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# EAGLE ENERGY, LLC

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November 17, 2006

PUCO

Ms. Renee Jenkins  
Secretary  
Public Utilities Commission of Ohio  
Docketing Section  
180 East Broad Street  
13<sup>th</sup> Floor  
Columbus, Ohio 43215-3793

RE: Case No. 06-1201-AU-ORD

Dear Secretary Jenkins:

Enclosed for filing are ten (10) copies and the original of our Initial Comments in the above referenced case pursuant to the Commission's Entry dated October 11, 2006. If you have any questions concerning the enclosed please contact our office.

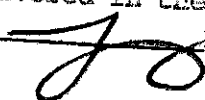
Sincerely,



Donald I. Marshall  
President

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**BEFORE**  
**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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In the Matter of the Review of Chapters )  
4901:5-17, 4901:5-19, 4901:5-21, 4901:5-23 )  
4901:5-25, 4901:5-29, 4901:5-33, 4901:5-35 )  
and 4901:5-37 of the Ohio Administrative )  
Code. )

Case No. 06-1201-AU-ORD

**INITIAL COMMENTS**

**OF**

**EAGLE ENERGY, LLC**

Pursuant to an Entry dated October 11, 2006 in the above referenced case, the Public Utilities Commission of Ohio ("Commission") requested comments regarding changes to certain provisions of the Ohio Administrative Code (O.A.C.). The instant case deals with the Governor's emergency powers and emergency fuel provisions. If adopted, the Commission Staff's suggestions would bring consistency among all the relevant industry specific chapters of the O.A.C. dealing with fuel emergencies including the statutory definition found in Section 4935.03, Ohio Revised Code (O.R.C.). In addition, the instant review is consistent with the mandate of Section 119.032, O.R.C.

The October 11 Entry requested Initial Comments to be filed no later than November 21, 2006 and Reply Comments to be filed no later than December 18, 2006. The comments found herein represent the Initial Comments of Eagle Energy, LLC ("Eagle").

Eagle endorses the proposed rules in that they are supported by and, in fact, are mandated by Section 4935.03, Revised Code. Eagle has only two areas of interest. The first deals the use of a "statewide normal burn day" as a benchmark for the determination of an electric power emergency given the influence of the generation resources of MISO and how those resources impact the State of Ohio in an emergency situation. Eagle believes other more qualified experts may address this as an issue if, in fact, an issue exists that needs to be raised in this area.

The second area of concern and of greater interest to Eagle is the proposed definition of "Gas Supplier" found in Rule 4901:5-25-01(F)(4) which includes *governmental aggregator*. Eagle questions whether in fact such entities should be included in emergency procedures since it is likely that they may not be in a position to fulfill a role in an emergency situation similar to the traditional gas supplier. Such a mandate, if imposed on governmental aggregators, would be duplicative of the requirements of the traditional supplier, the local distribution company (LDC) in many aspects. For example, the LDC already has tariffs on file with the Commission that clearly articulates a curtailment plan. In addition, the LDC has the infrastructure to deal with notification of customers regarding gas supply levels and curtailment procedures. Eagle does not believe governmental aggregators are in a position to undertake these very vital tasks in the event of a natural gas emergency. A single entity should have the responsibility for these tasks in the event of an emergency to minimize customer confusion. Additionally, if governmental aggregators are burdened with such issues, then Eagle believes the end result will be a negative impact on the competitive environment

for natural gas service. Eagle would suggest that governmental aggregators be removed from the definition of gas supplier.

Eagle has one additional comment for the Commission Staff to consider in formulating the energy emergency rules. It appears to Eagle that there is duplicative language throughout the proposed rules. Eagle believes that the rules should be consolidated so that there is one set of rules in the event of an energy emergency stemming from any type or source. For example, a single set of definitions is easier to work with rather than eight sets as proposed even though many of the definitions are identical<sup>1</sup>. It also seems to make sense to consolidate the other sections of the rules dealing with General Provisions<sup>2</sup>, Enforcement<sup>3</sup>, Pre-emergency Actions<sup>4</sup> and Actions Taken Upon Declaration of Energy Emergency<sup>5</sup>.

Eagle Energy appreciates the opportunity to comment on the proposed rules dealing with fuel emergencies and hopes its comments advance the process in a productive manner.

Respectfully submitted,

Eagle Energy, LLC

By /s/Donald I. Marshall  
President

November 17, 2006

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<sup>1</sup> See Rules 4901:5-19-01, 4901:5-21-01, 4901:5-23-01, 4901:5-25-01, 4901:5-29-01, 4901:5-33-01, 4901:5-35-01 and 4901:5-37-01.

<sup>2</sup> See Rules 4901:5-19-02, 4901:5-21-02, 4901:5-23-02, 4901:5-25-02, 4901:5-29-02, 4901:5-33-02, 4901:5-35-02 and 03 (both sections have the same heading) and 4901:5-37-01.

<sup>3</sup> See Rules 4901:5-19-03, 4901:5-23-03, 4901:5-25-03, 4901:5-29-03 and 4901:5-33-03.

<sup>4</sup> See Rules 4901:5-19-04, 4901:5-23-04, 4901:5-25-04, 4901:5-29-04 and 4901:5-33-04.

<sup>5</sup> See Rules 4901:5-19-05, 4901:5-23-05, 4901:5-25-05, 4901:5-29-05 and 4901:5-33-05.