company for)
 Approval of an Electric Service) Case No. 99-1050-EL-AEC
 Agreement with Ziegler Tire and)
 Supply Company.)

In the Matter of the Application of)
 The Cleveland Electric Illuminating)
 Company for Approval an Electric) Case No. 99-1051-EL-AEC
 Service Agreement with Voss)
 Development Company.)

In the Matter of the Application of)
 The Ohio Edison Company for)
 Approval of an Electric Service) Case No. 99-1148-EL-AEC
 Agreement with Thomas Steel)
 Strip Corp.)

In the Matter of the Application of)
 The Cleveland Electric Illuminating)
 Company for Approval of an Electric) Case No. 99-1239-EL-AEC
 Service Agreement with Kirby)
 Company.)

In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Shiloh Industries / Liverpool Coil / Valley City Steel.	) ) ) ) )	Case No. 99-1272-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Catholic Charities Facilities Corp.	) ) ) ) )	Case No. 99-1330-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Hilton Garden Gateway Hotel.	) ) ) ) )	Case No. 99-1402-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Holiday Inn Express.	) ) ) ) )	Case No. 99-1403-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with CSC, Ltd.	) ) ) ) )	Case No. 99-1404-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Pratt Industries.	) ) ) ) )	Case No. 99-1405-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Harwick Chemical Manufacturing Corporation.	) ) ) ) )	Case No. 99-1406-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with TW Industrial Properties L.L.C.	) ) ) ) )	Case No. 99-1407-EL-AEC

In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Colonial Marketplace.	) ) ) ) )	Case No. 99-1408-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Navistar International Transportation Corp.	) ) ) ) )	Case No. 99-1409-EL-AEC
In the Matter of the Application of The Toledo Edison Company for Approval of an Amendment to the Electric Service Agreement with Libbey-Owens-Ford Co.	) ) ) ) )	Case No. 99-1410-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with State Industrial Products.	) ) ) ) )	Case No. 99-1411-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Progressive Plastics, Inc.	) ) ) ) )	Case No. 99-1416-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Kenmore Construction Company.	) ) ) ) )	Case No. 99-1417-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Sterilite Corporation of Ohio.	) ) ) ) )	Case No. 99-1558-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Advance Automotive System.	) ) ) ) )	Case No. 99-1559-EL-AEC

In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Marion Industries, Inc.	) ) ) )	Case No. 99-1560-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with ARNCO Corporation.	) ) ) )	Case No. 99-1561-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with The Geon Company.	) ) ) ) )	Case No. 99-1562-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Southcorp Packaging USA.	) ) ) ) )	Case No. 99-1563-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Bellevue Manufacturing Company.	) ) ) ) )	Case No. 99-1564-EL-AEC
In the Matter of the Application of The Illuminating Company for Approval of an Arrangement with an Existing Customer (The Geon Company).	) ) ) ) )	Case No. 99-1565-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Printing Concepts, Inc.	) ) ) ) )	Case No. 99-1566-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Win Plastic Extrusions.	) ) ) ) )	Case No. 99-1567-EL-AEC

In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Norfolk and Southern Railway Company.	) ) ) ) )	Case No. 00-01-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Arrangement with an Existing Customer (Rittman Paperboard Company).	) ) ) ) )	Case No. 00-43-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Kowalski Heat Treating.	) ) ) ) )	Case No. 00-304-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Colliers International, Agent for Charter One Bank.	) ) ) ) ) )	Case No. 00-305-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Mantaline Corporation.	) ) ) ) )	Case No. 00-306-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Performance Elastomers.	) ) ) ) )	Case No. 00-307-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Texler, Inc.	) ) ) ) )	Case No. 00-308-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Millard Refrigerated Services.	) ) ) ) )	Case No. 00-310-EL-AEC

In the Matter of the Application for Approval of an Addendum A to a Contract for Electric Service Between Ohio Power Company and Globe Metallurgical, Inc.	) ) ) ) )	Case No. 00-380-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Net Shape Technologies, Inc.	) ) ) ) )	Case No. 00-452-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Envelope 1.	) ) ) )	Case No. 00-453-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Boardman Molded Plastics.	) ) ) ) )	Case No. 00-454-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Arrowhead Industries.	) ) ) ) )	Case No. 00-455-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Great Lakes Cold Storage.	) ) ) ) )	Case No. 00-456-EL-AEC
In the Matter of the Application of Ohio Edison Company for Approval of an Arrangement with an Existing Customer Allen Aircraft Products.	) ) ) )	Case No. 00-457-EL-AEC
In the Matter of the Application of Ohio Edison Company for Approval of an Arrangement with an Existing Customer Little Tikes.	) ) ) )	Case No. 00-458-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Thermagon.	) ) ) )	Case No. 00-475-EL-AEC

In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Olympic Steel, Inc.	) ) ) ) )	Case No. 00-480-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Shelton Industries.	) ) ) ) )	Case No. 00-584-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Steel Valley Plastics.	) ) ) ) )	Case No. 00-696-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Patrick Products, Inc.	) ) ) ) )	Case No. 00-801-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and M-Tek, Inc.	) ) ) ) )	Case No. 00-802-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and MGQ Incorporated.	) ) ) ) )	Case No. 00-803-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Heinz USA.	) ) ) ) )	Case No. 00-804-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Heinz USA.	) ) ) ) )	Case No. 00-805-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Ameriwood Industries, Inc.	) ) ) ) )	Case No. 00-806-EL-AEC

In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Pressed Paperboard Technologies, LLC.	) ) ) ) )	Case No. 00-807-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Taylor Made Glass of Ohio, Inc.	) ) ) )	Case No. 00-854-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Columbus Southern Power Company and IBM Corporation.	) ) ) )	Case No. 00-855-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Polar Minerals.	) ) ) )	Case No. 00-856-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Ohio Power Company and Jason Incorporated dba Janesville Products.	) ) ) ) )	Case No. 00-857-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Columbus Southern Power Company and Discover Financial Services, Inc.	) ) ) ) )	Case No. 00-858-EL-AEC
In the Matter of the Application for Approval of a Contract for Electric Service Between Columbus Southern Power Company and Crane Plastics Company.	) ) ) ) )	Case No. 00-859-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Midwest Forge.	) ) ) ) )	Case No. 00-955-EL-AEC

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 00-956-EL-AEC
Agreement with Delphi Packard)
Electric.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of Amendment) Case No. 00-957-EL-AEC
No. 1 to an Electric Service Agreement)
with American Tank & Fabricating Co.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 00-958-EL-AEC
Agreement with Feature Foods.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 00-959-EL-AEC
Agreement with Fleming Companies.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 00-1165-EL-AEC
Service Agreement with Net Shape)
Technologies, Inc.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 00-1166-EL-AEC
Service Agreement with Catholic)
Charities Facilities Corporation.)

In the Matter of the Application of)
The Cleveland Electric Illuminating)
Company for Approval of an Electric) Case No. 00-1285-EL-AEC
Service Agreement with Pentair)
Water Treatment Group.)

In the Matter of the Application of)
The Ohio Edison Company for)
Approval of an Electric Service) Case No. 00-1286-EL-AEC
Agreement with ConAgra, Inc.)

In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with ConAgra, Inc.	) ) ) )	Case No. 00-1287-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Elkem Metals Company L.P.	) ) ) ) )	Case No. 00-1413-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Advanced Ceramic, Inc.	) ) ) ) )	Case No. 00-2084-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Plain Dealer Publishing Co.	) ) ) ) )	Case No. 00-2085-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of Amendment No. 1 to the Electric Service Agreement with Argo-Tech Corporation.	) ) ) ) )	Case No. 00-2086-EL-AEC
In the Matter of the Application of The Cleveland Electric Illuminating Company for Approval of an Electric Service Agreement with Unity Rubber.	) ) ) ) )	Case No. 00-2525-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Akron Steel Treating Co.	) ) ) ) )	Case No. 01-56-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with GEI of Columbiana, Inc.	) ) ) ) )	Case No. 01-57-EL-AEC

In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Cloverleaf Cold Storage.	) ) ) ) )	Case No. 01-58-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Stoll Farms, Inc.	) ) ) )	Case No. 01-59-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with B & C Diversified Products, Inc.	) ) ) ) )	Case No. 01-94-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with Millard Refrigerated Services.	) ) ) ) )	Case No. 01-95-EL-AEC
In the Matter of the Application of The Ohio Edison Company for Approval of an Electric Service Agreement with PPG Industries, Inc.	) ) ) ) )	Case No. 01-167-EL-AEC

FINDING AND ORDER

The Commission finds:

- (1) The Applicants, Columbus Southern Power Company, Ohio Power Company, Monongahela Power Company, The Dayton Power and Light Company, The Cincinnati Gas & Electric Company, The Cleveland Electric Illuminating Company, The Ohio Edison Company and The Toledo Edison Company are public utilities as defined in Section 4905.02, Revised Code, and, as such, are subject to the jurisdiction of this Commission.
- (2) The Applicants have petitioned this Commission for approval of Electric Service Agreements with various customers. The parties entered each agreement prior to January 1, 2001.
- (3) The agreements include rates, terms and provisions other than those provided in the approved tariffs, which would, absent the agreements, be applicable.

- (4) Previous Commission policy has allowed electric contracts filed pursuant to Section 4905.31, Revised Code, to become effective upon the filing date with the Commission.
- (5) Under the provisions of the stipulation filed on April 17, 2000, in Case No. 99-1212-EL-ETP, which was approved by the Commission in its Opinion and Order dated July 19, 2000, customers of the FirstEnergy operating companies with contracts filed pursuant to Section 4905.31, Revised Code, were given the right, through December 31, 2001, to cancel such contracts without penalty or to extend the contracts through the date at which the RTC charges cease for each operating company. Therefore, certain of the agreements listed above may have been terminated or extended. Also, the terms of some of the agreements listed above may be complete.
- (6) The Commission finds it reasonable to allow these contracts to run their course. Therefore, subject to the determinations and restraints of Senate Bill 3, the contracts are approved.
- (7) Our approval of these contracts 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 agreements attached to each application are approved. Two copies of the agreements as filed with each application shall be accepted for inclusion in this docket. It is, further,

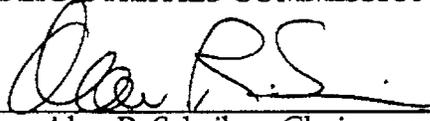
ORDERED, That the case docket for each of the applications listed above be closed. It is, further,

ORDERED, That the Commission's approval of these agreements does not constitute state action for the purpose of the antitrust laws. 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 Applicants, the Customers and all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO



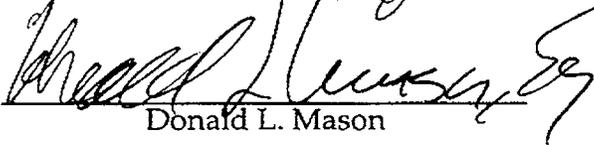
Alan R. Schriber, Chairman



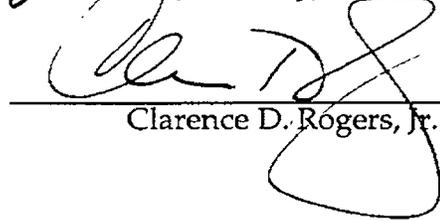
Ronda Hartman Fergus



Judith A. Jones



Donald L. Mason

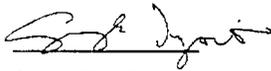


Clarence D. Rogers, Jr.

JMM:ct

Entered in the Journal

JUN 20 2002



Gary E. Vigorito
Secretary