

Christine E. Watchorn Corporate Counsel 614-437-0183 Fax: 330-245-5682

March 3, 2021

# Via Email Delivery:

M. Beth Trombold, Acting Chair
Daniel R. Conway, Commissioner
Dennis P. Deters, Commissioner
Lawrence K. Friedeman, Commissioner
Katherine Fleck, Chief of Staff
Tamara Turkenton, Director, Rates and Analysis
Robert Fadley, Director, Service Monitoring and Enforcement
Lori Sternisha, Director, Federal Advocacy Department
Matt Schilling, Director, Public Affairs
Angela Hawkins, Director, Legal Department
Gregory Price, Electric Section Chief, Legal Department
John Jones, Chief, Public Utilities Section, Ohio Attorney General's Office
Maricruz Vasquez, Entrust Energy East, Inc.
Ashley Myles, Entrust Energy East, Inc.

Re: Letter of Notification of Default of Competitive Retail Electric Service Provider Entrust Energy East, Inc. - PUCO Docket No. 12-2854-EL-CRS

#### Dear Ladies and Gentlemen:

Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (the "Companies") received a notice dated February 23, 2021 from PJM Interconnection, L.L.C. ("PJM") stating that as of February 23, 2021, Entrust Energy East, Inc. ("Entrust Energy"), a load-serving entity in PJM with load in the Companies' territory, had defaulted on its obligations to PJM. Entrust Energy is a competitive retail electric service ("CRES") provider that, until its default to PJM, was serving retail customers in the Companies' service area. PJM further notified the Companies that, as of February 24, 2021, it was initiating the process to return Entrust Energy's customers to the electric utility's standard service offer.

Pursuant to the terms of the Companies' Electric Generation Supplier Coordination Tariffs, P.U.C.O. No. S-2 ("Tariffs"), and the Companies' Supplier Coordination Agreements ("Agreements"), the Companies have provided Notice of Default to Entrust Energy, a copy of which is attached here. Additionally, pursuant to Section XXI.D.2. of their Tariffs, the Companies hereby request Commission authorization to terminate their Coordination Agreements with Entrust Energy due to default. Section XXI.D.2. further requires the Companies to provide notice of this request to all Commissioners, members of Commission Staff, the Chief of the Public Utilities Section of the Ohio Attorney General's Office, and Entrust Energy. This letter is being sent in compliance with that requirement.

Consistent with applicable statutory, tariff, and contractual provisions, the Companies are implementing their CRES default policy and procedures. Customers who were being served by Entrust Energy will continue to receive electric service, without interruption. The Companies have initiated the supplier drop process as of February 24, 2021. Customers will receive notification of the change in supplier, and these notifications are being generated and sent to customers. The return to the standard service offer will be effective 12 to 45 days from the date the drop was processed. Additionally, effective immediately on February 24, 2021, the Companies have stopped processing all requests to switch customers to Entrust Energy.

The impacted accounts for the Companies' customers have been documented, and the Companies' contact center customer service representatives are being informed and will have the applicable information if customers call for assistance.

Please feel free to contact me, should there be any questions about this notice and request.

Sincerely,

/s/Christine E. Watchorn

Christine E. Watchorn

**Enclosure: Notice of Default** 

#### Via U.S. Mail:

Entrust Energy East, Inc. ATTN: Thomas Holloway 1301 McKinney, Level 12 Houston, TX 77010

# Via Facsimile:

(713) 338-2602

# NOTICE OF DEFAULT

On February 23, 2021, PJM Interconnection, L.L.C. ("PJM") notified Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (the "Companies") that Entrust Energy East, Inc. ("Entrust Energy") had defaulted on its obligations to PJM. As a result, Entrust Energy is in default of the Companies' Electric Generation Supplier Coordination Tariffs ("Tariffs") and the Companies' Supplier Coordination Agreements ("Agreements").

Please be advised that the Companies are taking steps required by the default provisions of the Tariffs and Agreements to return customer accounts from Entrust Energy to the Companies' Standard Service Offer supply, and the Companies reserve all rights to recover from Entrust Energy all damages caused by Entrust Energy's defaults under the Tariffs and Agreements, including without limitation additional PJM charges incurred by the Companies as a result of Entrust Energy's default.

Pursuant to Section XXI.D.2. of the Tariffs, the Companies propose the following remedy: Entrust Energy must cure its default with PJM, become fully reinstated as a PJM member, pay all penalties imposed by PJM, fully compensate the Companies for any costs they have incurred or will incur as a result of Entrust Energy's default, and satisfy the requirements of creditworthiness set forth in the Tariffs.

Sincerely,

/s/ Brooke Mourton

Brooke Mourton
FirstEnergy Power Billing & Supplier Operations

#### cc (via email only):

Maricruz Vasquez, <u>Maricruz.vasquez@entrustenergy.com</u> Ashley Myles, <u>Ashley.myles@akyta.com</u> This foregoing document was electronically filed with the Public Utilities

**Commission of Ohio Docketing Information System on** 

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Case No(s). 12-2854-EL-CRS

Summary: Notification of Default of Competitive Retail Electric Service Provider Entrust Energy East, Inc. electronically filed by Ms. Christine E. Watchorn on behalf of Ohio Edison Company and The Cleveland Electric Illuminating Company and The Toledo Edison Company