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Statewide

The PUCO Rescinds FirstEnergy-linked Broker's Certification (Case No. 20-0103-EL-AGG)

Summary: In October 2021, the Supreme Court of Ohio unanimously overturned the PUCO's approval of Suvon (FirstEnergy Advisors), a FirstEnergy Corp. subsidiary, to operate as an energy broker and aggregator. This week, the PUCO reversed its prior approval but ordered that FirstEnergy Advisors' customers will continue to receive service under their existing contracts previously arranged by FirstEnergy Advisors and FirstEnergy Advisors will still be permitted to receive compensation for such contracts. In a PUCO filing, FirstEnergy Advisors stated that it will file a new application for certification in the "near future" and vowed more transparency as the FirstEnergy scandal continues to unfold. Recently released text messages from March 2020 suggest that FirstEnergy Corp.'s former CEO Chuck Jones and former PUCO Chairman Sam Randazzo were communicating about FirstEnergy Advisors' then-pending certificate.

FirstEnergy

Unanimous Settlement Reached in FirstEnergy SEET and DSE Cases will Refund \$306M to Customers (Case Nos. 19-1338-EL-UNC, et al.)

Summary: FirstEnergy, PUCO Staff, OMAEG, and several other parties reached a unanimous settlement, which was submitted to the PUCO on November 1, 2021, to resolve several FirstEnergy Significantly Excessive Earnings Test (SEET) and Demand Side Management and Energy Efficiency Rider (Rider DSE) cases. Under the settlement, customers will receive a total of \$306 million in refunds and credits over the next four years. After final approval, \$96 million will be refunded to customers within six months. Non-residential customers will be allocated \$45.3 million of the \$96 million in refunds, which will be credited on a 0.2578¢ per MWh basis over six months.

In addition to the abovementioned \$96 million, \$210 million in future rate reductions will be provided to customers over the period of 2022-2025. For 2022, customers will receive \$80 million in rate reductions, effective within thirty days of a final PUCO order approving the settlement. Customers will receive \$60 million in 2023, \$45 million in 2024, and \$25 million in 2025, effective January 1 of each calendar year. Under the settlement, non-residential customers are allocated 47.1% of the \$210 million rate reductions, which will be provided on a per MWh basis.

Finally, the settlement requires FirstEnergy to continue its Fourth Electric Security Plan (ESP IV) through its authorized term of May 31, 2024, and prevents FirstEnergy from seeking to recover lost distribution revenue through May 31, 2024. The settlement did not modify FirstEnergy's ESP IV requirement to file a distribution rate case by May 31, 2024.

Duke

The PUCO Approves an Increase to Duke's Rider DCI (Case No. 21-1071-EL-RDR)

Summary: The PUCO approved an increase to Duke's Delivery Capital Investment Rider (Rider DCI). Customers' Rider DCI rate will increase from 18.50% of their distribution charges to 22.763% of their distribution charges, effective January 4, 2022. Rider DCI applies to all of Duke's customers except those taking service under Rate TS, service as transmission voltage.