

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Long Term)	
Forecast Report of Ohio Power)	Case No. 10-501-EL-FOR
And Related matters)	

In the Matter of the Long Term)	
Forecast Report of Columbus)	Case No. 10-502-EL-FOR
Southern Power Company and)	
Related matters)	

**Initial Comments of the
Retail Energy Supply Association**

October 3, 2012

TABLE OF CONTENTS

Introduction.....	1
Scope of the Comments	1
Description of RESA	1
RESA Recommendation	2
Statutory Review	3
Commission Question Paragraph 10a.....	5
Specific Commission Question Paragraph 10b	7
Conclusion	11
Certificate of Service	12

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Forecast Report of Columbus)	Case No. 10-502-EL-FOR
Southern Power Company and)	
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**Initial Comments of the
Retail Energy Supply Association**

Introduction

Scope of the Comments

Pursuant to the Commission's Entry of September 5, 2012 in the above styled proceedings, now comes the Retail Energy Supply Association ("RESA") and submits the following Initial Comments regarding the criteria that the Commission should apply in general before mandating that customers pay for a generation unit (hereinafter referred to as "non-bypassable funding"). The Commission via its September 5th Entry solicited comments from interested stakeholders. Specifically in paragraph 10 of the September 5, 2012 Entry the Commission listed specific questions which Commentators should address.

Description of RESA

The Retail Energy Supply Association ("RESA")¹ is a trade association of competitive retail electric service ("CRES") providers that support the creation and advancement of

¹ RESA's members include: Champion Energy Services, LLC; ConEdison *Solutions*; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; Energetix, Inc.; Energy Plus Holdings, LLC; Exelon Energy Company; GDF SUEZ Energy Resources NA, Inc.; Green Mountain Energy Company; Hess Corporation; Integrys Energy Services, Inc.; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; PPL EnergyPlus, LLC; Reliant Energy Northeast LLC, TransCanada Power Marketing Ltd., and TriEagle Energy, L.P.. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

competitive energy markets in Ohio and throughout the country. RESA's members represent the interests of a broad and diverse group of retail energy suppliers who share the common vision that competitive retail energy markets deliver a more efficient, customer-oriented outcome than regulated utility structure. Several RESA members are certificated as CRES providers and are active in the Ohio retail electric and natural gas markets and provide service to residential, commercial, industrial and governmental customers.

RESA Recommendation

The issue before the Commission is a matter of first impression as the Commission is being asked to interpret the so-called "Non-bypassable generation charge" provision of Senate Bill 221. Clear policy direction from the Commission is paramount to ensure the continued development of the competitive market in Ohio and to not reverse some of the great progress that the Commission has made this year with establishing the glide path for Columbus Southern and Ohio Power ("AEP Ohio") to make that transition.

In short, Senate Bill 221 established a clear set of criteria that must be met before an electric distribution utility ("EDU") would be allowed to impose a nonbypassable generation charge to recover the costs associated with a new EDU-owned generation facility. The imposition of non-bypassable generation-related charges have a negative impact upon the development of competitive markets as they, by definition, force customers to pay for generation-related costs and take away the ability of the customer to make a choice on whether they want to purchase a certain type of generation service and from whom to make such purchases. In addition, by allowing EDUs to recover such costs on the backs of all consumers, it creates a disincentive for competitive generation developers to make their own investments in generation projects in Ohio.

Statutory Review

Prior to 1999, Ohio was a franchised monopoly state in which no one could generate and sell electricity without a state franchise. Further, once a franchise was granted, all retail customers in the franchise area were required to purchase both their energy and distribution service from the holder of the franchise². The result was energy prices that varied greatly depending on the service area, a limited ability to self-generate power, often little reward for conservation and a barrier to innovation.

However, the passage of Senate Bill 3 in 1999 changed the paradigm by keeping those services which had aspects of natural monopoly such as distribution service in the hands of the utility, while competitive services could be self-supplied or purchased from a CRES provider or by the retail customer themselves³. Generation, both capacity and energy, are deemed competitive services and the Commission also has the authority to expand the list of competitive service after notice and a public hearing⁴. The General Assembly gave the Commission a policy roadmap in Section 4928.02, Revised Code by which it could better evaluate its mandate under Chapter 4928. The policy directives include the following:

Ensuring diversity of electricity supplies and suppliers, by giving consumers effective choices over the selection of those supplies and suppliers and by encouraging the development of distributed and small generation facilities.⁵

Therefore, any proposal that would force shopping as well as standard service customers to pay for costs associated with EDU-owned generation projects, runs afoul of the above language which encourages diversity of supplies and suppliers and calls for encouraging distributive generation.

² See Section 4933.89, Revised Code – prior to the passage of Senate Bill 3 in 1999.

³ Section 4928.03, Revised Code, then defines what is a competitive service.

⁴ Section 4928.04, Revised Code.

⁵ Section 4928.02(C), Revised Code

Section 4928.17, Revised Code calls for a separation plan so that a utility maintains its competitive generation facilities distinct and apart from its monopoly wire service. The statute provides one of the reasons for this separation is to prevent cross subsidies between the competitive and non competitive services. Allowing an EDU to impose non-bypassable generation-related charges under cuts any such separation plan.

The only exception that the General Assembly made to keeping competitive services and utility services separate is Section 4928.141, Revised Code. Under this Section, if the EDU is acting as the provider of last resort, it is required to provide a default bundled service containing competitive and non competitive services so that any retail customer who had not made arrangements for capacity and energy, would still receive full electric service. To supply the competitive services when needed for the default electric service, the General Assembly allowed the utility to either outsource the competitive services to the market – Market Rate Option (or MRO)⁶ or a utility can supply the competitive services via utility facilities but only under an approved electric security plan.⁷

As a practical matter, any utility that meets its obligation under Section 4928.141, Revised Code to provide a default electric service via the MRO cannot require any non-bypassable generation-related charges because rather than use utility facilities, the utility will be relying upon the competitive wholesale market to obtain the generation resources to meet the energy and capacity needs of its customers. That leaves only the Electric Security Plan where a utility could even seek to impose a non-bypassable generation charge to finance the construction of a new generation facility. The General Assembly foresaw the possible damage of having shopping customers paying for competitive services they did not need. Thus, to ensure that neither retail customers would be called upon to pay subsidies, nor competitive energy suppliers

⁶ Section 4928.142, Revised Code

⁷ Section 4928. 143, Revised Code.

harmful by inequitable cost treatment, the following statutory limitations were placed on the non-bypassable funding of competitive generation facilities under Senate Bill 221:

(c) The establishment of a nonbypassable surcharge for the life of an electric generating facility that is owned or operated by the electric distribution utility, was sourced through a competitive bid process subject to any such rules as the commission adopts under division (B)(2)(b) of this section, and is newly used and useful on or after January 1, 2009, which surcharge shall cover all costs of the utility specified in the application, excluding costs recovered through a surcharge under division (B)(2)(b) of this section. However, no surcharge shall be authorized unless the commission first determines in the proceeding that there is need for the facility based on resource planning projections submitted by the electric distribution utility. (Emphasis added).⁸

As noted above, the first restriction that the General Assembly placed on the imposition of non-bypassable charges for competitive generation services is the requirement of a competitive bid to source the generation. Since the General Assembly was establishing additional criteria regarding the policy of a competitive electric industry in Ohio, Section 4928.143, Revised Code made clear that generation service was going to be priced at what the lowest and best provider can supply the generation for.

The second limitation is that there is a “need for the facility”. The General Assembly did not define need and left that for the Commission to sort out.

Commission Question Paragraph 10 a

The Commission in its Entry of September 5th put the question of what is meant by “need for the facility” directly to the commentators by asking the two following specific questions in paragraph 10a.

How should need be defined and what is the proper legal standard that should be applied to the Commission's analysis of need?

⁸ Section 4928.143 (B)(2)(3), Revised Code

As detailed above in the Legal Review Section, the General Assembly separated out the competitive from the non competitive services. Competitive services became the province of the CRES provider, save for the competitive services needed to provide bundled default service. Within that context of the statutory language “need for the facility”, “need” should be limited to just providing those competitive services required for the default bundled service and whether or not there is insufficient access or availability of those services in Ohio. Even then knowing that generation cannot be both rate and service regulated and market priced the General Assembly added the competitive bidding requirement. Had the General Assembly not interposed these limits the exception of addressing utility facilities for supply through non-bypassable charges could defeat the grand design of empowering retail customers to make the decision to buy and companies to build the most efficient electric generation. Further, to give meaning to the above restrictions on the imposition of nonbypassable-generation charges to support EDU funded-generation facilities, “need for the facility” must be read narrowly to mean that generation is not available elsewhere for less.

RESA believes that the portion of the Section 4928.143 underlined above calling for a “competitive bid process” means that before the Commission can authorize a non-bypassable charge for a generation facility there must be a showing that the capacity or energy is not available for less. It is disingenuous to argue that a “competitive bid process” requirement is fulfilled without a demonstration that other options do not exist.

If the Commission concludes that the need for obtaining renewable energy credits (RECs) is sufficient to allow AEP Ohio to impose non-bypassable generation charges, then the test for whether there is a “need for a facility” ought to be judged by whether RECs are available in the market. If RECs are not available, then in accordance with Section 4928.143(B)(2)(c), Revised Code before a non-bypassable rider could be assessed upon all retail customers for a

facility that will produce RECs, a competitive bid process would have to be instituted so that anyone who can provide renewable generation gets that opportunity.

Is need limited to energy and capacity only, or does need include compliance with the renewable portfolio standard (RPS)?

Given the language in the statute the answer appears to be no. Section 4928.143(B)(2)(c), Revised Code was added to the statute at the same time as Section 4928.64, Revised Code that created the renewable portfolio standards in Ohio. However, the trigger in Section 4928.143(B)(2)(c), Revised Code for allowing the funding of a generation facility through the imposition of a non-bypassable generation charge is limited to the need for a “facility” not a “facility” or “renewable energy certificates (or RECs)”. Since the General Assembly knew of the RPS requirement, the fact that statute only refers to “facilities” creates the inference that the need for RECs to meet the RPS is not a suitable trigger for the imposition of a non-bypassable generation charge.

Specific Commission Question Paragraph 10 b

The parties should also address whether the Commission, in evaluating the need for the Turning Point project, should solely consider AEP-Ohio's need for the project, or whether the Commission should look beyond the need of the Company or its service territory. For example, should the Commission consider whether the *Turning Point* project is needed by other *electric* utilities or electric services companies in Ohio, or whether the state as a whole has a need for the project? Should the Commission consider whether there is a need for the Turning Point project outside of the state, given that the solar renewable energy credits (SRECs) generated from the project may be used in meeting the RPS in other states *and* that SRECs *generated* from facilities outside the state may be used to meet Ohio's RPS?

Section 4928.143(B)(2)(c), Revised Code calls for the facility to be dedicated to Ohio consumers. That provision seems to nix the idea that Ohio customers are going to be assigned the financial risk of a plant designed to supply RECs to customers out of state. The dedication

provision also highlights the problem of assessing the utility customers in one service area to meet the REC needs of customers in another service area. If the Commission is going to follow the rate principle of cost responsibility being paired with cost causation, then it should be the utility that needs the RECs building and dedicating the generation facility.

Applying these thoughts to the matter at bar, if AEP Ohio does not need the Turning Point Project to fulfill its default service obligation, can Turning Point be justified by showing a need for a facility somewhere else in Ohio or even a need elsewhere in another state?

First, by all objective standards, AEP Ohio has not demonstrated a need for the Turning Point project. Given the surplus of both generation and capacity as outlined in AEP Ohio's Long Term Forecast, Turning Point cannot be justified for power needs. This is especially true since Turning Point will be an intermittent generator whose production literally depends on the weather during the day and is not available at night. So the only justification that AEP Ohio can muster is the need for RECs in Ohio to satisfy the RPS with Solar Renewable Energy Certificates (S-RECs).

During the first year of operation under SB 221, RESA applied to the Commission for a waiver of the Ohio sited S-REC requirement because Ohio sited S-RECs were not available. Since then, RESA members have not needed to seek waivers. In fact, not only are S-RECs generally available, the cost of S-RECs have been coming down in price (in nominal terms) over the past two years. This is evidence that the supply of S-RECs is increasing vis-a-vis the demand in Ohio.

AEP Ohio might argue that while S-RECs are plentiful now, in the future AEP Ohio may face a shortage of S-RECs (in its service area, Ohio or surrounding states). RESA has no

objection if AEP Ohio⁹ wishes to build Turning Point because AEP Ohio foresees a need for S-RECs. If the intent is to use this facility for out of state then it cannot be funded through a non-bypassable charge. RESA recommends that the Commission carefully consider the policy ramifications and market risks before it decides to grant AEP Ohio the relief it seeks by way of the imposition of a non-bypassable charge to finance the Turning Point project.

Because RESA members serving in Ohio must have RECs and SRECs they are keenly aware of the liquidity of the REC and SREC market. Further, the responsibility for purchasing tomorrow's REC and SRECs lies mostly with the CRES provider. Attached as Exhibit A-1 the Commission's June 2007 Market Monitoring Report. Exhibit A-2 is the June 2012 Commission Market Monitoring Report which shows that over 34% of the AEP Ohio load was being supplied by CRES providers and that number has been rising steadily since June. In the FirstEnergy service territory, 85% of the Cleveland Electric Illuminating Company, 75% of the Toledo Edison and 77% of the Ohio Edison load are supplied by CRES providers.

In sum, today the market for RECs and S-RECs is very liquid and in the future the buyers of RECs and S-RECs are likely going to be the CRES providers. In the AEP Ohio ESP II proceeding (Case No. 11-346-EL-SSO), for many of the same reasons as outlined above, RESA and others opposed the imposition of a non-bypassable charge to finance the Turning Point project.

A simple example will point out why adding a non-bypassable funded renewable generator like Turning Point may actually decrease the steady development of renewable generators currently going on in Ohio. IGS Energy, who has joined RESA in these comments, is a CRES provider making retail energy sales to residential customers in the AEP Ohio service area. IGS built a solar unit across the roof of its service building. The unit supplied all of IGS'

⁹ Given Section 4928.17, Revised Code RESA assumes that it would not be Ohio Power but a non regulated affiliate building and selling energy, capacity and S-RECs.

Ohio S-REC needs for the last reporting period¹⁰ and the rest of the S-RECs generated, IGS sold in the Ohio S-REC market.. If the Commission authorizes AEP Ohio to impose a non-bypassable charge to finance the Turning Point project, customers of IGS will have to pay for the costs associated with the Turning Point project and a CRES provider like IGS will no longer have the degree of flexibility to meet its RPS obligation as currently enjoyed. Further, the competitive wholesale generation market and REC market through IGS sought to meet its RPS requirement will be diminished and possibly lost. Finally, when IGS goes to sell its S-RECs into the Ohio S-REC market, the impact of the subsidized Turning Point RECs will decrease the value .

It is well established that unless the Commission forces all current and future rate payers to cover the cost of Turning Point, AEP will not build it¹¹. If CRES providers know that any renewable energy purchases or generation investments that they make to meet their RPS obligations is now at risk of having to compete with subsidized utility projects – it will decrease the number of renewable generation projects that get built in Ohio by renewable generators, CRES providers, or retail customers. If Turning Point is a solid investment than AEP Ohio should be willing to fund it and take the commercial risk.

In sum, when assessing need for the non bypassable funded Turning Point facility, the Commission must take into consideration the harm it will cause as well as the RECs it will generate along with the market affect of having a subsidized generation facility. The S-REC market is sending correct price signals and in response Solar projects are being built across this state. Introduction of a solar unit subsidized by unwilling ratepayers plant is likely to have a chilling effect on this fledgling industry in Ohio. The second Pillar of the Governor's Energy Policy is to expand customer choice for renewables. Making entrepreneurs who are willing to

¹⁰ Calendar year 2011

¹¹ Application AEP Ohio Case No. 11-346-EL-SSO p. 8

take the risk for their solar generation have to compete with a utility who bears no risk and simply sends non-bypassable charges to customers who cannot escape payment violates the Governor's policy. is not how markets and choice grow.

Conclusion

Non-bypassable utility funding of generation, be it for capacity or for renewable energy credits, will cause more problems than it solves, likely decrease construction of conventional and renewable generation in Ohio, and frustrate the clear policy directive of this Commission that Ohio is going to rely upon competitive market principles as part of its energy policy.

Respectfully submitted,

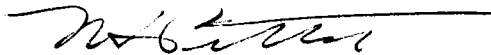


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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Initial Comments of the Retail Energy Supply Association was served this 3rd day of October, 2012 via email on the parties listed below.



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**Summary of Switch Rates from EDUs to CRES Providers in Terms of Sales
For the Month Ending June 30, 2007
(MWh)**

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Cleveland Electric Illuminating Company	CEI	30-Jun	2007	361134	329495	759276	1469454
CRES Providers	CEI	30-Jun	2007	39172	68042	85807	193021
Total Sales	CEI	30-Jun	2007	400306	397537	845083	1662475
EDU Share	CEI	30-Jun	2007	90.21%	82.88%	89.85%	88.39%
Electric Choice Sales Switch Rates	CEI	30-Jun	2007	9.79%	17.12%	10.15%	11.61%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Duke Energy Ohio	DUKE	30-Jun	2007	596566	553015	569974	1881084
CRES Providers	DUKE	30-Jun	2007	6790	52577	2214	61581
Total Sales	DUKE	30-Jun	2007	603356	605592	572188	1942665
EDU Share	DUKE	30-Jun	2007	98.87%	91.32%	99.61%	96.83%
Electric Choice Sales Switch Rates	DUKE	30-Jun	2007	1.13%	8.68%	0.39%	3.17%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Columbus Southern Power Company	CSP	30-Jun	2007	573319	773611	464805	1816163
CRES Providers	CSP	30-Jun	2007	0	15964	0	15964
Total Sales	CSP	30-Jun	2007	573319	789575	464805	1832127
EDU Share	CSP	30-Jun	2007	100.000%	97.978%	100.000%	99.129%
Electric Choice Sales Switch Rates	CSP	30-Jun	2007	0.000%	2.022%	0.000%	0.871%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
The Dayton Power and Light Company	DPL	30-Jun	2007	425751	314245	153152	979272
CRES Providers	DPL	30-Jun	2007	0	35498	207643	284064
Total Sales	DPL	30-Jun	2007	425751	349743	360795	1263336
EDU Share	DPL	30-Jun	2007	100.00%	89.85%	42.45%	77.51%
Electric Choice Sales Switch Rates	DPL	30-Jun	2007	0.00%	10.15%	57.55%	22.49%

Source: PUCO, Division of Market Monitoring & Assessment.

Note1: Total sales includes residential, commercial, industrial and other sales.

Note2: The switch rate calculation is intended to present the broadest possible picture of the state of retail electric competition in Ohio.

Appropriate calculations made for other purposes may be based on different data, and may yield different results.

Note3: American Electric Power, through its Columbus Southern Power subsidiary, purchased Monongahela Power Company's Ohio transmission and distribution operations in January 2006. Monongahela Power is no longer an electric distribution utility in Ohio. Previously reported Monongahela sales and customers are now being reported by CSP.

Note4: Duke Energy Ohio (formerly CG&E)

**Summary of Switch Rates from EDUs to CRES Providers in Terms of Sales
For the Month Ending June 30, 2007
(MWh)**

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Monongahela Power Company	MON	30-Jun	2007	0	0	0	0
CRES Providers	MON	30-Jun	2007	0	0	0	0
Total Sales	MON	30-Jun	2007	0	0	0	0
EDU Share	MON	30-Jun	2007	0%	0%	0%	0%
Electric Choice Sales Switch Rates	MON	30-Jun	2007	0%	0%	0%	0%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Ohio Edison Company	OEC	30-Jun	2007	579038	468556	653750	1716393
CRES Providers	OEC	30-Jun	2007	114849	152335	127159	394343
Total Sales	OEC	30-Jun	2007	693887	620891	780909	2110736
EDU Share	OEC	30-Jun	2007	83.45%	75.47%	83.72%	81.32%
Electric Choice Sales Switch Rates	OEC	30-Jun	2007	16.55%	24.53%	16.28%	18.68%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Ohio Power Company	OP	30-Jun	2007	519265	512977	1197088	2234551
CRES Providers	OP	30-Jun	2007	0	0	0	0
Total Sales	OP	30-Jun	2007	519265	512977	1197088	2234551
EDU Share	OP	30-Jun	2007	100.00%	100.00%	100.00%	100.00%
Electric Choice Sales Switch Rates	OP	30-Jun	2007	0.00%	0.00%	0.00%	0.00%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Toledo Edison Company	TE	30-Jun	2007	160542	153398	439516	757918
CRES Providers	TE	30-Jun	2007	21167	93699	7811	122677
Total Sales	TE	30-Jun	2007	181709	247097	447327	880595
EDU Share	TE	30-Jun	2007	88.35%	62.08%	98.25%	86.07%
Electric Choice Sales Switch Rates	TE	30-Jun	2007	11.65%	37.92%	1.75%	13.93%

Source: PUCO, Division of Market Monitoring & Assessment.

Note1: Total sales includes residential, commercial, industrial and other sales.

Note2: The switch rate calculation is intended to present the broadest possible picture of the state of retail electric competition in Ohio.

Appropriate calculations made for other purposes may be based on different data, and may yield different results.

Note3: American Electric Power, through its Columbus Southern Power subsidiary, purchased Monongahela Power Company's Ohio transmission and distribution operations in January 2006. Monongahela Power is no longer an electric distribution utility in Ohio.

Previously reported Monongahela sales and customers are now being reported by CSP.

Note4: Duke Energy Ohio (formerly CG&E)

**Summary of Switch Rates from EDUs to CRES Providers in Terms of Sales
For the Month Ending June 30, 2012
(MWh)**

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Cleveland Electric Illuminating Company	CEI	30-Jun	2012	97578	61634	64286	235305
CRES Providers	CEI	30-Jun	2012	333384	524337	489366	1347318
Total Sales	CEI	30-Jun	2012	430962	585971	553652	1582623
EDU Share	CEI	30-Jun	2012	22.64%	10.52%	11.61%	14.87%
Electric Choice Sales Switch Rates	CEI	30-Jun	2012	77.36%	89.48%	88.39%	85.13%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Duke Energy Ohio	DUKE	30-Jun	2012	371225	107037	18283	508286
CRES Providers	DUKE	30-Jun	2012	225040	463488	401058	1193897
Total Sales	DUKE	30-Jun	2012	596265	570525	419341	1702183
EDU Share	DUKE	30-Jun	2012	62.26%	18.76%	4.36%	29.86%
Electric Choice Sales Switch Rates	DUKE	30-Jun	2012	37.74%	81.24%	95.64%	70.14%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
AEP - Ohio	AEP	30-Jun	2012	976225	639774	1012397	2635276
CRES Providers	AEP	30-Jun	2012	163686	615539	583470	1364624
Total Sales	AEP	30-Jun	2012	1139911	1255313	1595867	3999900
EDU Share	AEP	30-Jun	2012	85.640%	50.965%	63.439%	65.884%
Electric Choice Sales Switch Rates	AEP	30-Jun	2012	14.360%	49.035%	36.561%	34.116%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
The Dayton Power and Light Company	DPL	30-Jun	2012	331462	90323	20982	491582
CRES Providers	DPL	30-Jun	2012	74614	243083	302475	695084
Total Sales	DPL	30-Jun	2012	406076	333406	323457	1186666
EDU Share	DPL	30-Jun	2012	81.63%	27.09%	6.49%	41.43%
Electric Choice Sales Switch Rates	DPL	30-Jun	2012	18.37%	72.91%	93.51%	58.57%

Source: PUCO, Energy & Environment

Note1: Total sales includes residential, commercial, industrial and other sales.

Note2: The switch rate calculation is intended to present the broadest possible picture of the state of retail electric competition in Ohio.

Appropriate calculations made for other purposes may be based on different data, and may yield different results.

Note3: "Total Sales" include "Other Sales" (e.g. street lighting).

Note4: CSP and OP has merged into AEP-Ohio

**Summary of Switch Rates from EDUs to CRES Providers in Terms of Sales
For the Month Ending June 30, 2012
(MWh)**

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Ohio Edison Company	OEC	30-Jun	2012	233282	76459	145459	467001
CRES Providers	OEC	30-Jun	2012	483574	511618	601625	1596859
Total Sales	OEC	30-Jun	2012	716856	588077	747084	2063860
EDU Share	OEC	30-Jun	2012	32.54%	13.00%	19.47%	22.63%
Electric Choice Sales Switch Rates	OEC	30-Jun	2012	67.46%	87.00%	80.53%	77.37%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Sales	Commercial Sales	Industrial Sales	Total Sales
Toledo Edison Company	TE	30-Jun	2012	63412	23409	125417	216482
CRES Providers	TE	30-Jun	2012	133787	152522	388728	675077
Total Sales	TE	30-Jun	2012	197199	175931	514145	891559
EDU Share	TE	30-Jun	2012	32.16%	13.31%	24.39%	24.28%
Electric Choice Sales Switch Rates	TE	30-Jun	2012	67.84%	86.69%	75.61%	75.72%

Source: PUCO, Energy & Environment

Note1: Total sales includes residential, commercial, industrial and other sales.

Note2: The switch rate calculation is intended to present the broadest possible picture of the state of retail electric competition in Ohio.

Appropriate calculations made for other purposes may be based on different data, and may yield different results.

Note3: "Total Sales" include "Other Sales" (e.g. street lighting).

Note4: CSP and OP has merged into AEP-Ohio

**Summary of Switch Rates from EDUs to CRES Providers in Terms of Customers
For the Month Ending June 30, 2012**

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Cleveland Electric Illuminating Company	CEI	30-Jun	2012	161580	17714	170	179866
CRES Providers	CEI	30-Jun	2012	498422	65724	485	564648
Total Customers	CEI	30-Jun	2012	660002	83438	655	744514
EDU Share	CEI	30-Jun	2012	24.48%	21.23%	25.95%	24.16%
Electric Choice Customer Switch Rates	CEI	30-Jun	2012	75.52%	78.77%	74.05%	75.84%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Duke Energy Ohio	DUKE	30-Jun	2012	405345	37393	795	445342
CRES Providers	DUKE	30-Jun	2012	206207	30087	1408	241906
Total Customers	DUKE	30-Jun	2012	611552	67480	2203	687248
EDU Share	DUKE	30-Jun	2012	66.28%	55.41%	36.09%	64.80%
Electric Choice Customer Switch Rates	DUKE	30-Jun	2012	33.72%	44.59%	63.91%	35.20%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
AEP - Ohio	AEP	30-Jun	2012	1092901	138415	7984	1241502
CRES Providers	AEP	30-Jun	2012	178256	35340	2268	216466
Total Customers	AEP	30-Jun	2012	1271157	173755	10252	1457968
EDU Share	AEP	30-Jun	2012	85.98%	79.66%	77.88%	85.15%
Electric Choice Customer Switch Rates	AEP	30-Jun	2012	14.02%	20.34%	22.12%	14.85%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
The Dayton Power and Light Company	DPL	30-Jun	2012	379449	30233	686	412614
CRES Providers	DPL	30-Jun	2012	74561	19884	1059	100058
Total Customers	DPL	30-Jun	2012	454010	50117	1745	512672
EDU Share	DPL	30-Jun	2012	83.58%	60.32%	39.31%	80.48%
Electric Choice Customer Switch Rates	DPL	30-Jun	2012	16.42%	39.68%	60.69%	19.52%

Source: PUCO, Energy & Environment

Note1: Total customers includes residential, commercial, industrial and other customers.

Note2: The switch rate calculation is intended to present the broadest possible picture of the state of retail electric competition in Ohio.

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Note3: "Total Customers" include "Other Customers" (e.g. street lighting).

Note4: CSP and OP has merged into AEP-Ohio

**Summary of Switch Rates from EDUs to CRES Providers in Terms of Customers
For the Month Ending June 30, 2012**

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Ohio Edison Company	OEC	30-Jun	2012	292038	26752	392	321146
CRES Providers	OEC	30-Jun	2012	625343	83288	1026	709750
Total Customers	OEC	30-Jun	2012	917381	110040	1418	1030896
EDU Share	OEC	30-Jun	2012	31.83%	24.31%	27.64%	31.15%
Electric Choice Customer Switch Rates	OEC	30-Jun	2012	68.17%	75.69%	72.36%	68.85%

Provider Name	EDU Service Area	Quarter Ending	Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Toledo Edison Company	TE	30-Jun	2012	88562	8224	86	97811
CRES Providers	TE	30-Jun	2012	183282	26442	394	210200
Total Customers	TE	30-Jun	2012	271844	34666	480	308011
EDU Share	TE	30-Jun	2012	32.58%	23.72%	17.92%	31.76%
Electric Choice Customer Switch Rates	TE	30-Jun	2012	67.42%	76.28%	82.08%	68.24%

Source: PUCO, Energy & Environment

Note1: Total customers includes residential, commercial, industrial and other customers.

Note2: The switch rate calculation is intended to present the broadest possible picture of the state of retail electric competition in Ohio.

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Note3: "Total Customers" include "Other Customers" (e.g. street lighting).

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Summary: Comments Initial Comments electronically filed by M HOWARD PETRICOFF on behalf of Retail Energy Supply Association