BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In The Matter of The Application of Ohio)	
Edison Company, The Cleveland Electric)	
Illuminating Company, and The Toledo)	Case No. 19-2150-EL-UNC
Edison Company for Approval of an)	
Operating Plan for Seamless Move.)	

NORTHEAST OHIO PUBLIC ENERGY COUNCIL'S REPLY COMMENTS

I. <u>INTRODUCTION</u>

In its Initial Comments, the Northeast Ohio Public Energy Council ("NOPEC") explained that FirstEnergy's proposed seamless move operational plan (the "Plan") bears little resemblance to the seamless move process agreed to in the initial collaborative workshops in the *MDWG* case¹ in two important respects: (1) it effectively prevents customers from selecting among their available electric supplier options when they establish new electric service; and (2) it prevents governmental aggregation customers from participating in seamless moves.² On top of that, FirstEnergy proposes to push the costs of seamless moves on all of its customers, including governmental aggregation customers who will not receive any of the Plan's purported benefits.

NOPEC is pleased that Staff confirms that FirstEnergy's proposed Plan strays from key elements reached during the collaborative process. Staff agrees with NOPEC that customers must be notified of their electric supplier options when establishing new service and that only the competitive retail electric service ("CRES") providers who participate in seamless move should pay its costs. Although Staff did not directly address in this proceeding whether governmental

¹ See In the Matter of the Market Development Working Group, Case No.14-2074-EL-EDU ("MDWG").

² See NOPEC Initial Comments at 2.

aggregation customers should be permitted to participate in seamless moves, it supported their participation in its review of Duke Energy Ohio's ("Duke") operational plan. NOPEC believes that Staff should likewise do so under FirstEnergy's Plan. NOPEC submits these Reply Comments, urging the Public Utilities Commission of Ohio ("PUCO" or the "Commission") to reject the plan or modify it based upon NOPEC's recommendations in its Initial Comments, as supported by Staff.

II. REPLY COMMENTS

A. FirstEnergy should be required to notify customers of all their electric supplier options and permit customers to enroll with their choice at the time new service is requested.

In its Initial Comments, Staff explains one of the benefits of the seamless move process is "the opportunity for customer education regarding energy choice in Ohio." As such, Staff recommends that FirstEnergy educate customers on all their choices of electric suppliers, including governmental aggregation, at the time new service is requested.⁴ NOPEC fully agrees with these comments.

Under the proposed Plan, when a customer calls FirstEnergy's call centers to arrange new distribution service, the call center only asks to confirm that the customer would like to retain the existing CRES provider at the new location.⁵ Customers would not learn about all their choices of energy suppliers, and would not be provided any information regarding their ability to participate in

³ Staff Comments at 3.

⁴ *Id*.

⁵ Direct Energy Business, LLC and Direct Energy Services, LLC (collectively, "Direct") and the Retail Energy Supply Association ("RESA") argue that this consent requirement is unnecessary. Direct/RESA Initial Comments at 5. They reason that consent is unnecessary because "seamless move" is "essentially another term for describing contract portability." Direct/RESA Initial Comments at 2. Direct/RESA mischaracterizes the distinction between the two terms. Indeed, the requirement to obtain consent at the time of the move is central to the distinction. The Commission recognized as much in rejecting "contract portability" because it did not require notice of other supply options and consent to the seamless move, stating:

^{...}because [under contract portability] the contract automatically ports to the customer's new address, we may be inadvertently restricting customers researching and ultimately choosing potentially more advantageous rates available for their new home or business location, in addition to other opportunities such as aggregation programs." [MDWG case, Finding and Order (February 7, 2018) at 7.]

governmental aggregation. Customers would not be armed with the information needed to select from competing offers or join a governmental aggregation when they establish new electric service. Staff's recommendation correctly places the decision back into the customer's hands by requiring FirstEnergy to educate customers on all their choices of electric suppliers, including governmental aggregation, when they move to a new residence.

NOPEC also agrees with Staff, consistent with the consensus in the collaborative process, that scripts must be developed for FirstEnergy's call centers to advise customers of their choice in electric suppliers. Although NOPEC agrees that the scripts should be shared with Staff, the scripts also should be shared with collaborative participants for comment.⁶

B. If the Commission adopts FirstEnergy's Plan, participating CRES providers should pay for all implementation, maintenance and operating costs.

Because certain CRES providers are seeking to implement seamless moves and will benefit from this process, those CRES providers should bear the cost, consistent with traditional principles of cost-causation. NOPEC supports Staff's recommendation that CRES suppliers should be responsible for 100% of the expenses of the seamless move process. NOPEC also supports Staff's recommendation that, in lieu of recovery of costs through Rider GDR, FirstEnergy must file another application for cost recovery if it is unable to recover the implementation, maintenance and operating costs of the Plan.

C. The Commission should require that governmental aggregation customers be eligible for seamless moves under the Plan.

In its Initial Comments, NOPEC explained how the proposed Plan, by excluding governmental aggregation customers from eligibility, violates R.C. 4928.02(C), R.C. 4928.20(C), (D) and (K), and R.C. 4905.35. To remedy these legal defects, NOPEC recommended that the

⁶ Staff Initial Comments at 3.

⁷ NOPEC Initial Comments at 12.

Commission should modify the Plan to allow for seamless moves for governmental aggregation customers within a governmental aggregation program, as contemplated in the *MDWG* process.

While Staff did not oppose FirstEnergy's eligibility requirements, which excluded governmental aggregation customers, it did support Duke's operational plan which made governmental aggregation customers eligible for seamless moves. Duke's plan is confusing, however, because it provides that "[t]he Governmental Aggregator indicator in the CIS will be not be included at new residence." [sic, emphasis added.] NOPEC supported Duke's plan in its Initial Comments believing that the governmental aggregation indicator would be retained when a governmental aggregation customer made a seamless move. Staff assumes that the indicator would be removed and would remove the customer from the aggregation program. Staff recommended that governmental aggregation customers participating in seamless moves must remain with their current governmental aggregation program and that they retain their governmental aggregation indicator. If Staff's assumption is correct, NOPEC agrees. Effecting a seamless move without letting the customer maintain all aspects of its current service defeats the intent of the seamless move process.

NOPEC renews its recommendation that the Commission should modify the Plan to allow for seamless moves for governmental aggregation customers within a governmental aggregation program, as contemplated in the *MDWG* process.

III. CONCLUSION

As explained in NOPEC's Initial Comments, FirstEnergy's Plan is unlawful as proposed. If the Commission approves the Plan, it should be modified consistent with NOPEC's Initial Comments as supported by Staff's recommendations. If modified, the Plan should require: (1)

⁸ See In the Matter of the Application of Duke Energy Ohio, Inc. for Approval of an Operational Plan for Seamless Move, Case No. 19-2151-EL-EDI (December 13, 2019) at 4 ("Duke").

⁹ Duke, Staff Initial Comments at 4.

FirstEnergy to educate customers on all their electric supply options when requesting to establish new distribution service, including governmental aggregation; (2) allow governmental aggregators customers to participate in the seamless move process within their aggregation program; and (3) CRES providers requesting the seamless move should bear all implementation, operation and maintenance costs of the Plan.

Respectfully submitted,

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CERTIFICATE OF SERVICE

In accordance with O.A.C. 4901-1-05, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Reply Comments* was sent by, or on behalf of, the undersigned counsel to the following parities of record this <u>20th</u> day of May 2020 *via* electronic service.

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