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November 3, 2021

**Via Email Delivery:**

Jenifer French, Chair  
M. Beth Trombold, Commissioner  
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  
Glenn Payne, CEO, Switch Energy, LLC  
Brian Grant, Switch Energy, LLC  
Natara Feller, Feller Law Group, PLLC

*Re: Letter of Notification of Default of Competitive Retail Electric Service Provider  
Switch Energy, LLC - PUCO Docket No. 13-0764-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 October 27, 2021, from PJM Interconnection, L.L.C. ("PJM") stating that on October 27, 2021, Switch Energy, LLC ("Switch Energy"), a load-serving entity in PJM with load in the Companies' territory, had defaulted on its obligations to PJM. Switch 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, effective October 28, 2021, it was initiating the process to return Switch Energy's customers to the electric utility's standard service offer.

The Companies subsequently received a notice dated October 28, 2021 from PJM stating that Switch Energy had remedied its default on October 28, 2021. The Companies then received a notice from PJM dated November 1, 2021, stating that on November 1, 2021, Switch Energy defaulted on its obligations to PJM and that effective November 2, 2021 PJM was initiating the process to return Switch Energy's customers to the electric utility's standard service offer. As of the submission of this letter, the Companies have not received any further notifications from PJM regarding Switch Energy's default.

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 Switch 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 Switch 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 Switch 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 Switch Energy will continue to receive electric service, without interruption. The Companies have initiated the supplier drop process as of October 28, 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, the Companies will stop processing any requests to switch customers to Switch 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.

Further, the Companies were copied on a letter dated October 29, 2021 from Switch Energy to the Director of the PUCO's Service Monitoring and Enforcement Department stating that all of Switch Energy's gas and electric customers would be assigned to another CRES/CRNGS, LE Energy, LLC d/b/a Utility Gas and Power, with an approximate assignment date of November 17, 2021. Because Switch defaulted prior to the proposed assignment date, and in order to ensure uninterrupted electric service for customers, the Companies have proceeded to move these customers to their standard service offer for the present time.

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

November 3, 2021

**Via U.S. Mail:**

Switch Energy, LLC  
ATTN: Glenn Payne, CEO  
17 High Street, 3<sup>rd</sup> Floor  
Norwalk, CT 06851

**Via Email:**

[gpayne@switch.energy](mailto:gpayne@switch.energy)

**NOTICE OF DEFAULT**

On October 27, 2021, PJM Interconnection, L.L.C. (“PJM”) notified Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (the “Companies”) that Switch Energy, LLC (“Switch Energy”) had defaulted on its obligations to PJM. As a result, Switch Energy was in default of the Companies’ Electric Generation Supplier Coordination Tariffs (“Tariffs”) and the Companies’ Supplier Coordination Agreements (“Agreements”). On October 28, 2021, PJM notified the Companies that Switch Energy had remedied the default. Then, on November 1, 2021, PJM notified the Companies that Switch Energy had defaulted on its obligations to PJM. As a result, Switch Energy is in default of the Companies’ Tariffs and 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 Switch Energy to the Companies’ Standard Service Offer supply, and the Companies reserve all rights to recover from Switch Energy all damages caused by Switch Energy’s defaults under the Tariffs and Agreements, including without limitation additional PJM charges incurred by the Companies as a result of Switch Energy’s default.

Pursuant to Section XXI.D.2. of the Tariffs, the Companies propose the following remedy: Switch 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 Switch Energy’s default, and satisfy the requirements of creditworthiness set forth in the Tariffs.

Sincerely,

*/s/ Anna M. Caruthers*

FirstEnergy Power Billing & Supplier Operations

**cc (via email only):**

Brian Grant, [bgrant@switch.energy](mailto:bgrant@switch.energy)  
Natara Feller, [regulatory@feller.law](mailto:regulatory@feller.law)

**This foregoing document was electronically filed with the Public Utilities  
Commission of Ohio Docketing Information System on**

**11/3/2021 9:43:57 AM**

**in**

**Case No(s). 13-0764-EL-CRS**

Summary: Notice of Default of Competitive Retail Electric Service Provider and  
Request to Terminate Coordination Agreements electronically filed by Ms. Christine  
E. Watchorn on behalf of Ohio Edison Company and The Cleveland Electric  
Illuminating Company and The Toledo Edison Company