



FILE

City of Cleveland

Jane L. Campbell, Mayor

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March 8, 2004

The Honorable Alan R. Schriber, Ph.D., Chairman
The Honorable Clarence D. Rogers, Jr., Commissioner
The Honorable Donald L. Mason, Commissioner
The Honorable Ronda Hartman Fergus, Commissioner
The Honorable Judith A. Jones, Commissioner
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215-3793

RECEIVED-DOCKETING DIV
2004 MAR 18 PM 3:28
PUCO

Re: *FirstEnergy Rate Stabilization Plan*
Case No. 03-2144-EL-ATA

Dear Chairman Schriber and Commissioners:

I am writing to express my concern over the request by The Cleveland Electric Illuminating Company and the other FirstEnergy companies to approve a Rate Stabilization Plan to govern rates for electric service in the City of Cleveland and the FirstEnergy service area from 2006 through 2008.

In certain critical respects, the plan as proposed is not in the best interests of the City of Cleveland and its CEI customers. Although I share the Commission's desire to ensure stable electricity rates for customers while competition is developing, the FirstEnergy plan as proposed would almost certainly eliminate existing competition from Cleveland's government aggregation program. As the Commission is aware, government aggregation is presently the *only* form of competition available to residential customers in the CEI service area who are unable to receive municipal service. The City's successful aggregation program has saved over 60,000 CEI customers approximately \$3,800,000 since 2001.

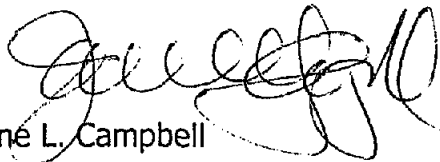
The proposed plan would reduce the target "price to compare" to unrealistically low levels, making it virtually impossible for aggregation programs to attract electricity suppliers. The Commission's own staff witness admitted in the pending case that the proposed shopping credit would virtually prevent shopping by electricity customers. The plan also contains anti-consumer provisions that would require customers to commit to an aggregation program far in advance of service, and would impose extreme penalties on any customer who wished to leave an aggregation plan and return to CEI.

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Finally, I urge the Commission to take a critical look at the proposed Rate Stabilization Charge that consumers are expected to bear in exchange for stable electric rates. High electric rates hurt our residents, businesses, and economy, and the proposed plan ensures that these rates will stay high (and keep increasing) at least through 2008. Although rate stability may come at a price, that price should be no higher than what is justified.

Respectfully,

A handwritten signature in black ink, appearing to read "Jane L. Campbell", written in a cursive style.

Mayor Jane L. Campbell

cc: Frank G. Jackson, President of City Council
Parties of Record