

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Amendment of Chapters	)	
4901:1-10 and 4901:1-21, Ohio	)	Case No. 14-1411-EL-ORD
Administrative Code, Regarding Electric	)	
Companies and Competitive Retail Electric	)	
Service, to Implement 2014 SubS.B. No.	)	
310	)	

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**REPLY COMMENTS OF DIRECT ENERGY SERVICES, LLC  
DIRECT ENERGY BUSINESS, LLC,  
AND DIRECT ENERGY BUSINESS MARKETING, LLC**

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November 17, 2014

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**I. INTRODUCTION**

On October 15, 2014, the Public Utilities Commission of Ohio (“Commission”) issued an Entry in the above-captioned docket and set an initial comment deadline of November 5, 2014, and a reply comment deadline of November 17, 2014. Direct Energy Services, LLC, Direct Energy Business, LLC, and Direct Energy Business Marketing, LLC (“Direct Energy”) timely filed Initial Comments in this proceeding and now submits its Reply Comments. Direct Energy’s decision not to address any particular portion of another commenter’s filing should not be construed as agreement with those particular comments.

**II. REPLY COMMENTS**

**Ohio Power Company (“AEP-Ohio”)**

*Disclosure of Competitive Retail Electric Supply (“CRES”) Compliance Costs on Electric Distribution Utility (“EDU”) Bills*

AEP-Ohio suggests that CRES providers should provide AEP-Ohio with their own compliance cost information related to the alternative energy mandates for placement on AEP-Ohio consolidated bills and that CRES providers should be held responsible for the amounts put on the utility consolidated bills. AEP-Ohio Initial Comments at 2. As Direct

Energy noted in its Initial Comments, the Commission should follow the statutory language in R.C. 4928.65 and, for utility consolidated billed customers, include the utility's cost of compliance to meet the compliance cost disclosure requirements. Corrected Initial Comments of Direct Energy at 2-4; *see also* DP&L Initial Comments at 2. AEP-Ohio's suggestion is not allowed under the statute. Additionally, it would require CRES providers to put commercially sensitive information into the public domain for its competitors' consumption. *See* Initial Comments of Industrial Energy Users-Ohio at 6. Finally, this suggestion would appear to create an administrative headache for CRES providers and perhaps AEP-Ohio too. AEP-Ohio's suggestion should be denied.

#### *Miscellaneous Clarifications*

AEP-Ohio also raises clarification requests related to displaying the compliance cost line item in a kilowatt hour ("kWh") format [rather than a megawatt hour ("MWh") format], notification of when the annual report is filed, and special circumstances where customers are not billed on a per-unit basis. AEP-Ohio Initial Comments at 3-4.

Direct Energy encourages the Commission to make these clarifications with additional details as well. Specifically, as it relates to the kWh clarification, Direct Energy does not read the proposed rule to require an EDU or CRES provider to actually show the calculation on the bill but rather to simply show the total cost amount. The proposed rules dictate the calculation of the total cost through a per kWh or per MWh input, but there is no requirement in the statute or the rule that the calculation itself appear on the customer's bill. Direct Energy does not oppose the prospect of an EDU or CRES provider putting the calculation on the bill as an option rather than calculating a total and posting that calculation for each individual customer. However, the

Commission should clarify the actual calculation in addition to the total cost is not required and the only mandated number is the total cost amount or information which provides all details for the customer to calculate the total cost amount, but not both.

Additionally, Direct Energy supports AEP-Ohio's comments about notification of when the report is provided and for 30 days to update the data provided on customers' bills flowing from the report. All interested parties in this process would be well-served by clear notification of when the report is provided to the General Assembly as well as a reasonable 30-day window to change customer bills to incorporate the new compliance cost numbers provided in the report. The Commission already has a similar process in place for providing environmental disclosure data and could use a similar approach.

Finally, Direct Energy encourages the Commission to address the situation described by AEP-Ohio where an account has no actual metered usage (e.g. a street light).

**Environmental Law and Policy Center, Sierra Club, Natural Resources Defense Council, and Ohio Environmental Council ("Environmental Advocates")**

The Environmental Advocates request the Commission mandate stakeholder input and Commission review of sample bills and cost calculations. The Environmental Advocates say the Commission should "require each company subject to the proposed regulations to file a sample bill, and an accompanying sample calculation, for review and approval by the Commission each year before those bills are actually issued to customers." Environmental Advocates Initial Comments at 10. Direct Energy opposes this recommendation. The Commission rules do not require CRES providers to submit their bill formats for approval and there is no need to introduce this step into the process now. Further, the proposal would burden Staff with review of each EDU and CRES provider bill format every year when complaints about compliance with

the Commission's rules for billing are non-existent. CRES providers and EDUs will comply with the proposed rules just as they do with other rules without the need for submission and approval of bill formats. To the extent the Commission needs to review any CRES provider materials due to a complaint the Commission already has that authority.

### **Dayton Power and Light ("DP&L")**

DP&L requests at least six (6) months to implement the changes in the proposed rules. DP&L Initial Comments at 3. Direct Energy also asked for 90 days implementation time. Direct Energy would also support DP&L's request for six months and requests the same amount of time be provided to CRES providers as is provided to EDUs to implement the new rules. Additionally, the Commission should clarify the time clock for implementation begins to run upon the effective date of the rules (e.g. ten days after a final filing of the rules is made at the Joint Committee on Agency Rule Review).

### **III. CONCLUSION**

Direct Energy respectfully requests the Commission make the changes or clarifications recommended in these Reply Comments.

Respectfully submitted,

/s/ Joseph M. Clark

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## **CERTIFICATE OF SERVICE**

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document on the following parties. In addition, I hereby certify that a service copy of the foregoing *Reply Comments of Direct Energy Services, LLC, Direct Energy Business, LLC and Direct Energy Business Marketing, LLC* will be sent via electronic mail to the e-mail addresses below on this 17<sup>th</sup> day of November, 2014.

/s/ Joseph M. Clark

Joseph M. Clark

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Summary: Comments (Reply) electronically filed by JOSEPH CLARK on behalf of Direct Energy Services, LLC and Direct Energy Business, LLC and Direct Energy Business Marketing, LLC