THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE PROCUREMENT OF **STANDARD** SERVICE **OFFER** GENERATION AS PART OF THE FIFTH SECURITY ELECTRIC PLAN Customers OF Оню **EDISON** COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY.

CASE NO. 24-133-EL-UNC

FINDING AND ORDER

Entered in the Journal on August 21, 2024

I. SUMMARY

{¶ 1} In this Finding and Order, the Commission directs Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company to modify their standard service offer procurement auction schedules in the manner set forth in their filing and approves the request to hold an auction between September 30, 2024, and October 31, 2024.

II. PROCEDURAL BACKGROUND

- $\{\P\ 2\}$ Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, FirstEnergy) each qualify as an electric utility as defined by R.C. 4928.01(A)(11) and as an electric distribution utility (EDU) as defined by R.C. 4928.01(A)(6).
- {¶ 3} R.C. 4928.141 provides that electric utilities shall provide consumers a standard service offer (SSO) of all competitive retail electric services in accordance with R.C. 4928.142 or 4928.143. The SSO functions to make generation supply available to customers that are not receiving this supply from a competitive retail electric services provider and is sometimes referred to as default supply. The Commission has approved FirstEnergy's electric security plan (ESP), which implemented a competitive auction-based SSO format, as

24-133-EL-UNC -2-

well as a competitive bid procurement process for the EDU's auctions, to procure generation supply for customers of FirstEnergy for a certain period of time. *In re Ohio Edison Co., The Cleveland Elec. Illuminating Co., and The Toledo Edison Co.,* Case No. 23-301-EL-SSO (*ESP V*), Opinion and Order (May 15, 2024). The use of this competitive bidding process is conducive to Ohio's legal framework that is designed to ensure that all retail electric customers served by EDUs have reliable access to electric generation supply at market-based prices.

- $\{\P 4\}$ In *ESP V*, on June 14, 2024, applications for rehearing regarding the May 15, 2024 Opinion and Order were filed by several parties. By Entry on Rehearing issued July 10, 2024, the Commission granted rehearing for further consideration of the matters specified in the applications for rehearing. Those applications for rehearing are still under consideration by the Commission.
 - {¶ 5} On July 31, 2024, FirstEnergy filed a motion to update its auction schedule.

III. DISCUSSION

 \P 6} In its motion, FirstEnergy explains that the auction schedules it provided in *ESP V* were for the eight-year term of the ESP that it proposed, citing *ESP V*, Co. Ex. 6 (4/5/2023) at Att. RJL-9. However, the Commission approved a shorter five-year ESP term in its *ESP V* Opinion and Order, and FirstEnergy proposed a three-year ESP term in its application for rehearing, which is still under consideration by the Commission. Thus, FirstEnergy seeks to update the auction schedule to align the duration with the term of the ESP approved in *ESP V*. Accordingly, the Companies provided auction schedules for both the approved five-year ESP term and the proposed three-year ESP term. They seek to implement the schedule for whichever term length the Commission approves on rehearing. Next, FirstEnergy states that the next scheduled SSO procurement auction is for summer 2024, but due to the time necessary to implement changes from the *ESP V* Opinion and Order, it requests to conduct that auction instead between September 30, 2024, and October 31, 2024 (October Auction). FirstEnergy explains that the October Auction would procure generation for delivery starting on June 1, 2025, and would procure 25 tranches of a 12-

24-133-EL-UNC -3-

month product. Furthermore, both of the proposed three-year and five-year auction schedules include the same October Auction. FirstEnergy requests expedited treatment and certifies that Staff, the only other party to this proceeding, does not object to the motion.

{¶ 7} Upon review, we find that FirstEnergy's proposed auction schedules are reasonable, and FirstEnergy should utilize the applicable schedule based on our forthcoming decision regarding the ESP term length. Additionally, we find that changing the upcoming auction from summer 2024 to the October Auction timeline is appropriate. Accordingly, the Commission grants the motion.

IV. ORDER

- $\{\P 8\}$ It is, therefore,
- $\{\P\ 9\}$ ORDERED, That FirstEnergy's motion to update its SSO procurement auction schedule be approved. It, is further,
- {¶ 10} ORDERED, That FirstEnergy's motion to adjust its summer 2024 SSO procurement auction to take place between September 30, 2024, and October 31, 2024, be granted in a manner consistent with this order. It is, further,
- **{¶ 11}** ORDERED, That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair Daniel R. Conway Lawrence K. Friedeman Dennis P. Deters John D. Williams

This foregoing document was electronically filed with the Public Utilities Commission of Ohio Docketing Information System on

8/21/2024 2:40:04 PM

in

Case No(s). 24-0133-EL-UNC

Summary: Finding & Order that the Commission directs Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company to modify their standard service offer procurement auction schedules in the manner set forth in their filing and approves the request to hold an auction between September 30, 2024, and October 31, 2024 electronically filed by Ms. Donielle M. Hunter on behalf of Public Utilities Commission of Ohio.