

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE PROCUREMENT
OF STANDARD SERVICE OFFER
GENERATION AS PART OF THE FOURTH
ELECTRIC SECURITY PLAN FOR
CUSTOMERS OF OHIO EDISON
COMPANY, THE CLEVELAND ELECTRIC
ILLUMINATING COMPANY, AND THE
TOLEDO EDISON COMPANY.

CASE NO. 16-776-EL-UNC

FINDING AND ORDER

Entered in the Journal on January 22, 2026

I. SUMMARY

{¶ 1} The Commission approves the results of the auction conducted on January 20, 2026, for the procurement of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company's standard service offer generation as part of its fourth electric security plan.

II. DISCUSSION

{¶ 2} Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company (collectively, FirstEnergy) are electric distribution utilities as defined by R.C. 4928.01.

{¶ 3} R.C. 4928.141 provides that electric distribution 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.

{¶ 4} On March 31, 2016, the Commission issued its Opinion and Order in FirstEnergy's fourth electric security plan (ESP IV) in *In re Ohio Edison Co., The Cleveland Elec. Illum. Co., and The Toledo Edison Co.*, Case No. 14-1297-EL-SSO (ESP IV Case), approving the stipulations filed by various parties.

{¶ 5} Although the Companies' fifth ESP (ESP V) was approved more recently, on October 29, 2024, FirstEnergy filed notice that it was withdrawing from ESP V and filed a motion to reinstate its ESP IV with certain modifications. On December 18, 2024, the Commission accepted the withdrawal notice and granted the motion to reinstate ESP IV, subject to various modifications. *In re the Application of Ohio Edison Co., The Cleveland Elec. Illum. Co., and the Toledo Edison Co.*, Case No. 23-301-EL-SSO (*ESP V Case*), Finding and Order (Dec. 18, 2024); *ESP IV Case*, Finding and Order (Dec. 18, 2024). Specifically, the Commission determined that the SSO procurement process should be continued in its current form, including modifications made in ESP V. *ESP IV Case*, Finding and Order (Dec. 18, 2024) ¶ 26. Both the *ESP IV Case* and the *ESP V Case* provide that retail generation rates will be determined by a descending-clock format competitive bid process (CBP).

{¶ 6} In the CBP, FirstEnergy agreed to procure, on a slice of system basis, 100 percent of its aggregate, wholesale full requirements SSO supply. Further, the stipulations provided that the CBP would be conducted by an independent bid manager, CRA International (CRA). Although the stipulations provided that CRA was to select the winning bidder(s), the stipulations also provided that the Commission may reject the results within 48 hours of the auction conclusion.

{¶ 7} Pursuant to the Commission's decision in the *ESP IV Case* and the *ESP V Case*, a CBP auction was held on January 20, 2026. On January 21, 2026, CRA filed a report regarding the conduct of the auction. On January 21, 2026, Bates White Economic Consulting (Bates White), a consultant retained by the Commission to monitor the CBP auction, also filed a report regarding the auction. These reports consisted of confidential versions, filed under seal, and a redacted version of the report filed by CRA, which is publicly available in this docket.

{¶ 8} According to the reports filed by CRA and Bates White, the auction procured 19 tranches of a 12-month product with a tranche-weighted average price of \$93.11 per MWh for the delivery period between June 1, 2026, and May 31, 2027. The auction also procured

19 tranches of a 24-month product with a tranche-weighted average price of \$95.05 for the delivery period between June 1, 2026, and May 31, 2028. CRA and Bates White each recommend that the Commission find that the CBP auction, within the limits of its structures, had sufficient competitive attributes and resulted in winning prices that are reasonable.

{¶ 9} The Commission finds that the reports filed by CRA and Bates White do not contain any recommendation or evidence that the auction violated the CBP rules in such a manner as to invalidate the auction. Accordingly, the Commission will not reject the results of the CBP auction.

{¶ 10} In addition, the Commission notes that the reports filed by CRA and Bates White also contain sensitive information which should be deemed confidential and remain under seal. Therefore, the Commission finds that the following information will be protected from public release indefinitely: the names of unsuccessful bidders; price information, including starting price methodologies and round prices/quantities for individual bidders; all information contained in Part I and Part II bidder applications; and indicative pre-auction offers.

{¶ 11} However, the Commission finds that certain information regarding the CBP auction contained in the reports submitted by CRA should be released to the public after a brief period of time to allow the winning bidders to procure any additional necessary capacity to serve the SSO load. Therefore, unless otherwise ordered by the Commission, the following information will be subject to public release 21 days after the issuance of this Finding and Order: the names of bidders who won tranches in the CBP auction; the number of tranches won by each bidder; the first round ratio of tranches supplied compared to tranches needed; and, the redacted report filed by CRA detailing the CBP auction proceedings, subject only to redaction of any confidential information enumerated in Paragraph 10.

III. ORDER

{¶ 12} It is, therefore,

{¶ 13} ORDERED, That the information set forth in Paragraph 10 be deemed confidential and remain under seal indefinitely. It is, further,

{¶ 14} ORDERED, That, unless otherwise ordered by the Commission, the information set forth in Paragraph 11 be subject to public release 21 days after the issuance of this Finding and Order. It is, further,

{¶ 15} ORDERED, That a copy of this Finding and Order be served upon all parties and interested persons of record.

COMMISSIONERS:

Approving:

Daniel R. Conway

Lawrence K. Friedeman

John D. Williams

JWS/dmh

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in

Case No(s). 16-0776-EL-UNC

Summary: Finding & Order ordering that the Commission approves the results of the auction conducted on January 20, 2026, for the procurement of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company's standard service offer generation as part of its fourth electric security plan electronically filed by Ms. Donielle M. Hunter on behalf of Public Utilities Commission of Ohio.