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Statewide

AG Yost Seeks to Add Former FirstEnergy Execs. and Randazzo to H.B. 6 Suit and Seizes Randazzo's Assets

Summary: Ohio Attorney General (AG) Dave Yost requested that a Franklin County Judge add FirstEnergy Corp.'s former CEO (Chuck Jones), former Senior Vice President (Michael Dowling), and the former PUCO Chairman (Sam Randazzo) as defendants to the state's racketeering lawsuit for their roles in the H.B. 6 scandal. The amended lawsuit asks Randazzo to forfeit the \$4.3 million bribe he received and repay the salary he collected as PUCO Chairman from April 2019 through November 2020. The AG's Office stated that the three men were added to the complaint because of new information, including FirstEnergy Corp.'s admissions to criminal acts in its Deferred Prosecution Agreement with the federal government.

In a [press release](#) issued, AG Yost announced that his office has obtained a court order allowing the seizure of up to \$8 million in assets from former PUCO Chairman Randazzo. The press release reports that since February 2021, Randazzo has transferred a \$500,000 home to his son and sold four other properties worth a combined \$4.8 million. The court order will freeze Randazzo's assets and prevent the future transfer or sale of personal property.

OMAEG to Request Reconsideration of PUCO's implementation of Solar Subsidy Rider (Case No. 21-447-EL-UNC)

Summary: On Friday, August 13, 2021, OMAEG requested that the PUCO reconsider its decision to implement the H.B. 128 Solar Subsidy Rider in an unlawful manner. More specifically, the filing asserted that the PUCO did not follow the plain language of the law when it implemented the Solar Subsidy Rider charge on a "per account" basis instead of on a "per customer basis," which is likely to result in many non-residential customers being charged for their multiple accounts, meters, and facilities. The filing further explains that the PUCO incorrectly determined that the rider must collect \$20 million from customers annually,

regardless of whether the solar facilities were operating and generating output to earn credits.

The PUCO to Hold Workshops on the Cost Effectiveness of EE

Summary: The PUCO announced that it will host five [energy efficiency \(EE\) workshops](#) to receive input from stakeholders on whether cost-effective EE programs are an appropriate tool to manage electric generation costs, and how those fit into Ohio's competitive electric and natural gas markets. Each of the workshops will focus on a distinct stakeholder group and occur as follows: electric industry on September 8, 2021; natural gas industry on October 6, 2021; business industry on October 20, 2021; consumer industry on December 15, 2021; and environmental industry on January 12, 2021. OMAEG intends to participate.

FirstEnergy

FirstEnergy Supplements its Response in PUCO H.B. 6 Spending Case (Case No. 20-1502-EL-UNC)

Summary: As a result of FirstEnergy Corp.'s Deferred Prosecuted Agreement (DPA) with the U.S. Attorney's Office and the findings in the PUCO Delivery Capital Recovery Rider (Rider DCR) audit report, the FirstEnergy Utilities supplemented their September 30, 2020, response in the PUCO H.B. 6 Spending Case. Previously, the FirstEnergy Utilities categorically denied that customers paid political or charitable costs in support of H.B. 6. The supplemental response stated that the FirstEnergy Utilities have determined that political spending in support of H.B. 6 impacted their pole attachment rates by \$14,534 due to FirstEnergy Corp.'s payment of \$4.3 million in 2019 to one of the former PUCO chairman's consulting companies. The supplemental response further claimed that "[p]rior to the filing of the DPA, the Companies and their representatives were unaware that the \$4.3 million payment in part constituted political spending in support of H.B. 6." At this time, the FirstEnergy Utilities appear to be claiming that the \$4.3 million payment only affected pole attachment rates, which are paid by cable entities, and not any rates or charges paid by customers. While the capitalized portion of the costs of the payment were included in the calculation of Rider DCR, customers were purportedly not impacted by this because the Rider DCR revenue cap had already been reached. But this conclusion seems to be inconsistent with the Rider DCR audit report itself, which determined that \$6.6 million should be returned to customers, including approximately \$2.4 million through a nonbypassable rider in base rates, \$4.15 million through Rider DSE, and \$83,000 recognized in its next pole attachment filing.

AES Ohio (formerly DP&L)

**The PUCO Declines to Reconsider its Implementation of AES Ohio's ESP I
(Case Nos. 08-1094-EL-SSO)**

Summary: The PUCO denied various requests for reconsideration of its decisions regarding AES Ohio's first Electric Security Plan (ESP I). Notably, the PUCO rejected the Office of the Ohio Consumers' Counsel's (OCC) claims that the rate stabilization charge (RSC) is unlawful and that a "rate freeze" agreed to in a prior settlement bars AES Ohio's request for a distribution rate increase pending currently before the PUCO. The PUCO also maintained that it lacked discretion to make the RSC refundable but included tariff language that will preserve the issue if OCC appeals the decision to the Supreme Court of Ohio.