

September 25, 2013

Honorable Angela Hawkins
Legal Director
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215-3793

Re: *In the Matter of the Commission's Investigation of the Ohio's Retail Electric Service Market*
Case No. 12-3151-EL-COI
Open Letter on Progress/Process Commission

Dear Legal Director Hawkins:

This letter is submitted to the Public Utilities Commission of Ohio ("Commission") on behalf of Ohio's electric distribution utilities: Dayton Power and Light Company, Duke Energy Ohio, Inc., Ohio Power Company, Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company (collectively the "Updating Parties") to update the Commission on the progress of the discussions related to the Retail Market Investigation, Case No. 12-3151-EL-COI, and the subcommittee meetings, and seek clarity on the next steps.

The Commission stated in its Entry of May 29, 2013, that the purpose of the various scheduled workshops would be to promote coordinated efforts to further develop Ohio's retail electric service market. The Updating Parties and others have participated openly in the process discussing a variety of issues in a number of workshops and subcommittees. Staff focused the discussions on what can be done cooperatively between the different industry participants to further develop the existing strong competitive retail market while balancing the needs of customers and utilities which include cost recovery, existence of issues to address, and customer protections.

The process had been productive in large part because it was being approached as an open forum where ideas can be exchanged and views shared without the risk of the discussion being used for purposes of litigation. Developing this level of trust has been vital in increasing understanding among participants. The participants embraced the subcommittee process as a meaningful effort to ensure participants understand the concerns and practicalities faced by others in the industry. While all participants may not ultimately agree on issues, there is a better understanding of the needs and concerns underlying each issue.

The discussions also have highlighted a number of areas where certain utilities and market participants have the potential to more efficiently work together. The next step is for each individual utility to determine if and how to best implement those ideas and for the competitive suppliers to determine how best to adapt their practices. The bridges built in this collaborative

process may provide the basis to address one another's concerns and to keep customer safeguards at the center of any changes, in any future proceedings.

Following the subcommittee process, it is anticipated that Staff will issue a staff report summarizing the areas of discussion from the various workshops and meetings. The Updating Parties expect that if action is required to address issues raised in the process that each individual company will determine if such action is appropriate for that company.

However, if a more formal path is necessary, for example, either Staff recommendations or the Commission issuing an order, then the Updating Parties expect that process to occur in a subsequent formal proceeding such as a rule-making proceeding, with an opportunity to have positions formally heard. To date, the process has been collaborative and therefore all parties have participated in this process to help achieve a greater meeting of the minds among industry participants and Staff. If the scope of the proceeding changes to a more formal process seeking programmatic changes then a commensurate process must begin to ensure due process.

The Updating Parties wish to thank the Commission for the opportunity to participate in its review of the status of the competitive retail electric service market.

Respectfully submitted,

//ss//Carrie Dunn

Carrie Dunn
76 South Main Street
Akron, OH 44308
Telephone: (330) 761-2352
Fax: (330) 384-3875
cdunn@firstenergycorp.com
Attorney for Ohio Edison Company
The Cleveland Electric Illuminating Company
The Toledo Edison Company

//ss//Matthew Satterwhite

Matthew Satterwhite
1 Riverside Plaza
Columbus, Ohio 43215
Telephone: (614)-716-1915
Fax: (614) 716-2950
mjsatterwhite@aep.com
Attorney for Ohio Power Company

//ss//Judi Sobecki

Judi Sobecki
1065 Woodman Drive
Dayton, Ohio 45432
Phone: (937) 259-7171
Fax: (937) 259-7178
Judi.Sobecki@dplin.com
Attorney for
Dayton Power and Light Company

//ss//Elizabeth Watts

Elizabeth Watts
155 East Broad Street, 21st Floor
Columbus, Ohio 43215
Phone: (614) 222-1330
Fax: (614) 222-1337
Elizabeth.Watts@duke-energy.com
Attorney for Duke Energy Ohio, Inc.

CC: Staff and All Parties of Record

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

9/25/2013 4:19:42 PM

in

Case No(s). 12-3151-EL-COI

Summary: Correspondence Open Letter on Progress/Process Commission electronically filed by Mr. Matthew J Satterwhite on behalf of Ohio Power Company and Dayton Power and Light Company and The Cleveland Electric Illuminating Company and Ohio Edison Company and Duke Energy Ohio, Inc. and The Toledo Edison Company