

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Seamless Move Operational Plan of Ohio Power Company.)))	Case No. 19-2141-EL-EDI
In the Matter of the Application of The Dayton Power and Light Company for Approval of a Future Seamless Move Operational Plan.))))	Case No. 19-2144-EL-UNC
In the Matter of the Seamless Move Operational Plan of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company.)))))	Case No. 19-2150-EL-UNC
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

REPLY COMMENTS OF INTERSTATE GAS SUPPLY, INC.

I. INTRODUCTION

Interstate Gas Supply, Inc. ("IGS" or "IGS Energy") is hopeful these comments are the last step in eliminating one of the barriers to competition customers face when engaging with a Supplier. However, some parties suggest that the costs necessary for this fix should be recovered from those who have been harmed by this uneven approach – the competitive retail electric service ("CRES") providers and their customers. This is simply unfair.

Thus, IGS submits these comments in response to those filed by The Office of the Ohio Consumers' Counsel ("OCC"), the Commission Staff ("Staff"), and the Northeast

Ohio Public Energy Council (“NOPEC”) regarding the seamless move operational plans (“Operational Plans”) submitted by the Ohio Power Company (“AEP Ohio”), The Dayton Power and Light Company (“DP&L”), Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company (“FirstEnergy”), and Duke Energy Ohio, Inc. (“Duke”) (collectively, the “EDUs”).

II. COMMENTS

A. Shopping customers should not be required to pay for capabilities that are provided to default service customers through distribution rates.

Staff, OCC, NOPEC recommend that all of the costs associated with seamless move should be collected from the CRES providers because the parties believe that CRES provides will be the primary beneficiary of seamless move.¹

In response, IGS renews the objections from its Initial Comments to the collection of costs associated with seamless move implementation from CRES providers, who will be required to pass them along to their customers.² Shopping customers should not be required to pay for capabilities that are provided to default service customers through distribution rates.

Additionally, in response to the concerns raised about the cost of implementation, IGS asks that the Commission not consider them in a vacuum. For example, AEP Ohio estimates the cost to implement seamless move functionality will be \$2.4M. That is the equivalent of AEP Ohio’s budget for 8 days of its Energy Efficiency and Peak Demand

¹ Staff Duke Comments at 4; Staff DP&L Comments at 3-4; Staff FirstEnergy Comments at 3; and Staff AEP Ohio Comments at 3-4; OCC Initial at 3-5; NOPEC FirstEnergy Comments at 9-10.

² See IGS AEP Ohio Comments at 4-6.

Reduction Portfolio Programs, or the amount of money required of customers every two weeks in order to subsidize the OVEC units.³

Further, IGS submits that customers are also beneficiaries of this capability. With seamless move, customers are empowered with the ability to transfer the rates, terms, and conditions of their current supply contract to a new location. Not only will this allow customers to retain benefits of their current contract, like a low rate, a long fixed term, or a green product, customers will not be burdened by the enrollment process and delay that would be required to restore their relationship with their CRES provider. Therefore, IGS urges the Commission to direct the recovery of costs to implement seamless move through a nonbypassable charge, consistent with the proposals submitted by three of the EDUs.

In addition, NOPEC argues that FirstEnergy's proposal to collect the costs to implement seamless move through a nonbypassable rider is an unlawful generation-related subsidy. According to NOPEC, because the EDU Call Center will be obtaining the customer's consent to transfer the customer's contract via phone, "[i]n essence, the call center will be performing a type of solicitation and telephonic enrollment, which is a generation function reserved exclusively for the CRES providers." ⁴ IGS strongly disagrees.

³ See *In the Matter of the Application of Ohio Power Company for Approval of its Energy Efficiency and Peak Demand Reduction Program Portfolio Plan for 2017 through 2020*, Opinion and Order (Jan. 18, 2017) at ¶ 32 (approving an annual budget of \$110M); see *In the Matter Ohio Power Company's Power Purchase Agreement Rider Update and Reconciliation*, Case No. 18-1759-EL-RDR, Rider Update (Aug. 29, 2019) (submitting actuals for OVEC Recovery Rider for April to June 2019 of \$15.3M and forecasts for October to December 2019 of \$14.4M.)

⁴ NOPEC FirstEnergy Comments at 9-10.

An EDU asking a customer if they would like to move their current CRES contract to a new location is not “in essence” the equivalent to the process a CRES provider must go through for a telephonic enrollment. The Commission has established a detailed set of rules containing the requirements for telephonic enrollments, including a time stamped audio recording with the following elements:

- The CRES provider's or independent third-party verifier's identity and the exact purpose of the call.
- Customer's acknowledgement that the call is being recorded.
- Customer's acknowledgement that the CRES provider is not the customer's current electric utility company and that the customer may choose to remain with the electric utility company or enroll with another CRES provider.
- Customer's acknowledgement that the customer is the customer of record at the customer's electric utility or is authorized to switch providers by the customer of record.
- Customer's acknowledgement that the customer has seven calendar days from the postmark date of the electric utility's confirmation notice to cancel the contract without penalty and a reminder that the electric utility will give the customer a cancellation number to confirm any cancellation of the contract during the cancellation period.
- Customer's acceptance of each of the principal terms and conditions for the service that will be provided, including the (1) the service provided, (2) the price, (3) the length of contract term, (4) service commencement date, (5) contract termination date and any early termination fees, (6) any material limitations, (7) any fees or costs to the customer, (8) whether the CRES provider provides budget billing, (9) if there will be a credit check, and (10) and who will bill for the CRES provider's service.
- Customer's acknowledgement that the CRES provider will send the customer a written contract that details the terms and conditions that were summarized in the telephone call.
- Customer's acknowledgement that the customer has seven calendar days from the postmark date of the electric utility's confirmation notice to cancel the contract without penalty and a reminder that the electric utility will give the customer a cancellation number to confirm any cancellation of the contract during the cancellation period.⁵

⁵ Ohio Adm.Code 4901:1-21-06(D)(2).

An EDU Call Center's acceptance of consent from a customer to transfer a current contract simply pales in comparison to the substantial process for a telephonic enrollment – as should it be. The customer has already been through the actual enrollment process with their CRES provider. NOPEC's argument should be rejected.

B. Seamless Move does not remove or limit a customer's choices over electric supplies and suppliers.

Additionally, IGS asks the Commission to ignore the incorrect statements regarding seamless move presented by OCC. Seamless move does not “stifl[e] consumer choices that may be different at different addresses.”⁶ Nothing prevents a customer from declining to move their contract to a new residence, and nothing removes or limits a customer's ability to explore the offers in the market. Further, contrary to OCC's assertions, seamless move is not “a system where **energy marketers decide** if they will accept the customer under the same terms and conditions as the previous contract.”⁷ Seamless move is a system where **customers decide** if they would like to retain their CRES contract.

NOPEC makes similar incorrect assertions. NOPEC claims that FirstEnergy's plan is “unlawful because it prevents consumers from having effective choices over the selection of electric supplies and suppliers when they establish new electric service.”⁸ Again, seamless move does not in any way remove or limit a customer's choice over their electric supply. The customer is free to decline a seamless move, and enroll with a

⁶ OCC Initial at 5.

⁷ *Id.* (emphasis added).

⁸ NOPEC FirstEnergy Comments at 6, citing R.C. 4928.02(C).

different CRES provider, join a governmental aggregation, or default to the standard service offer. In fact, the Commission furthered this ability by requiring an additional seven-day rescission period when a customer takes advantage of a seamless move.⁹ Additionally, seamless move is not the creation of a new contract, as asserted by NOPEC. It is the transfer of an **existing contract** to a new address.¹⁰ Thus, such statements should be ignored by the Commission.

C. Excluding governmental aggregations customers from seamless move eligibility does not violate R.C. 4928.20.

NOPEC submits that by excluding governmental aggregation customers from being eligible for seamless move, AEP Ohio and FirstEnergy's Operational Plans violate R.C. 4928.20 by restricting "NOPEC's statutory right to solicit and compete for the moving customers" and a community's right to aggregate its citizens.¹¹

The Commission should reject NOPEC's shameless attempts to interfere with a CRES contract in order to have the opportunity to involuntarily conscript residential customers into an aggregation when they return to default service. First, the Commission already rejected this argument in the *Retail Market COI* proceeding: "Further, we do not agree with NOPEC that any of the options [seamless move, contract portability, instant connect, or warm transfer process] would violate R.C. 4928.20."¹² As the Operational

⁹ MDWG, Second Entry on Rehearing (March 13, 2019) at ¶ 21.

¹⁰ See MDWG, Finding and Order (Feb. 7, 2018) at ¶ 5, fn. 1, ¶ 37.

¹¹ NOPEC AEP Ohio Comments at 7-8; NOPEC FirstEnergy Comments at 7-8.

¹² *In the Matter of the Commission's Investigation of Ohio's Retail Electric Service Market* ("Retail Market COI"), Case No. 12-3151-EL-COI, Entry on Rehearing (May 21, 2014) at 9.

Plans have not changed the application of seamless move, there is no reason for the Commission to change its finding.

Additionally, NOPEC does not have a statutory right to solicit and compete for the moving customers. In support of its claim, NOPEC cites to a provision that requires its legislative authority or board to develop a plan of operation and governance for the aggregation program. NOPEC apparently believes that because a statute requires it to develop a plan, anything it has included in the plan is its “statutory right,” notwithstanding any other provision of law. This is simply incorrect. Further, the submission of the plan to the Commission in the certification process does not somehow confer a statutory right. Nowhere in the statute is a requirement that the Commission approve the plan, nor do the rules state that granting a certificate for a governmental aggregator somehow implies the approval of plan. Thus, NOPEC’s arguments should be dismissed.

D. Customer education regarding retail choice would be better focused on customers that have not already engaged in the retail market.

In its comments, NOPEC notes that the seamless move process included in the MDWG Staff Report included a script to inform the relocating customer of their energy choice options.¹³ NOPEC recommends that stakeholders, including governmental aggregators, should be permitted to develop a mutually agreeable script that would inform a relocating customer that they have the option to (1) remain with their current CRES provider, (2) enroll with a governmental aggregator, if available, (3) visit the Commission’s

¹³ NOPEC AEP Ohio Comments at 2, *citing Retail Market COI*, Case No. 12-3151-EL-COI, Staff Report (July 16, 2015) at 8.

Energy Choice website to explore other offers, or (4) default to the standard service offer.¹⁴

Staff also believes that a customer should be advised on all of the customer's energy choice options at the time the transfer is requested. Staff recommends that the EDUs should be required to draft proposed scripts for Staff's review and input prior to implementation.¹⁵

IGS objects to the insertion of another element into the "seamless" move process. Educating potential seamless move customers of their supply options is unnecessary because these customers are already exercising their right to shop for electricity. This extra step will only lengthen the transfer process and frustrate the purpose of a seamless move. Instead, customer education regarding retail choice would be better focused on customers that have not already engaged in the retail market. Additionally, IGS expresses concern for the thin line between informing customers and advising customers, the latter of which is not an appropriate role for an EDU. Therefore, the Commission should reject this suggestion.

E. Implementation of the Operational Plans does not create any unnecessary risks associated with the current state of emergency.

OCC argues that the Commission should suspend work on "non-essential" utility services and activities, such as seamless move implementation, during the duration of the state of emergency or until the Commission determines otherwise.¹⁶

¹⁴ NOPEC AEP Ohio Comments at 4-7; NOPEC FirstEnergy Comments at 4-7.

¹⁵ Staff Duke Comments at 4; Staff DP&L Comments at 4; Staff FirstEnergy Comments at 3; and Staff AEP Ohio Comments at 4.

¹⁶ OCC Initial Comments at 3.

While IGS certainly appreciates the concerns associated with the state of emergency, IGS does not believe there is a need to further delay seamless move functionality due to the current health environment. The entries issued by the Commission regarding the state of emergency focus on services and activities that may impose a service continuity hardship on customers or create unnecessary COVID-19 risks associated with social contact.¹⁷ Because seamless move does impede a customer's ability to pay for and maintain service, nor does it require in-person contact with customers, implementation should proceed.

III. CONCLUSION

Finally, IGS would like to correct a statement included in its Initial Comments regarding OCC's involvement in the two meetings that occurred after the Commission's order adopting seamless move.¹⁸ The Commission did not direct, nor did OCC participate in these two meetings.

Therefore, IGS respectfully requests that the Commission decline to adopt the above recommendations.

Respectfully submitted,

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¹⁷ See *In the Matter of the Proper Procedure and Process for the Commission's Operations and Proceedings During the Declared State of Emergency and Related Matters*, Case No. 20-591-AU-UNC, Entry (Mar. 12, 2020) at ¶ 1, 7; Entry (Mar. 13, 2020) at ¶ 1, 6; Entry (Mar. 16, 2020) at ¶ 5.

¹⁸ IGS Initial at 1.

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CERTIFICATE OF SERVICE

I certify that these *Reply Comments of Interstate Gas Supply, Inc.* was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on May 20, 2020. Notice of the filing will be sent via electronic mail to all persons who have electronically subscribed to the case. Additionally, a copy of this filing was sent to the parties listed below.

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Summary: Comments Reply Comments of Interstate Gas Supply, Inc. electronically filed by Bethany Allen on behalf of Interstate Gas Supply, Inc.