# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Investigation of Ohio's Retail Electric Service Market

Case No. 12-3151-EL-COI

# MEMO CONTRA APPLICATION FOR REHEARING OF IGS ENERGY

# I. INTRODUCTION

IGS Energy ("IGS") respectfully submits the following Memo Contra to the

applications for rehearing filed in this proceeding on April, 25 2014. In accordance with

the Commission's policy of limiting redundant arguments and saving judicial resources,

IGS adopts the Retail Energy Supply Association's ("RESA's") positions in its Memo

Contra for the following issues:

- The Commission should reject any arguments that competitive retail electric supplier ("CRES") logo's should not be placed on the electric distribution utility ("EDU") bill;
- The Commission correctly concluded that the number of "active CRES providers" by EDU service territory is an appropriate measurement for determining whether the CRES market has effective competition;
- The Commission should explicitly direct the EDUs to provide interval customer energy usage date ("CEUD") to CRES providers after approval of tariff revisions specific to interval CEUD, and should establish a procedure for the tariff filings, including a timeframe within which those proposed tariff revisions should be filed and an opportunity for filing comments, objections and proposed modifications;
- The Commission did not error in finding that certain CRES provider data should be kept confidential.

In addition to the positions taken by RESA, IGS makes the following responses to

the applications for rehearing filed by other parties in this proceeding.

## II. ARGUMENTS

# A. The Commission Should not Require CRES Providers to Pay for the Cost of Billing Upgrades and Reformatting.

A number of parties suggest that the Commission should require CRES suppliers to pay for the cost of billing modifications ordered by the Commission in this proceeding.<sup>1</sup> However, all customers pay for the EDU bill through distribution rates, including shopping customers. Further, all customers pay for the inclusion of the logo of the EDU on the EDU bill, including shopping customers. It would thus be unreasonable to require CRES suppliers to pay for billing upgrades ordered in this proceeding, when all billing functionality needed to support the SSO product on the customer's bill is recovered from all customers, including shopping customers.

## B. Customer Engagement is a Reasonable Measure for Competition

In its application for rehearing the Northeast Ohio Public Energy Counsel ("NOPEC") objects to including customer engagement as part of the verification metrics for effective competition.<sup>2</sup> The Finding and Order adopting customer engagement as a metric for effective competition was well reasoned and thus NOPEC's Application for Rehearing on these grounds should be rejected.

NOPEC largely makes no new arguments; rather, NOPEC reiterates its comments and reply comments. For these reasons IGS points to its reply comments filed on February 20 explaining why NOPEC is incorrect on this issue.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Application for Rehearing of Ohio Partners for Affordable Energy, et al, at 7-11 (April 25, 2014); Office of Ohio Consumers' Counsel Application for Rehearing at 11-12 (April 25, 2014).

<sup>&</sup>lt;sup>2</sup> See generally NOPEC Application for Rehearing.

<sup>&</sup>lt;sup>3</sup> IGS Energy Reply Comment at 7 (Feb. 20, 2014), Case No. 12-3151-EL-COI.

One novel claim NOPEC does make in its Application for Rehearing is that NOPEC suggests that it is a violation of the United States Constitution to include customer engagement as a metric for effective competition.<sup>4</sup> However, it is unclear how a metric, listed in a Commission Order, that is not an actual change to Ohio's electric rules, violates the constitutional rights of United States citizens. For these reasons NOPEC's argument has no merit.

Further, NOPEC cites former Chairman Snitchler's concurring opinion in this proceeding, which NOPEC then somehow ties to IGS testimony filed in the Columbia Gas Merchant Function case.<sup>5</sup> This is despite the fact that former Chairman Snitchler's concurring opinion does not cite to IGS' comments filed in this proceeding, much less testimony IGS filed in a natural gas case over two years ago. While NOPEC's arguments certainly are creative, concurring opinions have no binding effect, and thus provide no basis for rehearing.

For these reasons the Commission should reject NOPEC's request for rehearing to reconsider the metrics for competitive markets adopted by the Commission.

### C. The PTC Should not be Calculated Based on a Twelve Month Moving Average Price

A number of parties filed applications for rehearing in this proceeding requesting that the Commission modify its Finding and Order to not make the EDU price-to-compare ("PTC") calculated on a twelve month moving average. IGS agrees with these parties and the Commission should not modify the PTC calculation so that it is based on a twelve month moving average.

<sup>&</sup>lt;sup>4</sup> NOPEC Application for Rehearing, at 4-6 (April 25, 2014)

<sup>&</sup>lt;sup>5</sup> Id. at 6-7.

#### III. CONCLUSION

IGS thanks the Commission for giving it the opportunity to be a meaningful participant in this Ohio RMI proceeding. For the reasons stated herein, IGS requests that the Commission address the in this Memo Contra according to IGS' recommendations made herein.

Respectfully submitted,

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#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of this *Memorandum Contra Applications for Rehearing* was served on the persons stated below via electronic transmission to the persons listed below, this

5th day of May, 2014.

<u>/s/ Matthew White</u> Matthew White Attorney for IGS Energy

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Summary: Memorandum Contra Application for Rehearing electronically filed by Mr. Matthew White on behalf of IGS Energy