## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of FirstEnergy Solutions Corp. to Become a Certified Retail Electric Supplier in the State of Ohio

CASE NO. 00-1742-EL-CRS

### MOTION FOR EXTENSION OF CERTIFICATE EXPIRATION DATE AND MEMORANDUM IN SUPPORT

FirstEnergy Solutions Corp. ("FES") hereby moves for a 120-day extension of its certificate as a Competitive Retail Electric Service Provider, Renewal Certificate Number 00-11E(9) ("Certificate"), through March 2, 2019. Good cause exists to extend the Certificate for this 120-day period because FES, though financially stable with almost \$1 billion in cash on hand, is currently in bankruptcy. Delaying the Commission's consideration of the FES renewal application and extending the Certificate for an additional 120 days will provide the Commission with the opportunity to evaluate FES' financial performance while in bankruptcy and FES' continued service of Ohio customers, and will provide additional clarity on the potential sale of the FES retail book and any potential FES plan of reorganization. Accordingly, FES respectfully requests that the Certificate be extended through March 2, 2019.

Respectfully submitted,

/s/ N. Trevor Alexander

Steven D. Lesser (0020242) N. Trevor Alexander (0080713) Mark T. Keaney (095318) CALFEE, HALTER & GRISWOLD LLP 41 S. High St., 1200 Huntington Center Columbus OH 43215 Telephone: (614) 621-1500 Email: slesser@calfee.com Email: mkeaney@calfee.com Email: talexander@calfee.com *Will accept service via email* 

ATTORNEYS FOR FIRSTENERGY SOLUTIONS CORP.

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#### MEMORANDUM IN SUPPORT OF MOTION FOR EXTENSION OF CERTIFICATE EXPIRATION DATE AND MEMORANDUM IN SUPPORT

On March 31, 2018, FirstEnergy Solutions Corp. ("FES"), a certified competitive retail electric service ("CRES") provider in Ohio, filed a voluntary petition in the United States Bankruptcy Court for the Northern District of Ohio, Eastern Division (the "Bankruptcy Court") for relief pursuant to Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Proceeding").

Since that filing, FES has continued its various customer programs with approval from the Bankruptcy Court. That has included its cash-back rewards program, block billing program, budget billing program, fee waivers, customer deposits and customer credits, commitments to customer partners (e.g., third-party brokers), renewable energy obligations, grant obligations (including governmental aggregation programs), and customer incidents or other service-related issues (collectively, "Customer Programs/Services"). FES has also met and continues to meet all of its obligations to provide collateral or other financial guarantees to the electric distribution utilities ("EDUs") in Ohio to ensure that sufficient collateral or other financial guarantees or other assurances are provided where necessary. FES also honored its commitments to RTOs including PJM Interconnection, LLC ("PJM"), to ensure that FES maintains the ability to sell generation into the RTOs' administered markets. While fulfilling all of these responsibilities, FES has been able to maintain its financial integrity. As of the most recent publicly reported financials, FES has been able to increase its cash on hand to over \$920 million.<sup>1</sup> Accordingly, there is no reason for concern about FES' continuing ability to fulfill its responsibilities to serve Ohio customers.

On October 1, 2018, FES filed an application to renew its CRES Renewal Certificate Number 00-11E(9) ("Certificate")(the "Renewal Application"). While FES believes that sufficiently evidences that a Renewal Application could be granted at this point with no risk of harm to Ohio customers, FES acknowledges the Commission's interest in ensuring that FES is financially able to fulfill its contractual responsibilities during the pendency of the Bankruptcy Proceeding. Accordingly, FES hereby respectfully requests that the Commission indefinitely defer ruling on the Renewal Application, and grant an extension of the Certificate for an additional 120 days, through March 2, 2019 ("Extended Period").

Extending the Certificate will provide the Commission the opportunity to obtain additional information concerning the Bankruptcy Proceeding during this Extended Period. During this period, the potential sale of the FES retail book is expected to be resolved. Additionally, the Extended Period will provide the opportunity for the Commission to obtain additional information about FES' financial performance, its ability to continue serving customers as an Ohio CRES provider, and the status of any potential plan of reorganization for FES and its debtor affiliates.

No party will be prejudiced by this extension. The Extended Period will allow FES to continue to fulfill its contractual obligations and provide the Customer Programs/Services which customers depend on. The extension will also avoid any potential negative impact on the FES Bankruptcy or conflict with federal law.

<sup>&</sup>lt;sup>1</sup> Bankruptcy Proceeding, Case No. 18-50757-amk- Doc. 1471, filed September 28, 2018, p. 3.

In light of the foregoing, FES respectfully requests that the Commission defer ruling on the Renewal Application, and instead extend the Certificate for an additional 120 days, through March 2, 2019. If the Certificate needs to be renewed beyond that date, FES will file another motion to address that issue in the future.

Respectfully submitted,

/s/ N. Trevor Alexander

Steven D. Lesser (0020242) N. Trevor Alexander (0080713) Mark T. Keaney (095318) CALFEE, HALTER & GRISWOLD LLP 41 S. High St., 1200 Huntington Center Columbus OH 43215 Telephone: (614) 621-1500 Email: slesser@calfee.com Email: mkeaney@calfee.com Email: talexander@calfee.com *Will accept service via email* 

ATTORNEYS FOR FIRSTENERGY SOLUTIONS CORP.

# **CERTIFICATE OF SERVICE**

I certify that the foregoing was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on this 22nd day of October, 2018. The PUCO's e-filing system will electronically serve notice of the filing of this document on counsel for all parties.

<u>/s/ N. Trevor Alexander</u> One of the Attorneys for FES This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

10/22/2018 9:44:14 AM

in

Case No(s). 00-1742-EL-CRS

Summary: Motion for Extension of Certificate Expiration Date electronically filed by Mr. Trevor Alexander on behalf of FirstEnergy Solutions Corp.