BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)	
FirstEnergy Solutions Corp. to Become a)	
Certified Retail Electric Supplier in the State)	Case No. 00-1742-EL-CRS
of Ohio)	

MOTION FOR EXTENSION OF CERTIFICATE EXPIRATION DATE AND MEMORANDUM IN SUPPORT

In accordance with the previous direction of the Attorney Examiner, FirstEnergy Solutions Corp. ("FES") hereby moves for a 180-day extension of its certified retail electric service ("CRES") provider Certificate Number 00-11E(9) ("Certificate") through April 29, 2020. There is good cause to extend the Certificate for an additional 180 days given recent developments in the Bankruptcy Proceeding (defined below) that have provided additional clarity on FES' targeted bankruptcy emergence date. Further, good cause exists to grant an extension because, although still in bankruptcy, FES has more than \$1 billion in cash on hand, has continued to meet all of its obligations to customers, and has remained in compliance with all relevant Commission rules during its Chapter 11 proceeding. In sum, extending the Certificate for an additional 180 days will afford FES sufficient time to emerge from bankruptcy by the end of 2019, and allows the Commission to continue to evaluate FES' performance in bankruptcy.

In the event 180 days is not sufficient time for FES to emerge from bankruptcy due to unforeseen delays or other issues that may arise unexpectedly during the Bankruptcy Proceeding, FES would anticipate making a supplemental filing seeking an additional extension of its Certificate. However, based on information and belief, FES expects that this will be the final request to extend its current Certificate, after which FES will file a completed certificate renewal application for the Commission's review and approval.

¹ See Entry (March 22, 2019), ¶ 11.

Respectfully submitted,

/s/ N. Trevor Alexander

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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").

On October 1, 2018, FES filed an application to renew its CRES Renewal Certificate Number 00-11E(9) ("Certificate") (the "Renewal Application"). On October 22, 2018, FES filed a Motion to Extend Its Certificate for an additional 120 days if the Commission was not inclined to rule on the Renewal Application at that time. In that motion, FES explained that despite its pending bankruptcy, it had continued to meet its obligations to customers, Ohio electric distribution utilities, and RTOs, and had sufficient liquidity as a going concern.

On October 26, 2018, the Attorney Examiner issued an Entry which granted FES' motion. The Attorney Examiner found that FES had demonstrated good cause for an extension of its Certificate, but that 120 days was insufficient because "[t]his would most likely result in FES filing repeated, additional requests for extensions of its current certificate." Accordingly, the Attorney Examiner instructed FES to file a renewal application no later than 30 days before

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² Entry (October 26, 2018), ¶ 5.

May 1, 2019. The Attorney Examiner also held that "[n]onetheless, the attorney examiner will consider additional extension requests if necessary due to the bankruptcy proceeding."³

On March 20, 2019, FES filed another Motion to Extend Its Certificate, seeking an additional 180-day extension as the Bankruptcy Proceeding progressed. On March 22, 2019, the Attorney Examiner granted the motion and extended the Certificate expiration date to October 28, 2019.⁴ Further, the Attorney Examiner advised that "the attorney examiner will consider additional extension requests if necessary due to the bankruptcy proceeding."⁵

Meanwhile, FES has continued to meet all of its obligations to customers, Ohio electric distribution utilities, and RTOs. FES has also complied with all relevant Commission rules and procedures. FES has significant liquidity (currently over \$1 billion dollars in cash), a trained technical staff, and a strong managerial team – all of which meet the requirements of Ohio law.

Furthermore, there have been significant developments in the Bankruptcy Proceeding since the Attorney Examiner last extended FES' Certificate on March 22, 2019. With creditors and other shareholders reaching agreement on all material aspects of FES' Plan of Reorganization ("Plan") (with the exception of certain labor contract issues that are unrelated to and unaffected by state retail certification compliance), FES is expected to emerge from bankruptcy by the end of 2019.

As a result, FES hereby respectfully requests that the Commission grant an extension of the Certificate for an additional 180 days, through April 29, 2020 ("Extended Period"). Extending the Certificate for 180 days would permit FES to emerge from bankruptcy while also allowing the Commission to continue to evaluate FES' performance in bankruptcy. A 180-day extension should be enough time for FES to emerge from bankruptcy in late 2019 and then file a new application for a traditional 2-year renewal of its CRES certificate. FES expects that no

 $^{^{3}}$ *Id*. at ¶ 6.

⁴ Entry (March 22, 2019), ¶ 9.

additional extensions will be necessary; however, should any unforeseen delays or other issues impacting the bankruptcy emergency timing/process arise, FES may need to request another extension of its Certificate.

Importantly, no party will be prejudiced by this extension. The Extended Period will allow FES to continue to fulfill its contractual obligations and provide the programs on which customers rely. The extension will also avoid any potential negative impact on the Bankruptcy Proceeding or otherwise conflict with federal law.

In light of the foregoing, FES respectfully requests that the Commission extend the Certificate for an additional 180 days, through April 29, 2020. If the Certificate needs to be renewed beyond that date, FES will file another motion to address that issue in the future. If FES emerges from bankruptcy before that date, FES anticipates submitting a supplemental filing to obtain Commission approval of its plan for operation after it emerges from bankruptcy.

⁵ *Id*. at ¶ 6.

Respectfully submitted,

/s/ N. Trevor Alexander

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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 12th day of September, 2019. The PUCO's e-filing system will electronically serve notice of the filing of this document on counsel for all parties.

/s/ Mark T. Keaney

One of the Attorneys for FirstEnergy Solutions Corp.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

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in

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

Summary: Motion For Extension of Certificate Expiration Date and Memorandum in Support electronically filed by Mr. Trevor Alexander on behalf of FirstEnergy Solutions Corp.