

DELIVERED BY EMAIL

CRA No. D22192 / D22248

May 5, 2017

Robert M. Endris
FirstEnergy Corp-
76 South Main Street
Akron, OH 44308

Re: Notification of PIPP RFP Results

Dear Bob:

Pursuant to the requirements of the May 4, 2017 Examiner Entry posted to case docket 16-936-EL-UNC please find attached a less redacted version of the post-RFP letter addressed to you (and cc'd to others) that the PIPP RFP Manager, CRA International, submitted on February 6, 2017 following the conclusion of the Request for Proposals process to procure supply for Percentage of Income Payment Plan ("PIPP") program customers for the FirstEnergy Ohio Utilities.

Compared to the redacted letter submitted on February 6, the attached letter has fewer redactions pursuant to the Examiner Entry cited above.

Sincerely yours,

CRA INTERNATIONAL, INC.



Bradley A. Miller
Vice President

cc:
Ray Strom, Public Utilities Commission of Ohio
Tamara Turkenton, Public Utilities Commission of Ohio

Attachment



DELIVERED BY EMAIL

CRA No. D22192 / D22248

February 6, 2017

Robert M. Endris
FirstEnergy Corp.
76 South Main Street
Akron, OH 44308

Re: Notification of PIPP RFP Results

Dear Bob:

This is to inform you that we have confirmed the results of the FirstEnergy Ohio Utilities' Request for Proposals process to procure supply for Percentage of Income Payment Plan ("PIPP") program customers for the FirstEnergy Ohio Utilities. At least one bidder submitted a conforming bid in the RFP process during the Bid Window on Monday, February 6, 2017.

There are three tables attached to this letter.

- Table 1 summarizes the results of the RFP process and identifies the tentative winning bidder and the tentative winning bid price.
- Table 2 provides the identities of all the bidders, whether or not their bid was conforming, the price they bid, the time the bid was received, and the Bid Confirmation Number they were assigned.
- Table 3 provides the PIPP RFP Manager's assessment of the conduct of the RFP process.

In accordance with the Bidding Rules, bidders will be notified of their status (i.e., if they are the tentative winning bidder or not) as soon as practicable after the Bid Window closes. The PUCO may confirm or reject the results of the PIPP RFP and select the winning bidder and the winning bid (if any). The winning bidder will be contacted directly by the FirstEnergy Ohio Utilities to execute the Master PIPP Supply Agreement no later than three (3) business days following the close of the RFP.



Robert M. Endris

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Sincerely yours,

CRA INTERNATIONAL, INC.

A handwritten signature in black ink that reads "Bradley A. Miller". The signature is written in a cursive, flowing style.

Bradley A. Miller

Vice President

cc:

Asim Z. Haque, Chairman, Public Utilities Commission of Ohio

Lynn Slaby, Commissioner, Public Utilities Commission of Ohio

M. Beth Trombold, Commissioner, Public Utilities Commission of Ohio

Thomas W. Johnson, Commissioner, Public Utilities Commission of Ohio

Ray Strom, Public Utilities Commission of Ohio

Tamara Turkenton, Public Utilities Commission of Ohio

Steven E. Strah, Senior Vice President and President, FirstEnergy Utilities

Mark A. Julian, Vice President, Utility Operations

John Skory, Regional President, The Cleveland Electric Illuminating Company

Randall A. Frame, Regional President, Ohio Edison Company

Richard S. Sweeney, Regional President, The Toledo Edison Company

Sonny Fanelli, Director of Ohio Rates

Frank Mossburg, Bates White



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Table 1. Summary of PIPP RFP Results

| | |
|---|-------------------------------|
| Period of Delivery | June 1, 2017 - May 31, 2018 |
| Benchmark Price | \$50.62 per MWh |
| Number of Registered Bidders | 2 |
| Number of Registered Bidders that submitted conforming bids during the Bid Window | |
| % of PIPP Load to procure in the RFP | 100% |
| % of PIPP Load procured in the RFP | 100% |
| Lowest bid price bidder | Constellation NewEnergy, Inc. |
| Lowest bid price | \$50.55 per MWh |

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Table 2. Bidders and Bids

| Bidder | Conforming Bid(s) Submitted? | Tentative Winning Bidder? | Last Conforming Bid | | |
|-------------------------------|------------------------------|---------------------------|---------------------|--------------------------|-------------------------|
| | | | Bid Price (\$/MWh) | Bid Submission Time (ET) | Bid Confirmation Number |
| Constellation NewEnergy, Inc. | Yes | Yes | \$50.55 | 1:48:08 PM | 57064101.02 |
| | | | | | |

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Table 3. PIPP RFP Manager's Assessment of the Conduct of the RFP

| | Question | |
|----|--|--|
| 1 | Were the competitive bidding rules violated? | No |
| 2 | Does the PIPP RFP Manager believe the RFP was open, fair, transparent, and competitive? | Yes |
| 3 | Did bidders have sufficient information to prepare for the RFP? | Yes. Bidders received information from the RFP process documents, the Information Website, questions-and-answers posted to the Information Website, and bidder information sessions. |
| 4 | Was the information generally provided to bidders in accordance with the published timetable? Was the timetable updated appropriately as needed? | Yes |
| 5 | Were there any issues and questions left unresolved prior to the RFP that created material uncertainty for bidders? | We do not believe that there were any unresolved issues or questions that created material uncertainty for bidders. |
| 6 | Were there any procedural problems or errors with the RFP, including the electronic bidding process, the back-up bidding process, and communications between bidders and the PIPP RFP Manager? | No |
| 7 | Were protocols for communication between bidders and the PIPP RFP Manager adhered to? | Yes |
| 8 | Were there any hardware or software problems or errors, either with the RFP software or with its associated communications systems? | No |
| 9 | Were there any unanticipated delays during the RFP? | No |
| 10 | Did unanticipated delays appear to adversely affect bidding in the RFP? | No |
| 11 | Were appropriate data back-up procedures planned and carried out? | Yes |
| 12 | Were any security breaches observed with the RFP process? | No |

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| | Question | |
|----|---|-------------------------------|
| 13 | Were protocols followed for communications among FirstEnergy Ohio Utilities, the PIPP RFP Manager, the PUCO, and the PUCO's consultant during the RFP? | Yes |
| 14 | Were the protocols followed for decisions regarding changes in auction parameters (e.g., benchmark price)? | Yes |
| 15 | Were the calculations (e.g., the determination of the tentative winning bid price and winning bidder) produced by the RFP software double-checked or reproduced off-line by the PIPP RFP Manager? | Yes |
| 16 | Was there evidence of confusion or misunderstanding on the part of bidders that delayed or impaired the RFP? | No |
| 17 | Were the communications between the PIPP RFP Manager and bidders timely and effective? | Yes |
| 18 | Was there evidence that bidders felt unduly rushed during the process? | No |
| 19 | Was there any evidence of collusion or improper coordination among bidders? | No |
| 20 | Was there any evidence of anti-competitive behavior in the RFP? | No |
| 21 | Was information made public appropriately? Was confidential and sensitive information treated appropriately? | Yes |
| 22 | Were there factors exogenous to the RFP (e.g., changes in market environment) that materially affected the RFP in unanticipated ways? | No, not that we are aware of. |

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/5/2017 3:55:46 PM

in

Case No(s). 16-0936-EL-UNC

Summary: Report - Notification of PIPP RFP Results - Updated Redacted Version
electronically filed by Raymond W. Strom on behalf of PUCO Staff