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Columbus, Ohio 43215

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March 31, 2022

Ms. Tanowa Troupe  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, Ohio 43215

**Re:   *In the Matter of the Application of Volunteer Energy Services, Inc. for Renewal of  
Certification as a Competitive Retail Natural Gas Supplier***  
**Case No. 02-1786-GA-CRS**

Dear Ms. Troupe:

On March 29, 2022, Columbia Gas of Ohio, Inc. ("Columbia") received a letter from Volunteer Energy Services, Inc. ("VESI"), which is attached hereto as Attachment A, notifying Columbia that VESI had filed on March 25, 2022, a voluntary petition for Chapter 11 bankruptcy. The letter also explained that,

Accordingly, VESI no longer needs or wants the supply and distribution services that you ("Distribution Company") have historically provided, and as such, those services should immediately cease. To be clear, VESI will not have any resources to pay for such supply and distribution services that Distribution Company provides to VESI after [March 25, 2022]. For these reasons, it is critical that the transfer of VESI's customers occurs expeditiously, and we write to request your assistance with such efforts.

On March 30, 2022, the U.S. Bankruptcy Court for the Southern District of Ohio issued an Order authorizing VESI to cause the transition of customers to default natural gas service. Specifically, the Court ordered that VESI was "authorized, but not ordered, to take all necessary actions to transition and transfer customers to the Columbia Gas entities or other LDCs based upon [VESI's] business judgment." A copy of this Order is attached hereto as Attachment B.

Following the Bankruptcy Court's Order, VESI authorized Columbia to transfer approximately 118,000 customers to Columbia's default sales service. Columbia recalled the capacity released to VESI for the month of April to ensure the VESI

customers are served. Columbia began incrementally transitioning customers on March 30, 2022, from VESI's rates to Columbia's default sales service rate. Columbia will complete the transition of VESI's customers by the end of the April billing cycle.

If you have any questions or concerns regarding this written notice, please do not hesitate to contact me at the information listed above.

Respectfully submitted,

*/s/ Melissa L. Thompson*

Director of Regulatory Policy  
Columbia Gas of Ohio, Inc.

cc: Chair Jenifer French  
Vice Chair M. Beth Trombold  
Commissioner Lawrence Friedeman  
Commissioner Dennis Deters  
Commissioner Daniel Conway  
Katherine Fleck, Chief of Staff  
Robert Fadley, Director, Service Monitoring and Enforcement Department  
Barbara Bossart, Chief, Reliability and Service Analysis Division  
Tamara Turkenton, Director, Rates & Analysis Department  
Angela Hawkins, Director, Legal Department  
John Jones, Chief, Public Utilities Section, Office of the Ohio Attorney General



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**BY ELECTRONIC MAIL**

To whom it may concern:

This firm is bankruptcy counsel to Volunteer Energy Services, Inc. (“VESI”). On March 25, 2022 (the “Petition Date”), VESI commenced a bankruptcy case (the “Chapter 11 Case”) in the United States Bankruptcy Court for the Southern District of Ohio (the “Court”) by filing a voluntary petition for chapter 11 relief under title 11 of the United States Code (the “Bankruptcy Code”).

Under the Court’s supervision, VESI intends to seek an immediate transition of its customers to default utility service or as otherwise authorized by the Court. Accordingly, VESI no longer needs or wants the supply and distribution services that you (“Distribution Company”) have historically provided, and as such, those services should immediately cease. To be clear, VESI will not have any resources to pay for such supply and distribution services that Distribution Company provides to VESI after the Petition Date. For these reasons, it is critical that the transfer of VESI’s customers occurs expeditiously, and we write to request your assistance with such efforts. To that end, VESI has sent or will shortly be sending letters to its customers informing them that their service will be transferred to default utility service (or as otherwise authorized by the Court) as soon as possible. Additionally, VESI has filed an emergency motion with the Court (a copy of which is enclosed herein) to set a deadline by which Distribution Company (and other LDCs) must complete the transition of VESI’s customers. VESI has asked that the Court schedule an expedited hearing on this motion for April 1, 2022.

We also write to provide you with certain information in connection with the Chapter 11 Case.

As a result of filing the Chapter 11 Case, VESI is now protected by the “automatic stay.” Bankruptcy Code section 362(a) provides for a stay of any collection and enforcement actions against the debtor or the debtor’s property, including, without limitation, ***the setoff of any debt owing to the debtor that arose before the commencement of the case.*** See 11 U.S.C. § 362(a)(7) (emphasis added).

As you know, VESI is party to a purchase of receivables agreement with Distribution Company, pursuant to which Distribution Company is obligated to pay VESI on a net basis all amounts billed by VESI on behalf of Distribution Company. Distribution Company is not permitted to setoff any amounts owed by VESI to Distribution Company against any amounts that Distribution Company owes to VESI under the purchase of receivables agreement that accrued prior to the Petition Date. We expect that Distribution Company will continue to pay VESI all such amounts in the ordinary course of business, and we are hopeful to avoid the need to seek Bankruptcy Court intervention to enforce the automatic stay. We note that any willful violation of the automatic stay entitles the debtor to recover “actual

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damages, including costs and attorneys' fees, and, in appropriate circumstances . . . punitive damages." 11 U.S.C. § 362(k).

VESI reserves all rights and waives none in connection with the matters raised herein. Please do not hesitate to reach out to me if you have any questions or require clarification.

Respectfully,

Darren Azman

**This document has been electronically entered in the records of the United States Bankruptcy Court for the Southern District of Ohio.**

**IT IS SO ORDERED.**

**Dated: March 30, 2022**



  
**C. Kathryn Preston**  
**United States Bankruptcy Judge**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF OHIO  
EASTERN DIVISION**

\_\_\_\_\_  
In re:

)  
) Chapter 11  
)

VOLUNTEER ENERGY SERVICES, INC.,

) Case No. 22-50804  
)

Debtor.<sup>1</sup>

) Judge C. Kathryn Preston  
)  
\_\_\_\_\_

**ORDER AUTHORIZING THE DEBTOR TO CAUSE THE TRANSITION OF  
CUSTOMERS TO DEFAULT SERVICE PROVIDER  
[RELATED TO DOCKET NO. 44 and RELATED TO HEARING HELD MARCH 30,  
2022)**

<sup>1</sup> The last four digits of the Debtor's federal tax identification are (2693), and the address of the Debtor's corporate headquarters is 790 Windmill Drive, Pickerington, Ohio 43147.

Volunteer Energy Services Inc. (the “Debtor”) filed a motion (“Customer Transition Motion”, Doc. No. 44) on March 28, 2022, for the entry of an order authorizing the Debtor to cause the transition of customers to default service (however defined under applicable state law or by the applicable electric utility or natural gas local distribution company (“LDC”), and for certain other relief.

On March 30, 2022, due to emergency circumstances related to the possible transfer of customers to certain Columbia Gas entities and the opportunity for the Debtor to avoid certain fines, penalties or other costs associated with the Debtor’s proposed transition of customers to the Columbia Gas entities, and perhaps also other LDCs, the counsel for the Debtor contacted the Court and orally requested immediate authority to take all necessary actions to transfer and transition customers to an LDC.

Based upon the oral representations by counsel for the Debtor, the Court held a telephone hearing (“Hearing”) on March 30, 2022, on the Debtor’s oral request (“Oral Motion”) for authority to take all actions necessary to transfer and transition customers to the Columbia Gas entities or other LDCs.

The following parties were present at the Hearing:

Darren Azman Esq. proposed counsel for the Debtor David

Whittaker Esq. proposed local counsel for the Debtor

Regina Stango Kelbon Esq. counsel for PNC

Stanley Tarr Esq. counsel for PNC

Tiffany Cobb Esq. counsel for PNC

Jeremy Shane Flannery Esq. Office of the US Trustee Luke

Sizemore Esq. counsel for Columbia Gas entities

Representatives of the Columbia Gas entities

John Einstein Esq. General Counsel for the Debtor

David Warner CFO for the Debtor

Based upon the testimony of certain representatives of the Columbia Gas entities, the statements of counsel for the Debtor, testimony by the representatives of the Debtor on the Debtor's business judgment regarding the proposed transfer and transition of customers to the Columbia Gas entities or other LDCs, and based upon the statements by counsel for PNC and the US Trustee indicating no opposition to the Oral Motion, the Court finds as follows:

- A. Emergency circumstances warranted and justified the Oral Motion, as the Debtor was facing a deadline of 3:00 pm on March 30, 2022, to take the necessary actions to transition and transfer a significant number of customers to the Columbia Gas entities, and perhaps also to other LDCs, effective for the April gas billing cycle.
- B. The Court further finds that transfer and transition of the customers to the Columbia Gas entities or to other LDCs prior to the April billing cycle would potentially eliminate or significantly reduce the amount of fines, penalties or costs that the Debtor may be liable for with respect to the process of transitioning customers to the Columbia Gas entities or to other LDCs.
- C. Under the circumstances, proper notice was given of the Oral Motion and the Hearing.
- D. The Court finds that the Debtor has exercised proper business judgment in determining that it is in the best interest of the Debtor and the bankruptcy estate

for the customers to be immediately transferred and transitioned to the Columbia Gas entities or other LDCs.

E. The Court further finds that the Oral Motion should be granted.

Accordingly, the Court Orders as follows:

1. The Oral Motion is granted as set forth herein.
2. The Debtor is authorized, but not ordered, to take all necessary actions to transition and transfer customers to the Columbia Gas entities or other LDCs based upon the Debtor's business judgment.
3. Any action taken by the Debtor after the Court's ruling on the Oral Motion but before the entry of this Order is ratified and approved so long as such action was consistent with the authority provided to the Debtor in this Order.
4. The Court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied, and that the relief requested in the Motion is necessary to avoid immediate and irreparable harm.
5. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.
6. The Debtor is authorized to take all actions necessary to implement the relief granted in this Order.
7. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.
8. All other relief requested by the Debtor in the Customer Transition Motion is reserved pending further order of the Court.



9. The Debtor shall serve a copy of this Order on all Notice Parties as identified in the Customer Transition Motion within one (1) business day of the entry of this Order and the Debtor shall file a Certificate of Service confirming service as required by this Order.

**SO ORDERED.**

Copies to: Default List.

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

**3/31/2022 4:54:50 PM**

**in**

**Case No(s). 02-1786-GA-CRS**

Summary: Correspondence Regarding Volunteer Energy Services, Inc. Transfer of  
Customers to Columbia Gas of Ohio, Inc. electronically filed by Ms. Melissa L.  
Thompson on behalf of Columbia Gas of Ohio, Inc.