

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Investigation) of Ohio's Retail Electric Service Market.)	Case No. 12-3151-EL-COI
In the Matter of the Market Development) Working Group.)	Case No. 14-2074-EL-EDI

**OHIO PARTNERS FOR AFFORDABLE ENERGY'S
REPLY COMMENTS**

Ohio Partners for Affordable Energy ("OPAE") herein submits to the Public Utilities Commission of Ohio ("Commission") these reply comments in the above-captioned Commission-ordered investigation of Ohio's retail electric service market and the Market Development Working Group docket. None of the initial comments supports the Staff Report's recommendation for a warm transfer process. OPAE agrees that the Staff's warm transfer proposal should be rejected. These reply comments are filed in accordance with the Commission's Entry dated December 9, 2015.

The Retail Electric Supply Association ("RESA") and Interstate Gas Supply ("IGS") comment that it was unreasonable for the Staff Report to recommend a "watered-down" warm transfer proposal and to dismiss their contract portability, seamless move, and instant connect proposals. IGS Comments at 3. RESA comments that warm transfer is "suboptimal" because it requires "substantial efforts" on the part of customers in the form of multiple conversations and additional time and effort. RESA Comments at 2-3. IGS argues that the Commission should reject warm transfer and require a state-wide implementation of seamless move, contract portability, and instant connect. IGS at 4.

Instant connect would allow a new customer to enroll with a competitive retail electric service (“CRES”) provider at the time of establishing an electric account with an electric distribution utility (“EDU”). Instant connect would also eliminate the circumstance that when a new address creates a new customer account number even for an existing customer, the customer returns to the EDU’s standard service offer (“SSO”). Instant connect allows the business customer with a new account number to continue already-existing service with the CRES without being transferred back to the SSO. RESA at 7. In a seamless move, a current residential customer who moves within an EDU service territory retains her current CRES supplier instead of having a new account number trigger a drop in CRES enrollment and a reversion to the SSO. In the seamless move, the EDU and CRES provider work together to process the change without the customer reverting to the SSO. RESA prefers the seamless move and instant connect because under warm transfer, customers will have to “endure” multiple conversations with multiple service representatives, spend additional time, and make additional effort to retain a CRES provider they already have. RESA argues that instant connect and seamless move will improve the process of retaining shopping customers, which will enhance the market. Thus, RESA argues that warm transfer should be rejected and that instant connect and seamless moves be implemented. RESA at 9-10.

While RESA and IGS characterize their comments as being “customer friendly”, their primary concern is to capture and secure customers as quickly and as easily as possible. Such seamless moves and instant connects may be detrimental to residential and business customers. As the Office of the Ohio Consumers’ Counsel (“OCC”) points out in the case of residential customers, warm transfer should be rejected because the EDU would be responsible for

completing a three-way call with the EDU, the customer, and a CRES provider to initiate enrollment when the customer may not be sufficiently educated to make a decision. A three-way call with the CRES provider may unfairly pressure or confuse the customer into selecting a CRES offer that is not the best option.

Requirements for EDUs to inform customers about their rights and obligations are set forth in the Commission's administrative code rules. The current rules only support customers being informed about their right to obtain a list of CRES providers operating in the EDU service area. Ohio Adm. Code Rule 4901:1-10-12(G). Additional requirements for EDUs should be addressed in the rules. A cold transfer program, under which the EDU would provide information so that customers can call a CRES supplier directly, is a better option than the warm transfer's three-way call. The current rules should also be modified to include a reference to the Energy Choice Ohio website as well as other consumer resources for information about customer choice. The requirement that EDUs provide information for customers about choice should be expanded in the customer rights set forth in the administrative rules. OCC Comments at 6-7.

IGS argues that the cost to implement contract portability, seamless move, and instant connect proposals would be insignificant "on the average customer's electric bill, particularly if these costs were allocated over a period of years." IGS Comments at 4. There is no doubt that customers will be required to pay the costs associated with the warm transfer. Ohio Power Company ("Ohio Power"), an EDU, is concerned about the cost of the three-way calls it would make and the cost of staffing it would need to implement warm transfer. Ohio Power Comments at 8-9. According to Ohio Power, additional costs to conference and transfer calls as well as train and hire new associates would be required to implement a warm transfer. Ohio Power Comments at 9. Duke Energy Ohio

(“Duke”) makes similar comments. Duke Comments at 2-3. The FirstEnergy Corp. (“FE”) EDUs also are concerned about the cost and argue that the Commission should permit cost recovery through one of their riders proposed in their fourth electric security plan case or newly-created riders. FE Comments at 8. The FE EDUs believe that requiring the EDUs to seek cost recovery in their next distribution rate cases is unreasonable. Id. at 8-9. The Dayton Power and Light Company (“DP&L”) also believes that it should be made whole for any costs. DP&L Comments at 5.

Given that there is no agreement that the warm transfer as proposed in the Staff Report is reasonable, the Commission should reject the warm transfer proposal. The cost of the proposal is not known for each EDU, but the creation of additional costs that would be recovered through yet another EDU rider is unacceptable. The proposal also does not enhance customer protections. Customers should not be uniformly steered away from the SSO, which may be their best option. Customers may not be prepared to make a choice of a CRES provider at the time of the initial call to establish service with the EDU. The EDU should not be required to initiate a three-way call to force customers to make a choice decision when the customer is not fully informed of all options. The EDU is not in a position to discuss choice options, but should be required only to inform customers where they may find the information they need.

In conclusion, the warm transfer proposal should be rejected. More work on this process, including modifications to the Commission’s rules to set forth customers’ rights to be informed about choices, including the choice to remain on the SSO, should be undertaken.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Reply Comments was served electronically upon the following persons identified below on this 20th day of January 2016.

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Summary: Reply Comments electronically filed by Colleen L Mooney on behalf of Ohio Partners for Affordable Energy