

Michael J. Olmstead Mayor

City of Perrysburg

201 West Indiana Avenue • Perrysburg, Ohio 43551-1582
Phone: (419) 872-8010 • Fax: (419) 872-8019
www.ci.perrysburg.oh.us

14-568-EL-CDI

October 28, 2014

Chairman Thomas W. Johnson Ohio Public Utilities Commission 180 East Broad Street Columbus, Ohio 43215

Re: RTO Expense Surcharge

Chairman Johnson:

Last summer Ohio's consumers were hit with one of the worst winters on record. Many of those consumers were hit again some months later, when First Energy Solutions unilaterally imposed fees above the contracted rates (the "RTO Expense Surcharge).

The Public Utilities Commission of Ohio opened an investigation and requested comments on whether those charges were lawful. On May 12, 2015, the City filed its comments and objection, arguing that such concealed charges are not supported by the contract and constituted an unfair pricing practice under Ohio law.

To date, the PUCO has not resolved its investigation or answered the fundamental legal question of whether such charges are permitted under Ohio law. Although FES voluntarily dropped the RTO charges for its residential customers, it both reserved the right to impose such charges in the future. Though its legal right to do so is under continuing investigation, FES continues to pursue RTO charges against its business and governmental customers, and it has threatened those customers with service termination. For example, FES recently threatened the City of Toledo with loss of power to its water treatment plant, which serves a half million people in northwest Ohio and southeast Michigan.

This cannot be allowed to continue. We are now facing another winter—and with it, the uncertain prospect of increased charges for residential, business, and governmental customers. Our residents and businesses should not be forced to deal with this uncertainty, particularly as the state continues its economic recovery and strives to build a business-friendly environment for job creation.

2014 NOV -3 PM 3: 49

RECEIVED-DOCKETING DIX

I therefore request immediately action to resolve the PUCO investigation of the RTO surcharges and to determine the legality of those charges as to all residential, business, and governmental customers.

Sincerely,

Michael J. Olmstead

Mayor

cc: Senator Randy Gardner, Ohio Senate (District 2)

Representative Tim Brown, Ohio House of Representatives (District 3)