

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission’s Investigation of) Case No. 12-3151-EL-COI
Ohio’s Retail Electric Service Market.)

In the Matter of the Market Development Working) Case No. 14-2074-EL-EDI
Group.)

**COMMENTS
BY
THE OFFICE OF THE OHIO CONSUMERS’ COUNSEL**

I. INTRODUCTION

This case is about protecting Ohioans’ interest in reasonably priced electric service.¹ Protecting that consumer interest should include protecting use of the standard service offer.

On February 7, 2018, the PUCO issued a Finding and Order (“Order”) determining that a “seamless move” would be the statewide standard for transferring Competitive Retail Electric Service (“Marketer”) contracts to different addresses. In the Order, the PUCO also said that parties could comment on the cost allocation for seamless move. Seamless move allows Marketers and customers to transfer an existing contract, with mutual consent, from one address to another in an electric distribution utility (“EDU”) service territory.

¹ R.C. 4928.02(A).

Importantly, seamless move permits only the transfer of existing Marketer contract terms and conditions between addresses.² When shopping customers contact the EDU to transfer electric service to another address, it is not clear if they will be provided the option to affirmatively choose between having their contract transferred at the same time to the new address or terminating that contract in order to be served under the standard service offer (“SSO”).³ The concern is that the customer may not have the option to receive their electric supply through the competitive standard service offer.⁴ That is detrimental to consumers.

The lack of clarity stems from the fact that all of the implementation details, requirements, and costs associated with seamless move have yet to be developed. The Order requires the Retail Energy Supply Association (“RESA”) and each of the EDUs to file an operational plan for PUCO Staff review and approval within six months of the issuance of the Order.⁵ But there is no provision for customers or representatives of customers to provide input on how the operational plans are developed and implemented, the cost effectiveness of such plans, the manner in which customers are informed about the plans, or the consumer protection impacts that are associated with seamless moves. In contrast, the PUCO is permitting previous participants in the Market Development Working Group (“MDWG” or “working group”) to comment now regarding cost allocation for implementation of seamless move.⁶

² Order at 13.

³ Id.

⁴ Id. at 2.

⁵ Id. at 13.

⁶ Id. at 14.

The Office of the Ohio Consumers' Counsel (“OCC”), as a participant in the working group and on behalf of 4.3 million residential electric customers in Ohio, respectfully submits these comments regarding cost allocation.

II. COMMENTS

Marketers should be allocated the full costs associated with implementing the seamless move as a new charge in the supplier tariff for each electric distribution utility.

Ohio residential customers are not requesting seamless move,⁷ nor has any analysis been performed suggesting that customers benefit from seamless move. Therefore, customers should be held harmless from paying any of the yet-to-be determined costs associated with implementing seamless move. The sole beneficiary and single advocate for seamless move are the Marketers, who see an opportunity to avoid marketing and enrollment costs that otherwise would be incurred to re-enroll customers at their new address. The PUCO should require the Marketers, who are the advocates for seamless moves, to pay the costs for implementing seamless move. Marketers currently have the ability and flexibility to include or exclude the costs associated with implementing seamless move within the price charged for their service.

Currently, shopping customers who move from one address to another are served on the competitive retail standard service offer unless they choose another energy supplier. For most consumers, the SSO might be the best (and conservative) competitive option available for customers to save money.

⁷ Case 14-2274-EL-EDI, Staff Report, (July 16, 2015 at 9).

Customer options for generation service can easily change depending upon the community the customer is moving to as well as the energy needs for the new home. Customers may move from communities that do not provide the option for aggregation pricing to a new community that does. The energy usage profile for different homes can drastically change and will affect the pricing that can be available for consumers through the energy marketplace.

Depending on how the seamless move is implemented in the operational plan(s) created by each EDU and RESA, customers may not know about other options that could help them save money. Residential customers are not energy-pricing professionals. And they have many competing demands on their time, with family and work (among other things) that are a higher priority than figuring out energy prices (if that is even possible). As explained above, the competitive options and prices that are available at the new home could be drastically different. Marketers, on the other hand, are energy pricing professionals and are only going to agree to those seamless moves that benefit their bottom line. Accordingly, the allocation of costs to implement the seamless move should be 100% to the Marketers (who requested seamless move). Making customers pay would be an anticompetitive subsidy that is prohibited by state law.⁸

III. CONCLUSION

The PUCO should ensure that all costs associated with implementing seamless move are allocated to the Marketers, not to Ohio consumers. The Marketers have requested seamless move and are its primary beneficiary.

⁸ R.C. 4928.02(H).

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the Comments was served on the persons stated below via electronic transmission to the persons listed below, this 9th day of March 2018.

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Summary: Comments Comments by The Office of the Ohio Consumers' Counsel
electronically filed by Ms. Jamie Williams on behalf of Michael, William Mr.