

Ohio RFP Frequently Asked Questions – General

FAQ#	Date of Posting	Question / Answer
GEN001	24-Dec-08	Question: How does a winning bidder schedule DNR to the FE.FESR delivery point?
		Answer: The winning bidder would need to complete and submit a MISO Module E submission that designates the resources that will be employed in satisfying the contracted tranche load level. Within the Module E, winning bidders will need to point to the necessary resources that will be utilized in serving the load. To address details on Module E requirements please contact Mr. Brian Pedersen of the MISO Resource Adequacy Department at bpedersen@midwestiso.org.
GEN002	24-Dec-08	Question: Who can a winning bidder contact to learn more about specific MISO scheduling protocols?
		Answer: For information concerning the MISO operational protocols of this RFP, please contact MISO Client Relations at 866-296-6476.
GEN003	24-Dec-08	Question: How do I submit a bid?
		Answer: Bids must be submitted by fax between 9:00 a.m. and 11:00 a.m. prevailing Eastern Time on Wednesday, December 31, 2008. Bids received before or after the 9:00 a.m. to 11:00 a.m. window as determined by the RFP Manager based on the fax machine transmittal, will be rejected. Fax your bid proposal to the RFP Manager at 617.425.6574. A complete proposal consists of the submission of four Appendices by the Bid Date as further explained in ARTICLE IV. Proposal Requirements of the RFP Rules.
GEN004	24-Dec-08	Question: Is the RFP process and selected winning bids subject to the approval of the state Public Utilities Commission of Ohio (PUCO) and/or FERC?
		Answer: This RFP process involves a wholesale transaction for energy and capacity and is therefore outside the jurisdiction of the PUCO. To the extent necessary, the provision of wholesale electric service pursuant to this RFP by a bidder affiliated with the FirstEnergy Ohio Utilities may be conditioned upon necessary FERC approval(s) of an agreement between the affiliated bidder and the FirstEnergy Ohio Utilities.
GEN005	24-Dec-08	Question: Why are the FirstEnergy Ohio Utilities the load serving entities (LSEs)?
		Answer: The FirstEnergy Ohio Utilities will remain the LSE due to timing issues associated with MISO Market Participant registration process. Specifically, MISO registration timelines require

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		that Market registration requests, including the request for CP Nodes, must be completed months in advanced of the start of service. In this case, the registrations and requests would have to have been submitted to MISO on or before September 15, 2008
GEN006	24-Dec-08	Question: Can competitive retailers who service competitive load in Ohio submit a bid in response to the RFP?
		Answer: Any bidder that meets the various requirements set forth in the RFP Rules and the SSO Supply Agreement may submit a bid. Notwithstanding the aforementioned, all bids will be subject to review by the RFP Manager.
GEN007	24-Dec-08	Question: Does the winning bidder have to be licensed/approved as a competitive retailer in Ohio?
		Answer: No. The winning bidder does not have to be licensed/approved as a competitive retailer in Ohio, but must meet the requirements set forth in the RFP Rules and the SSO Supply Agreement and comply with the MISO requirements to provide wholesale electricity and meet capacity requirements. The FirstEnergy Ohio Utilities will remain the Load Serving Entity responsible for providing Standard Service Offer Supply as further defined in the RFP Rules.
GEN008	24-Dec-08	Question: Does the winning bidder have to own generation in Ohio?
		Answer: No, but the bidder must be an "Asset Owner" as that term is defined by MISO. An Asset Owner may own generation or have claims to such generation through contractual agreements or other market arrangements.
GEN009	24-Dec-08	Question: How does a winning bidder schedule energy to the FE.FESR delivery point?
		Answer: A winning bidder's projected energy requirements will be submitted on a day-ahead basis to MISO by the FirstEnergy Ohio Utilities. The bidders must approve this day-ahead financial schedule known as finSched.
GEN010	26-Dec-08	Question: Will there be a bidder's information session or conference call? What is the process by which questions can be asked?

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		Answer: No bidder's information session or conference call is planned. The RFP website at http://www.firstenergy-auction.com can be used to ask the RFP Manager questions, via the RFP Manager email address (RFPManager@crai.com). Answers will be posted in the FAQ section of the website for all potential bidders to review.
GEN011	26-Dec-08	Question: Why are the FirstEnergy Ohio Utilities providing the bid evaluation criteria to the RFP Manager? What are the criteria based on? Will the criteria be revealed to bidders?
		Answer: The bid selection criteria will be developed by the FirstEnergy Ohio Utilities (as is common in procurements) and then transferred to the RFP Manager the day before bids are due. The application of bid selection criteria by the RFP Manager, instead of by the FirstEnergy Ohio Utilities, ensures that all bids are evaluated in a fair, impartial and consistent manner. The objective criteria will be price-based only, i.e., a dollar per MWh value. The criteria will be held confidential.
GEN012	26-Dec-08	Question: By when can the RFP process be terminated before it is concluded?
		Answer: The RFP bidder rules document (I.1.3) states: "Prior to 4:00 p.m. prevailing Eastern Time on Tuesday, December 30, 2008, the Companies may, for any reason and at their sole discretion, terminate or suspend this RFP Process."
GEN013	26-Dec-08	Question: What happens if 100% of the SSO load is not procured through this RFP process?
		Answer: The FirstEnergy Ohio Utilities will purchase any unsubscribed tranches in the MISO spot market.
GEN014	26-Dec-08	Question: What happens after March 31? How will SSO load be supplied?
		Answer: As noted in the December 22, 2008 press release, the current expectation is that a bid process consistent with the current RFP process will be conducted at a later date to meet customer supply needs beyond March 31, 2009.
GEN015	26-Dec-08	Question: When will details be provided for the competitive solicitation that will cover supply deliveries beyond March 31, 2009? What will be the frequency of the bid solicitation(s) to procure supply for the rest of 2009 beyond March 31?

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		Answer: Details of one or more competitive procurements for deliveries beyond March 31, 2009 will not be available until after completion of the current process for deliveries through the first quarter of 2009.
GEN016	26-Dec-08	Question: Is approval of winning bids by the Ohio PUC required?
		Answer: No.
GEN017	26-Dec-08	Question: Is the load being served by the supply procured in this RFP solicitation all of the utilities' load in Ohio? How many MW?
		Answer: As shown in Table 1 of the bidder rules document, there are 100 tranches and each tranche represents one percent (1%) of the actual hourly energy required for the SSO Load for the Delivery Period as well as one percent (1%) of the required Designated Network Resources (DNR) for the Delivery Period as shown in Table 1. Table 1 shows the nominal MW quantity associated with the energy to be delivered for each tranche based solely on historical data for the maximum hourly energy but is not necessarily indicative of the actual energy quantity to be delivered for each tranche because the amount of actual SSO Load will depend upon many factors, including but not limited to, customer migration to CRES Suppliers and weather conditions. Bidders are responsible for evaluating the uncertainties associated with providing the wholesale energy needed to serve the FirstEnergy Ohio Utilities SSO Load. Thus, the energy obligation for each tranche could vary each hour from the nominal 88 MW of maximum hourly energy for the Delivery Period shown in Table 1. In contrast to the MW quantity that will be associated with the energy to be delivered for each tranche, the MW quantity associated with the DNR quantity to be delivered for each tranche is fixed since this capacity obligation has already been established under the MISO protocols. For the DNR component, the SSO DNR obligation is 10,006 MW, 9,848 MW, and 8,227 MW for January, February, and March 2009, respectively.
GEN018	29-Dec-08	Question: When do you expect the Commission to approve the results of the Auction?
		Answer: Approval of the results of the RFP by the Public Utilities Commission of Ohio (PUCO) or the Federal Energy Regulatory Commission (FERC) is not required.

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GEN019	29-Dec-08	<p>Question: Would the LSE be willing to give the FTR credits to the winning supplier if pricing stated this was part of it?</p>
		<p>Answer: Under the SSO Supply Agreement, the obligation and therefore the bids are for both energy and capacity for delivery to MISO delivery point FE.FESR. FTR credits are not included in the SSO Supply Agreement and modifying the agreement to include such credits would make the proposal submission a non-conforming bid.</p>
GEN020	29-Dec-08	<p>Question: What will be the contract date on the SSO Supply Agreement and Transaction Confirmation?</p>
		<p>Answer: The SSO Supply Agreement is to be signed by winning bidders within one (1) business day following submission of bids. Although the date both parties sign the agreement could be earlier, the most likely contract date is January 2, 2009.</p>
GEN021	29-Dec-08	<p>Question: Do you have acknowledgement from MISO that the Market Participant Registration requirements, specifically the CPNode registration requirements, are satisfied via FE remaining the LSE?</p>
		<p>Answer: Yes, with the expectation that winning RFP suppliers can perform according to the SSO Supply Agreement requirements. For example, the settlement and delivery of bilateral energy in the MISO is accomplished with the use of financial schedules (Finscheds). Winning RFP suppliers would need to be MISO Market Participants, as required by the SSO Supply Agreement, to be able to set up with the FirstEnergy Ohio Utilities the Finscheds associated with the transaction.</p>
GEN022	30-Dec-08	<p>Question: Are there any shopping rules/restrictions that bidders should be aware of?</p>
		<p>Answer: Information about shopping rules and restrictions such as enrollment timelines, minimum enrollment periods, etc., can be found at the links below.</p> <p>For Cleveland Electric Illuminating, see Section VII — Customer Enrollment Process at the following: http://www.firstenergycorp.com/Residential_and_Business/Customer_Choice/files/Tariff_-</p>

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		<p>_OH/CEISupplierTariff.pdf</p> <p>and Sections XIII — Changing Electric Suppliers, XIV — Return to Standard Offer Supply, and XV — Certified Supplier Billing and Payment in the Standard Rules and Regulations in the following: http://www.firstenergycorp.com/Residential_and_Business/Customer_Choice/files/Tariff_-_OH/CEI-2008%20-%20PUCO%20No.%2013.pdf</p> <p>For Toledo Edison, see Section VII — Customer Enrollment Process in the following: http://www.firstenergycorp.com/Residential_and_Business/Customer_Choice/files/Tariff_-_OH/TESupplierTariff.pdf</p> <p>and Sections XIII — Changing Electric Suppliers, XIV — Return to Standard Offer Supply, and XV — Certified Supplier billing and Payment in the Standard Rules and Regulations in the following: http://www.firstenergycorp.com/Residential_and_Business/Customer_Choice/files/Tariff_-_OH/TE-2008%20-%20PUCO%20No.%208.pdf</p> <p>For the Ohio Edison Company, see Section VII — Customer Enrollment Process in the following: http://www.firstenergycorp.com/Residential_and_Business/Customer_Choice/files/Tariff_-_OH/OESupplierTariff.pdf</p> <p>and Sections XIII — Changing Electric Suppliers, XIV — Return to Standard Offer Supply, and XV — Certified Supplier Billing and Payment in the Standard Rules and Regulations in the following: http://www.firstenergycorp.com/Residential_and_Business/Customer_Choice/files/Tariff_-_OH/OE-2008%20-%20PUCO%20No.%2011.pdf</p>
GEN023	30-Dec-08	Question: How will the RFP Manager report the results to the FirstEnergy Ohio Utilities?

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		Answer: In applying the bid evaluation criteria to conforming bid proposals, the RFP Manager will determine the winning tranches after ranking all conforming bids from lowest to highest price. The RFP Manager will then report to the FirstEnergy Ohio Utilities who the winning bidders are, and for each winning bidder the number of tranches won by the winning bidder and the average price to be paid to the winning bidder. The average price will be rounded to the nearest cent per MWh.
GEN024	30-Dec-08	Question: If the RFP proceeds, what time will the RFP Manager notify respondents if they are successful or not?
		Answer: The RFP Manager will notify respondents if they are successful or not on December 31, 2008 after applying the bid evaluation criteria.
GEN025	30-Dec-08	Question: How will rates be set for the FirstEnergy Ohio Utilities' Standard Service Offer Supply customers during the Delivery Period of January 5, 2009 through March 31, 2009?
		Answer: The FirstEnergy Ohio Utilities initially will keep current retail tariff rates in place for the Delivery Period.
GEN026	30-Dec-08	Question: If the First Energy utilities cancel the RFP (given the short time frame in which this RFP was announced), why should market participants believe any future solicitations would proceed?
		Answer: The FirstEnergy Ohio Utilities have not exercised their right to terminate the RFP process.
GEN027	30-Dec-08	Question: If this RFP is terminated on December 30th how will FirstEnergy procure energy and capacity?
		Answer: The FirstEnergy Ohio Utilities have not exercised their right to terminate the RFP process.
GEN028	30-Dec-08	Question: Can an analyst (non-officer) of the bidding company be the Authorized Representative on Appendix 1 in the Bidder Rules and sign the certifications as long as an officer of the company signs Appendix 2 (the confidentiality form) and Appendix 4 the Bid Submittal Form? Should the bidding company win any load in the RFP, the officer of the Company would also sign the SSO Supply Agreement.
		Answer: A non-officer of the bidding company may be the Authorized Representative on Appendix 1 in the Bidder Rules and sign the certifications as long as such person is authorized

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		to attest to the various certifications and limitations listed in Appendix 1 including, but not limited to: certify that he/she is authorized by the bidder to serve as Authorized Representative and represent the bidder in the RFP; certify that he/she has read and understands the RFP Rules and that the bidder will comply with the Rules; certify that the bidder has read and understands the SSO Supply Agreement and that the bidder accepts its terms; certify that if the bidder becomes a winning bidder, the bidder will execute the SSO Supply Agreement within one (1) business day following the close of the solicitation; certify the bidder's agreement that the submission of any bid in the RFP creates a binding and irrevocable offer to provide service under the terms set forth in the SSO Supply Agreement and that a binding and enforceable contract to provide service with respect to the number of tranches for which the bidder were a winner in the RFP shall arise under the SSO Supply Agreement.
GEN029	30-Dec-08	