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November 19, 2019

Ms. Barcy McNeal
Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Re: *In the Matter of the Filing of FirstEnergy Solutions Corp. of a Petition for Reorganization Under Chapter 11 of the United States Bankruptcy Code; Case No. 18-569-EL-UNC*

Dear Ms. McNeal:

On March 31, 2018, FirstEnergy Solutions Corp. (“FES”), a certified competitive retail electric service (“CRES”) provider in Ohio, filed a voluntary petition in the United States Bankruptcy Court for the Northern District of Ohio, Eastern Division (the “Bankruptcy Court”) for relief pursuant to Chapter 11 of Title 11 of the United States Bankruptcy Code (the “Bankruptcy Proceeding”). In response, on April 4, 2018, the Public Utilities Commission of Ohio (the “Commission”) issued an Entry in Case No. 18-569-EL-UNC, directing FES to file a report describing the anticipated impact of the Bankruptcy Proceeding on its existing and future business operations as a CRES provider in Ohio. In the Entry, the Commission posed eight (8) specific questions for FES to address in its report. FES addressed those questions in a response dated May 4, 2018.

On March 22, 2019, in Case No. 00-1742-EL-CRS, the Attorney Examiner instructed FES to update its May 4, 2018 response with any new or updated information, which FES did on April 22, 2019. On October 21, 2019, the Attorney Examiner again ordered FES to supplement its March 22, 2019 response to include any new information not available at the time the initial report was filed, as well as a detailed summary of FES’s current plan for reorganization filed with the Bankruptcy Court.

Accordingly, FES hereby provides updated responses to the Commission’s specific questions below. In short, FES assures the Commission and FES’s customers (both existing and prospective customers) that FES will continue to perform under its existing customer contracts and continue to operate in the ordinary course of business to minimize any potential interference or disruption to existing or new customers. Although FES ultimately remains subject to the

jurisdiction of the Bankruptcy Court, FES has already received approval from the Bankruptcy Court on April 4, 2018, to continue maintaining and administering customer programs and to continue honoring its obligations to customers.

FES remains deeply committed to continue providing excellent customer service and maintaining its market share in an extremely competitive service environment by honoring its obligations to customers and continuing to operate in the ordinary course of business consistent with its historical practices.

1. Whether FES plans, and is able, to continue to serve its existing customers for CRES in Ohio.

FES has continued to serve its existing customers for CRES in Ohio, and FES does not expect that to change in the future. Of utmost importance to FES is providing adequate assurance to its customers that FES will continue to perform under its customer agreements and provide the same level of competitive and innovative service as it has in the past. The Bankruptcy Court has authorized FES to continue operating its innovative customer programs and services, including programs and services designed to cultivate and sustain customer satisfaction and loyalty. For example, FES will continue to honor its obligations concerning its cash-back rewards program, block billing program, budget billing program, fee waivers, customer deposits and customer credits, commitments to customer partners (e.g., third-party brokers), renewable energy obligations, grant obligations, and customer incidents or other service-related issues (collectively, “Customer Programs/Services”). Further, to the extent FES owes any other additional obligations arising from or related to Customer Programs/Services, FES assures the Commission and customers that it will honor those obligations. In short, FES is determined to continue providing the same level of excellent service and benefits for its existing customers in Ohio. This includes all FES obligations to its Regional Transmission Organizations (“RTOs”) and all related collateral requirements.

2. Whether FES plans, and is able, to enroll new customers for CRES in Ohio.

FES has continued to enroll new customers for CRES during the Bankruptcy Proceeding. FES will continue to enter into new customer agreements and enroll new customers in the ordinary course of business and consistent with its prior course of conduct.

3. Whether FES plans, and is able, to serve existing customers aggregated through governmental aggregations in Ohio.

FES has continued to serve governmental aggregation customers during the Bankruptcy Proceeding. FES will continue to serve existing customers aggregated through governmental aggregations in Ohio as part of FES’s ongoing commitment to its existing Customer Programs/Services. For example, FES will continue to cultivate, maximize, and develop its most valued asset – customer relationships – particularly in the context of its existing governmental aggregation programs, which includes all required communications to aggregation customers.

There will be no impact on the services rendered to governmental aggregators and customers participating in those programs. Moreover, the Bankruptcy Court has authorized FES to continue paying any grant obligations and/or annual sponsorships associated with existing governmental aggregation programs. Not only that, FES will honor its obligations related to customer collateral with respect to its governmental aggregation customers. As such, FES will continue to serve its existing customers aggregated through governmental aggregation programs.

4. Whether FES plans, and is able, to serve new customers aggregated through governmental aggregations in Ohio.

FES has continued to serve new governmental aggregation customers during the Bankruptcy Proceeding. FES will continue to serve new customers aggregated through governmental aggregations in Ohio as part of FES's sustained commitment to provide Customer Programs/Services to new accounts. As stated previously, FES has received approval from the Bankruptcy Court to make its Customer Programs/Services available to new customers, including new enrollees in governmental aggregation programs. Moreover, the Bankruptcy Court has authorized FES to enter into new grant obligations and annual sponsorships in connection with its governmental aggregation relationships. Therefore, FES maintains the financial resources necessary to serve new customers aggregated through governmental aggregation programs in Ohio.

5. Whether FES has met its obligations to provide collateral or other financial guarantees or other assurances to the electric distribution utilities in whose certified territories FES continues to operate.

FES has met and continues to meet all of its obligations to provide collateral or other financial guarantees to the electric distribution utilities ("EDUs") in Ohio to ensure that sufficient collateral or other financial guarantees or other assurances are provided where necessary.

6. Whether there are any other material changes under Ohio Adm.Code 4901:1-24-11(A) and any other relevant facts which FES believes the Commission should consider.

Other than as described herein, there are no other material changes, as that term is defined under Ohio Adm.Code 4901:1-24-11(A), to report to the Commission, nor any other relevant facts which the Commission should consider at this time. Nonetheless, FES will continue to fully comply with all statutes, rules, and Commission orders, including FES's ongoing notification requirements under Ohio Adm.Code 4901:1-24-11(A).

7. Whether FES plans, and is able, to continue to provide generation for SSO customers in Ohio.

FES has provided and will continue to provide generation for SSO customers in Ohio. FES's commitment to continue honoring and providing its Customer Programs/Services includes its generation service commitments to SSO customers in Ohio. Related to its commitment to continue providing generation for SSO customers, as discussed above, FES will continue to honor its commitments to RTOs including PJM Interconnection, LLC ("PJM"), to ensure that FES maintains the ability to sell generation into the RTOs' administered markets. As part of that commitment, which has been authorized by the Bankruptcy Court, FES will continue satisfying its contractual obligations under applicable RTO Agreements.

8. Whether FES has met its obligations to provide collateral or other financial guarantees to the electric distribution utilities for which FES provides generation for SSO customers.

As mentioned previously, FES continues to cooperate with EDUs in Ohio to ensure that sufficient collateral or other financial guarantees or other assurances are provided, as necessary. FES is adequately positioned to provide any assurances of creditworthiness necessary to continue providing generation for SSO customers in Ohio. Therefore, FES intends to continue operating in the ordinary course of business by providing assurances to EDUs that, notwithstanding the Bankruptcy Proceeding, FES has sufficient capital available to demonstrate its creditworthiness and ability to continue providing generation for SSO customers in Ohio.

9. Detailed summary of the current FES Plan of Reorganization.

On October 14, 2019, FES filed an eighth amended plan of reorganization (the "Plan"). *See* Bankruptcy Proceeding, Docket No. 3278. On October 16, 2019, the Bankruptcy Court confirmed the Plan. *See* Bankruptcy Proceeding, Docket No. 3283. While the Plan and Disclosure Statement are voluminous documents and speak for themselves, the Plan can fairly be categorized as beneficial for customers and consistent with all of FES's regulatory responsibilities.

To briefly summarize the Plan, on the effective date of the Plan, a newly formed holding company will become the parent of four (4) direct subsidiaries, which includes Reorganized FES. The newly formed holding company will have an eight-member board of directors. Reorganized FES will operate under a new name (which has yet to be determined) subject to all required regulatory approvals. Reorganized FES will continue to purchase power from its affiliates that own fossil and nuclear generation assets, continue to serve FES customers under their current contracts, continue to provide all Customer Programs/Services, and will maintain most of its present workforce. Reorganized FES intends to seek Commission approval before beginning operations with a new parent company and will provide additional information regarding its employees and operations in that application.

Since FES filed for Chapter 11, FES has continued the Customer Programs/Services in the ordinary course and consistent with FES's historical business practices, to honor any pre-petition and post-petition obligations related to the Customer Programs/Services, and to continue

to enter into new customer agreements and enroll customers as it has over the last two decades. FES (and soon-to-be Reorganized FES) remains steadfast in its commitment to provide the same level of excellent, competitive, and innovative services for customers as it has in the past, and does not anticipate any changes to that consistent level of excellent service once its Plan is approved.

Very truly yours,

/s/ N. Trevor Alexander

N. Trevor Alexander

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Summary: Correspondence Second Updated Response to May 4, 2018 FES Report to PUCO electronically filed by Mr. Mark T Keaney on behalf of FirstEnergy Solutions Corp.