

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
GASEARCH LLC FOR CERTIFICATION TO
PROVIDE COMPETITIVE RETAIL
NATURAL GAS SERVICE IN OHIO.

CASE NO. 15-866-GA-CRS

ENTRY

Entered in the Journal on January 12, 2022

{¶ 1} Gasearch LLC (Gasearch) is a retail natural gas supplier as defined in R.C. 4929.01, is certified to provide competitive retail natural gas service (CRNGS) under R.C. 4929.20, and is subject to the jurisdiction of this Commission pursuant to R.C. 4929.24. Accordingly, Gasearch is required to comply with the Commission's minimum CRNGS standards set forth in Ohio Adm.Code Chapter 4901:1-29 and is subject to the certification provisions of Ohio Adm.Code Chapter 4901:1-27.

{¶ 2} Gasearch's most recent certification renewal application was filed in this case on March 29, 2021, and stated that Gasearch intended to provide service to residential, commercial, and industrial customers solely in the service area of The East Ohio Gas Company d/b/a Dominion Energy Ohio (Dominion). The application was approved and Gasearch's CRNGS certificate was renewed until June 9, 2023.

{¶ 3} On October 28, 2021, Dominion filed an application requesting authority to terminate or suspend Gasearch from participation in Dominion's Energy Choice program. In the application, Dominion stated that CRNGS suppliers participating in its Energy Choice program must execute an Energy Choice Pooling Service (ECPS) Agreement with Dominion, which, among other things, establishes certain conditions of supplier default.

{¶ 4} On October 29, 2021, Dominion filed correspondence correcting a filing issue with Attachment A to its application, which is a copy of the notice of material default that Dominion served on Gasearch. As factual background, the notice stated that, on October 20, 2021, Dominion received correspondence from the president of Gasearch stating her intention to retire and to sell or close Gasearch by the end of the month of October and

requesting information regarding the necessary steps to do so. The notice further stated that Dominion both advised Gasearch that a transfer of customers cannot be completed until December 2021 and provided information to Gasearch regarding the necessary steps. The notice continued to explain that, despite this timeline and the steps required to wind down Gasearch's operations, Dominion received on October 25, 2021, a communication from a third-party energy services company that it was informed that Gasearch would no longer be supplying customers with natural gas, effective October 31, 2021. The notice also emphasized that Gasearch had not formally provided notice of cancellation of its ECPS Agreement, which requires at least 60 days' notice of cancellation, or filed with the Commission a notice of abandonment of its certificate, which requires at least 90 days' notice prior to the cessation of service. Aside from the factual background information, the notice described the alleged conditions of Gasearch's material default; requested notification of any change in Gasearch's financial condition; provided notification of Dominion's intention to exercise its rights under its tariff and the ECPS Agreement; set forth a proposed remedy; and stated that Dominion may seek authority to terminate or suspend Gasearch as an Energy Choice supplier, if Gasearch did not satisfactorily respond to the notice and proposed remedy.

{¶ 5} On November 2, 2021, Gasearch filed correspondence in response to Dominion's application. Gasearch stated that, in August 2021, it signed a letter of intent to sell and transfer the company by the end of September 2021. However, in late October 2021, Gasearch realized that the sale of the company would not be finalized in the near future, while its other attempts to arrange for sufficient funds to obtain natural gas in the month of November had not materialized. At that point, Gasearch contacted Dominion regarding the necessary steps to close the business, but misunderstood the timing required to complete the process and was not initially aware of any need to involve the Commission. Gasearch noted that it sent a letter to its customers to inform them of the closing of the business, as well as a second letter that was drafted following consultation with Staff and Dominion and provided options for the customers to obtain an alternate source of supply. Gasearch

concluded that it agreed with Dominion's plan for transitioning customers to other suppliers during the month of November. As to its certificate, Gasearch noted that it is certified by the Commission as both a natural gas supplier and a broker. Gasearch stated that it does not intend to resume operations as a natural gas supplier, although it noted that it may seek to do so if the necessary funding is obtained. Gasearch also requested that it be permitted to maintain its certification to operate as a broker.

{¶ 6} Also on November 2, 2021, Gasearch filed a second letter requesting approval to continue its operations as both a natural gas supplier and a broker. Gasearch explained that, on November 1, 2021, it was contacted by the company with which it signed the letter of intent. According to Gasearch, that company is now ready to proceed with the proposed merger and acquisition of Gasearch and will be prepared to have any financial requirements to the Commission as soon as November 2, 2021. In light of this recent development, Gasearch rescinded its earlier request to close the company and requested that it be allowed to continue its natural gas operations in Ohio as both a supplier and a broker or, alternatively, that it be permitted to retain its certification as a broker.

{¶ 7} By Finding and Order dated November 3, 2021, the Commission granted Dominion's request to terminate Gasearch's participation in the Energy Choice program. Further, the Commission directed Gasearch and Dominion to work together to effectuate an orderly transition of Gasearch's customers to Dominion or another natural gas supplier, as well as to continue to advise the Commission's Service Monitoring and Enforcement Department as to their progress.

{¶ 8} On November 12, 2021, Gasearch filed a request for a hearing, pursuant to Paragraph 11 of the November 3, 2021 Finding and Order, which provided that Gasearch may request a hearing as to whether its certificate should be rescinded in whole or in part, in light of the material default.

{¶ 9} On December 17, 2021, the attorney examiner by Entry granted Gasearch's request for a hearing in this matter. Accordingly, the evidentiary hearing in this case was

scheduled to occur on January 25, 2022, at 10:00 a.m. Staff's review and recommendation was due by January 6, 2022, Gasearch's direct testimony was due by January 11, 2022, and Staff's direct testimony was due by January 18, 2022.

{¶ 10} On January 6, 2022, Staff filed its review and recommendation, in which it recommended Gasearch's application for certification be denied, as Gasearch has not demonstrated that it has the managerial, financial, or technical capability to comply with Ohio laws and rules.

{¶ 11} On January 11, 2022, Staff and Gasearch jointly filed a motion requesting the procedural schedule in the case be suspended for 30 days while the parties negotiate a potential settlement of issues in the case.

{¶ 12} Upon review of the joint motion signed by all parties, the attorney examiner finds the request therein reasonable and that it should be granted. Further, in the joint motion, Staff and Gasearch indicate that they sought and received Dominion's assent to request expedited treatment of the motion to suspend the procedural schedule.

{¶ 13} The procedural schedule shall, therefore, be suspended, including the due dates of all testimony and the evidentiary hearing set to commence on January 25, 2022.

{¶ 14} Finally, the parties should plan to apprise the attorney examiner of the status of their negotiations by no later than February 11, 2022.

{¶ 15} It is, therefore,

{¶ 16} ORDERED, That the joint motion to suspend the procedural schedule be granted. It is, further,

{¶ 17} ORDERED, That the procedural schedule set forth in Paragraph 12 of the December 17, 2021 Entry be suspended. It is, further,

{¶ 18} ORDERED, That the parties shall apprise the attorney examiner of the status of their negotiations by February 11, 2022. It is, further,

{¶ 19} ORDERED, That a copy of this Entry be served upon all interested persons and parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Jesse M. Davis

By: Jesse M. Davis
Attorney Examiner

NJW/mef

**This foregoing document was electronically filed with the Public Utilities
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Case No(s). 15-0866-GA-CRS

Summary: Attorney Examiner Entry granting the joint motion to suspend the procedural schedule set in the December 17, 2021 Entry; and requiring parties to provide a status update of their negotiations by February 11, 2022 electronically filed by Ms. Mary E. Fischer on behalf of Jesse M. Davis, Attorney Examiner, Public Utilities Commission of Ohio