BEFORE

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Application of Ohio  Edison Company, The Cleveland Electric  Illuminating Company and The Toledo  Edison Company for Authority to Provide  for a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security Plan | )  )  )  )  )  )  ) | Case No. 14-1297-EL-SSO |

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**DIRECT TESTIMONY OF MATTHEW WHITE**

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On behalf of Interstate Gas Supply, Inc.

**I. INTRODUCTION AND PURPOSE OF TESTIMONY**

**Q.** **Please introduce yourself.**

A. My name is Matthew White. I am employed by Interstate Gas Supply, Inc. (“IGS” or “IGS Energy”) as Manager, Legal and Regulatory Affairs. My business address is 6100 Emerald Parkway, Dublin, Ohio 43016.

**Q. Please describe your educational background and work history.**

A. I have a Juris Doctor (J.D.) and Masters in Business Administration (M.B.A.) from the College of William & Mary. I also have a Bachelor of Arts (B.A.) from Ohio University. I started my legal career working at the law firm of Chester, Wilcox & Saxbe as an energy and utilities lawyer. At Chester Wilcox, I participated in numerous regulatory proceedings relating to utility matters including natural gas and electric rate cases and electric power siting cases. I also have worked on power and gas sales transactions. At the beginning of 2011, I was hired into IGS Energy’s rotation program where I spent the next 16 months working in various different departments throughout the company learning IGS’ entire business, including the gas supply and risk departments. In 2012, I began full-time as an attorney in IGS’ regulatory affairs department. In 2014, I was promoted to Manager, Legal and Regulatory Affairs at IGS. In my current position, I manage the legal activities for IGS Energy at utilities commissions and other regulatory bodies throughout the United States. My team is responsible for electric and natural gas litigation for IGS Energy, including electric and natural gas rate cases and other proceedings that relate to energy.

**Q. Have you submitted testimony at any regulatory bodies before?**

A. Yes. I have submitted written testimony in the following cases: Public Utilities Commission of Ohio Case Nos. 12-1685-GA-AIR, 13-2385-EL-SSO, 12-426-EL-SSO, and 14-841-EL-SSO; Michigan Public Service Commission Case Nos. U-17131 and No. U- 17332; Kentucky Public Service Commission Case No. 2013-00167; Illinois Commerce Commission Case No. 14-0312.

**Q. What is the nature of IGS’ business?**

A. IGS Energy is headquartered in Dublin, Ohio and has over 25 years’ experience serving customers in Ohio’s competitive markets. IGS Energy serves over 1 million customers nationwide and sells natural gas and electricity to customers in 11 states and in over 40 utility service territories. In Ohio, IGS currently serves electric customers in the AEP Ohio, Duke Energy Ohio, FirstEnergy and the Dayton Power & Light service territories. The IGS family of companies (which include IGS Generation, IGS Home Services, and IGS CNG Services) also provides customer focused energy solutions that compliment IGS Energy’s core commodity business including distributed generation, demand response, CNG refueling, and utility line protection.

**Q. What is the purpose of your testimony?**

**A.** In my testimony, I make recommended modifications to FirstEnergy’s ESP application that should be made in order to ensure that the policies of the State of Ohio to promote retail electric competition are fully effectuated. Specifically in my testimony:

* I conclude that retail electric competition is not robust in the FirstEnergy service territory, particularly for the residential customer class. The vast majority of migration in the FirstEnergy service territory is a result of municipal aggregation. A large portion of that aggregation is served by FirstEnergy Solutions (“FES”), an affiliate of FirstEnergy. This is especially problematic given FES’ recent shift away from competitive markets and competitive policies.
* To ensure that the competitive retail electric markets continue to move forward in the FirstEnergy service territory, the Commission should modify FirstEnergy’s proposed ESP to include additional measures that will promote retail electric competition. Specifically, the Commission should:
  + Modify FirstEnergy’s proposed standard service offer (“SSO”) to ensure that it truly is a “comparable and unbundled” retail electric product in the market as required by Ohio law.
  + Deny FirstEnergy’s anti-competitive proposal to only allow competitive retail electric service (“CRES”) providers to use the bill ready function to bill for only generation charges; rather the Commission should affirm that CRES providers are able to use the bill-ready function to bill for a more diverse range of products as explained in my testimony. These measures are particularly important because FirstEnergy is currently allowing select third-party companies bill for non-commodity charges on the EDU bill while excluding all others.
  + The Commission should direct FirstEnergy to begin taking steps necessary to implement supplier consolidated billing as described in my testimony.
  + The Commission should reject the RRS and investigate FirstEnergy’s past dealings with FES because it appears that FirstEnergy’s corporate separation plan is not working.

**II. RETAIL COMPETITION**

**Q. Does FirstEnergy’s ESP Application Promote Retail Electric Competition?**

A. No. FirstEnergy represents that its ESP proposal will enhance retail electric competition. However, FirstEnergy has proposed the deceptively named retail rate stability rider (the “RRS”) which, if approved, would effectively re-regulate a large amount of FirstEnergy’s legacy generation assets. As further explained in the testimony of IGS witness Haugen, the RRS would be a step backward for retail electric competition. Further, FirstEnergy has not proposed to eliminate many of the anti-competitive elements of its current ESP. Thus, in the aggregate, the ESP Application as proposed by FirstEnergy is anti-competitive and should not be approved by the Commission.

**Q. How would you access the level of retail electric competition in the FirstEnergy service territory?**

A. FirstEnergy represents that it has the highest level of residential retail electric shopping in the State. However, the FirstEnergy shopping statistics do not paint the entire picture. Upon information and belief, a vast majority of electric shopping in the FirstEnergy service territory is a result of government aggregation. Further, FES (FirstEnergy’s affiliate) is the largest electric supplier of those electric aggregations.

IGS has asked FirstEnergy for the exact amount of electric shopping that can be attributed to aggregation in the FirstEnergy service territory, but FirstEnergy has refused to produce that information. I reserve the right to supplement this testimony pending a resolution of an on-going discovery dispute between IGS and FirstEnergy. Based upon publicly available data, however, it is apparent that one aggregation supplier alone serves over 500,000 customers in the service territories of Ohio Edison Company and Cleveland Electric Illuminating Company.[[1]](#footnote-1)

**Q. Do you have concerns about so much electric shopping being contingent on aggregations supplied by FES?**

A.Yes,I have a number of concerns. First, FES is directly working with FirstEnergy in this proceeding to re-regulate a portion of FES’ electric generation. Thus, I am concerned about the state of the FE competitive markets given that the “competitiveness” of the FE market is so highly contingent on an aggregation supplier (FES) which is now advocating for re-regulation of electric generation. Further, FES has announced that it is returning (and has returned) a significant number of its customers to SSO service.[[2]](#footnote-2) While it appears for now that FES intends to still retain its aggregation customers, if FES decides to pull out of that business and return those customers to the SSO, the electric shopping in the FE territory could be severely diminished. Accordingly, given FE/FES’ erratic behavior when it comes to its view of competitive markets, I am concerned about the future of competitive retail electric markets in the FirstEnergy service territory.

**Q. Do you recommend that the Commission take means that will enhance retail electric competition in the FirstEnergy service territory?**

A. Yes. First, Ohio policy requires that the Commission support and promote retail electric competition. Further, given the apparent shift of FirstEnergy/FES away from competitive policies, it is important that the Commission continue to support the development of retail electric competition in the FirstEnergy service territory and throughout the State of Ohio.

**III.** **UTILITY BILLING**

**Q. Why is it important that CRES providers have the ability to offer non-commodity products and services to customers?**

A. One of the major benefits of competition is that it encourages the development of innovative products and services that add value to customers beyond the electric commodity. CRES suppliers such as IGS are starting to develop new products and services that provide additional value to customers. The market is evolving to offer even more sophisticated electric products and services including electricity bundled with energy efficiency, demand response, direct load control, smart thermostats, distributed solar generation and other forms of on-site generation, micro-grids, battery storage technology, products bundled with loyalty rewards and products bundled with home protection, to name a few. These value added products and services not only add value to customers, but also many of these products enable customers to use electricity more efficiently, reduce customer’s energy costs and enhance electric reliability on the grid.

**Q. Will expanding the ability of CRES providers to bill for a diverse range of products enhance the competitive market?**

A. Yes. As competitive markets and technology evolve, customers will start seeing electricity as more than just the commodity, but rather a package of products and services that include the electric commodity. Thus, it is becoming increasingly more important for CRES providers to be able to bill for these products and services in a manner that is convenient for customers.

**Q. Does FirstEnergy’s application contain any provisions that would prevent CRES providers from using the consolidated utility bill for non-commodity services?**

A. Yes. FirstEnergy proposes adding the word “generation” to the definition of Bill Ready (Application Attachment 5, 1st Revised Page 3 of 52). This definitional change would prohibit CRES providers from using the Bill Ready function to include non-commodity charges on the consolidated utility bill. This modification would diminish the ability of CRES providers to offer competitive products to customers in FirstEnergy’s service territory. Moreover, as discussed below, it would allow FirstEnergy to provide discriminatory access to the utility bill, a non-competitive distribution asset.

**Q. Does FirstEnergy currently bill for non-commodity products and services?**

A. Yes. According to FirstEnergy’s website, there are a number of non-commodity products and services that FirstEnergy offers and FirstEnergy bills for on the utility bill. Many of these products appear to be provided by third party companies, but they are advertised as FirstEnergy products and billed on the FirstEnergy bill.[[3]](#footnote-3)

**Q. Can you please identify the unregulated products that FirstEnergy currently bills for third party companies on the utility bill?**

A. Yes. FirstEnergy is currently offering and billing for the following non-commodity services:

* FirstEnergy is currently offering unregulated electric technician service. According to the FirstEnergy website, the FirstEnergy contact center will arrange an electric technician to be sent to the customers home to perform in-home services such as “home safety inspections”, “repairs and upgrades” and “wiring work, plug and switch installation”, to name a few. The charges for the services will be billed directly on the FirstEnergy bill.[[4]](#footnote-4)
* FirstEnergy is currently offering tree maintenance service on its website. The FirstEnergy contact center will arrange for a tree technician to come to the customers home to perform “tree pruning” and “tree health maintenance” among other services. The charges for the services will be billed directly on the FirstEnergy bill. [[5]](#footnote-5)
* FirstEnergy is currently offering installation of outdoor lighting services through its website. Much like the other unregulated services FirstEnergy offers, FirstEnergy contact center will arrange for the customer to receive these services, and bill the customer through the consolidated utility bill.[[6]](#footnote-6)
* Through a company called Home Serve, FirstEnergy is offering insurance for “electrical, plumbing, heating, and cooling systems.” FirstEnergy is currently billing for these products and services on the EDU bill.[[7]](#footnote-7)
* FirstEnergy has recently filed an application at the Commission in Case 14-1980-EL-ATA to offer disaster insurance to Ohio customers. While FirstEnergy has provided limited information in its application about its request to provide disaster insurance, FirstEnergy’s request indicates it also intends to use the utility bill to bill for these services.

**Q. Are there any other non-regulated products and service charges that FirstEnergy currently allows on the utility bill?**

A. The products listed above are just the unregulated non-commodity products and services I have been able to identify. IGS asked FirstEnergy in discovery about the non-commodity products and services it is currently billing for on the utility bill and FirstEnergy has refused to provide any information on this topic.[[8]](#footnote-8)

**Q. Does FirstEnergy allow CRES providers to bill for non-commodity products and services on the EDU bill?**

**A.** No. IGS has requested, and FirstEnergy has refused, to allow IGS to bill for non-commodity products and services similar to the products and services that are being offered by, and being billed by, FirstEnergy. It appears that through its request to narrow the definition of Bill Ready charges to generation only, FirstEnergy seeks formal approval from the Commission to discriminate against CRES providers.

**Q. Is it reasonable for FirstEnergy to prohibit CRES suppliers from billing non-commodity charges while at the same time allowing third parties and or affiliates to bill for non-commodity charges on the utility bill?**

A. No. It is unreasonable and discriminatory that FirstEnergy is willing to bill unregulated non-commodity charges for a select group of third party companies or affiliates, but at the same time, seeking to prohibit CRES providers from placing non-commodity charges on the utility bill. Further, Ohio Law prohibits a utility from giving any “undue or unreasonable preference or advantage to any person, firm, corporation, or locality.”  *See* R.C. 49305.35(A). Finally, State policy promotes competitive markets and the offering of a diverse range of products and services.

**Q. Do you have additional recommendations with respect to non-commodity billing?**

A. By prohibiting CRES providers from billing for non-commodity charges (while also allowing specific competitors in the market to do so) FirstEnergy is in violation of Ohio law and Ohio’s pro-competitive policy. Therefore, the Commission should reject FirstEnergy’s proposal to amend its tariff to limit CRES providers from using the bill ready function to bill for only “generation” charges. Further, the Commission should modify FirstEnergy’s ESP to require that FirstEnergy update its tariff to explicitly allow CRES providers to use the bill-ready function to bill for non-commodity charges. The Commission should also direct FirstEnergy to update its tariffs to treat CRES non-commodity charges with respect to payment priority in the same manner FirstEnergy treats the non-commodity charges for the third-party companies for whom FirstEnergy makes available billing services.

**IV. SUPPLIER CONSOLIDATED BILLING**

**Q. Why is it important for CRES providers to have flexibility when billing for electric service?**

A. As I note already, more and more customers are demanding value added products and services with their electric commodity. Therefore, it is important to be able to bill for value added products and services in a way that is convenient for customers. For instance, if a customer enrolls in a product with a CRES that includes the electric commodity, a smart-thermostat, energy monitoring, energy efficiency and demand response, the customer does not want separate bills for each individual component of that product. Further, customers may not even want a separate price for each service, but rather may want a bundled all-in price. Therefore, in order for CRES providers to offer value added products and services that customers prefer it is important to have billing flexibility for electric service.

**Q. You have already requested that the Commission require FirstEnergy to allow CRES providers to bill for non-commodity charges on the utility bill. Is there another option that will give CRES providers the flexibility to bill for non-commodity charges?**

A. Yes. The Commission should also require that FirstEnergy take steps necessary to allow all CRES providers to have the option of supplier consolidated billing.

**Q. Are you recommending supplier consolidated billing as an alternative to requiring FirstEnergy to allow CRES providers to use the bill-ready billing functionality to bill for non-commodity charges?**

A. No. I am recommending that the Commission allow CRES providers to use the FirstEnergy bill ready function to bill for non-commodity charges for utility consolidated billing *and* that the Commission order FirstEnergy to implement supplier consolidated billing. It is important the Commission adopt both recommendations because it may take time for FirstEnergy to implement supplier consolidated billing. In the meantime CRES providers should be able to use the FirstEnergy bill-ready option to bill for non-commodity charges.

**Q. How does supplier consolidated billing differ from utility consolidated billing?**

A. Supplier consolidated billing would enable CRES suppliers to provide customers with a single bill for all the components of electric service, including the non-commodity components. Supplier consolidated billing is similar to utility consolidated billing in that the customer will receive only one bill for electric distribution and generation service. However, with supplier consolidated billing model, the CRES supplier issues the bill to the customer instead of the utility.

**Q. How does supplier consolidated billing work?**

A. Under the supplier consolidated billing model, the CRES supplier purchases the receivables from the utility for the utility distribution charges upfront, making the utility whole for all electric distribution charges and other regulated charges the utility may be authorized to collect from customers. After the CRES purchases the receivables from the utility, the CRES supplier is then responsible for collecting and billing all electric distribution and generation charges from the customer. Under the supplier consolidated billing model, the customer does not receive a bill from the utility.

**Q. Currently can CRES suppliers issue bills to FirstEnergy customers?**

A. Currently, CRES suppliers can bill for their electric generation charges, but they must do so under the dual billing option. Under the dual billing option, CRES providers must issue a separate bill for electric generation charges, and FirstEnergy would still issue a bill for distribution charges. However, very few CRES suppliers elect dual billing for residential customers because under this option customers receive two separate bills which is inconvenient for the customer. Most, if not all, CRES providers utilize utility consolidated billing for residential customers.

Q. **Under supplier consolidated billing, would non-payment of non-commodity charges trigger disconnection protocols toward a customer?**

A. No. While CRES providers would be able to bill non-commodity charges on the customer’s bills, with supplier consolidated billing, failure to pay non-commodity charges would not trigger disconnection for the customer. Disconnect would only be applicable to electric charges and be subject to the same laws and procedures as today. Further, it would still be the utility’s responsibility to initiate the physical disconnect for the customer.

**Q. Would CRES suppliers still have to abide by the same billing rules and billing format as the EDUs if supplier consolidated billing is adopted?**

A. Yes. Currently Ohio has rules that govern how utilities must bill customers and have specific requirements for each utility bill. Under supplier consolidated billing, CRES providers would still be subject to the same billing requirements in the rules and statutes today.

**Q. How do you recommend that FirstEnergy’s Application be modified to allow for supplier consolidated billing?**

A. I recommend that the Commission modify the ESP Application to require FirstEnergy to expeditiously develop the supplier consolidated billing option for CRES suppliers and order FirstEnergy to make any IT updates and changes to its tariffs and billing manuals.

**Q. Are you recommending that FirstEnergy discontinue the utility consolidated billing option?**

A. No. FirstEnergy should still make the utility consolidated billing option available to CRES providers. CRES providers should have the option to choose between supplier consolidated billing and utility supplier billing. This will allow for the most billing flexibility for customers.

**V. UNBUNDLING OF COSTS**

**Q. Has IGS in previous ESP proceedings advocated for proposals that would encourage customers to engage in Ohio’s competitive retail electric markets?**

A. Yes. IGS continues to advocate for moving Ohio’s competitive retail electric markets forward in a way that encourages customer engagement. In order for customers to be more willing to adopt value added products and services that enable them to use and consume energy more efficiently, customers must be engaged in the competitive retail electric market. Unfortunately, the current SSO service discourages customer engagement and encourages customers to view electric service as a commodity only product over which they have no control. As such, IGS has made a number of proposals over the years that would encourage customers to affirmatively choose a retail electric product based on the preferences of the customer.

**Q. What can be concluded about the level of customer engagement in the FirstEnergy service territory?**

A. It can be concluded that the Ohio competitive electric markets have done a good job encouraging opt-out aggregation in the FirstEnergy service territory, but have done a poor job at encouraging customers to affirmatively enroll in a competitive product or otherwise engage in the competitive market.

**Q. Are there measured steps that the Commission could take to encourage residential customer engagement in FirstEnergy’s retail electric markets?**

A. Yes. The simplest solution would be to structure FirstEnergy’s SSO product as a true provider of last resort service, where the SSO product is only a back-stop service available to customers when no other product in the market is available. Limiting default service in such a manner would eliminate inequities, avoid anti-competitive advantage, and provide the surest route to effective competition. However, recognizing that Ohio is transitioning to fully competitive retail electric markets for FirstEnergy’s next ESP, at a minimum, the Commission should ensure that the SSO product being offered by FirstEnergy is an unbundled product comparable to other retail electric products in the market. Specifically, the Commission should unbundle the costs FirstEnergy incurs in distribution rates that are required to support SSO service and reflect those costs in the SSO price.

**Q. What does it mean to unbundle costs?**

A. Currently, FirstEnergy’s SSO price is essentially a pass-through of wholesale capacity and electric costs. However, FirstEnergy incurs a number of other actual costs required to support SSO service, but those costs are not reflected in the SSO price; instead they are recovered through FirstEnergy’s distribution rates. Ohio law requires that the SSO price be comparable and non-discriminatory to other products and services in the market. Further, Ohio law prohibits subsidies flowing from distribution rates to SSO service. Thus, FirstEnergy’s SSO price should reflect all of the costs required to support SSO service, and those costs should not be recovered through distribution rates.

**Q. Can you please give examples of costs FirstEnergy incurs to support SSO service but are recovered through distribution rates?**

A. Yes. There are a number of costs FirstEnergy incurs required to support SSO service. Those costs include legal expenses incurred to establish the SSO price; an allocation of FirstEnergy employee costs for the time FirstEnergy employees work to make the SSO rate available to customers; FirstEnergy infrastructure costs used to support the SSO, including IT costs used to support the SSO and SSO customers; the cost of working capital FirstEnergy incurs to purchase SSO supply up-front, but bill SSO customers later; customer call center costs incurred when customers inquire about their SSO generation service; and allocation of a portion of overhead expense, because the SSO could not be made available to customers without the use of FirstEnergy’s overhead. All of these costs are not reflected in the SSO price but rather recovered through distribution rates.

**Q. How should the Commission treat the costs FirstEnergy incurs for procuring SSO service for customers that are currently being recovered through distribution rates?**

A. The Commission should start allocating these costs to the SSO price. As any supplier can attest to, the cost of providing retail electric service consist of more than just a pass-through of wholesale energy prices. As noted above, there are a number of non-electric costs that are required to offer SSO service to residential electric customers that are currently being recovered through distribution rates.

**Q. Would unbundling result in higher prices paid for by customers?**

A. No, IGS is proposing that unbundling be done in a revenue neutral manner. Thus, under my proposal, customer’s distribution rates would be lowered and those costs would merely be reflected in the SSO price.

**Q. Have other states with competitive retail electric markets unbundled costs to support default service from electric utility distribution rates and charged those costs to default service?**

A. Yes. Ohio is significantly behind when it comes to ensuring that the default service price reflects the full costs of providing retail electric service. In the states of Pennsylvania, Maryland, Texas, Illinois, and New York, a number of non-commodity costs required to support the default service are actually charged to the default service. Those include the cost of IT, legal fees, infrastructure, customer service, cost of working capital, and employee time to name a few. Although as noted above, Ohio law requires that Ohio utilities also do this kind of unbundling, the utilities in Ohio have yet to begin this process. Ohio continues to treat default service price as just a pass-through price for wholesale electric costs and other costs required to support SSO service are not included in the default rate.

**Q. Why is it important that the SSO price reflect all of the cost required to support the SSO?**

A. First, it is a requirement in Ohio law that the SSO price be an unbundled comparable price to a *retail* electric product in the market. Second, if the SSO price does not reflect the full costs required to support that service, it will discourage competition (particularly for the residential class) in Ohio’s retail electric markets. By encouraging customers to remain on SSO service, the Commission is effectively adopting a policy that discourages engagement in the retail electric markets. In the long run, a disengaged market with miss out on the multitude of innovative products and technologies that will enhance Ohio’s electric reliability and enable customers to use energy more efficiently.

**Q. What do you recommend the Commission require FirstEnergy to do with respect to unbundling of the costs required to support SSO service?**

A. I recommend that the Commission require FirstEnergy to start the process of unbundling costs required to support SSO service. The Commission should direct FirstEnergy in the earlier of its next ESP Application or distribution rate case to make a proposal that will unbundle the direct costs required to support SSO service and allocate those costs to the SSO price. Those costs should include, but are not limited to an allocation of:

* FirstEnergy employee costs;
* Working capital costs;
* IT and other infrastructure costs;
* Customer care costs; and
* Legal costs

**VI. CORPORATE SEPARATION ISSUES**

**Q. Do you think it is proper that FirstEnergy has requested that the Commission guarantee to the earnings of its affiliate, FES?**

A. No. I do not. I believe Ohio’s corporate separation requirements prohibit a regulated electric distribution utility from providing a preference or competitive advantage to its affiliate. In this case, FirstEnergy has requested that the Commission guarantee the earnings of four of FES’s power plants. This would provide FES a competitive advantage and undue preference in violation of R.C. 4928.17(A)(2) and (3). Ohio’s corporate separation requirements and FirstEnergy’s corporate separation plan are intended to prevent and prohibit proposals of this nature. The Commission should thus deny the RRS and investigate FirstEnergy’s dealings with FES, and impose any conditions that may be necessary to ensure that FirstEnergy complies with corporate separation requirements in the future.

**Q. Does that conclude your testimony?**

A. Yes it does. But I reserve the right to supplement my testimony in the future.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing *Direct Testimony of Matthew White* was served this the 22th day of December 2014 via electronic mail upon the following:

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/s/Joseph Oliker

Counsel for IGS Energy

1. *See* Motion to Intervene of the Northeast Ohio Public Energy Council (Sep. 30, 2014). [↑](#footnote-ref-1)
2. *See* Ex. MW-1. And, according to FirstEnergy’s Securities and Exchange Commission 2014 10-Q at 63-64 (Aug. 5, 2014),“the Competitive Energy Services segment has eliminated future selling efforts in certain sales channels, such as mass market, medium commercial-industrial and select large commercial-industrial, to focus on a selective mix of retail sales channels, wholesale sales that hedge generation more effectively, and maintain a small open position to take advantage of market upside opportunities resulting from volatility as was experienced . . . . Going forward, the Competitive Energy Services segment expects to target a sales portfolio of approximately 10 to 15 million MWHs in Governmental Aggregation sales, 0 to 10 million MWHs of POLR sales, 0 to 20 million MWHs in large commercial and industrial sales, 10 to 20 million in block wholesale sales and 10 to 20 million of spot wholesale sales. Support for current customers in the channels to be exited will remain through their respective contract terms.” See also Dominant Retail Supplier Drops Customers to POLR, Exiting Mass Market, Mid-Merit Retail Sales, EnergyChoice Matters (available at

   <http://www.energychoicematters.com/stories/20140806a.html>). [↑](#footnote-ref-2)
3. *See* Ex. MW-2. [↑](#footnote-ref-3)
4. *See* <https://www.firstenergycorp.com/content/customer/products/improve_your_home/electrical_services.html>. [↑](#footnote-ref-4)
5. *See* <https://www.firstenergycorp.com/content/customer/products/improve_your_home/electrical_services.html>. [↑](#footnote-ref-5)
6. See <https://www.firstenergycorp.com/content/customer/products/improve_your_home/post_lamps.html>. [↑](#footnote-ref-6)
7. See <https://www.firstenergycorp.com/content/customer/products/protect_your_home.html>. [↑](#footnote-ref-7)
8. Ex. MW-3. [↑](#footnote-ref-8)