

## Supplier Services FAQ – Met-Ed & Penelec

### **Billing**

**Q. What billing options are available?**

A. Dual, Bill Ready, and Rate Ready billing options are currently available.

**Q. How is a customer's due date set?**

A. Due date is set to 15 days from invoice date for C&I and 20 days from invoice date for residential. Exception: Senior citizens and government accounts may have special due dates

**Q. For utility consolidated billing (rate ready & bill ready), when is a supplier paid?**

A. The company will reimburse the EGS for all energy charges collected from customers not included in POR on a daily basis.

**Q. For utility consolidated billing (rate ready & bill ready), when is a supplier paid for a POR customer?**

A. Payments to EGSs will be made based on the current amount that is billed and owed by the Customers and will be paid 40 days after invoicing the Customer. The POR payments to EGSs will not be discounted.

**Q. For utility consolidated billing, can Met-Ed and Penelec terminate customer for non-payment of supplier arrearages?**

A. Yes, Effective January 1, 2011 Met-Ed and Penelec will disconnect for supplier arrearages, for customers and suppliers included in the Purchase of Receivables (POR) program. Met-Ed and Penelec can't terminate for non-payment of supplier arrearages for customers and suppliers that are not included in the POR program.

**Q. If a customer is not shopping and is on a budget bill and they switch, will supply portion be included in budget?**

A. If customer is rate ready, yes, the supply portion will automatically be placed on budget.

If customer is dual - no. But if customer switches from dual to rate ready, the supplier portion will automatically be placed on budget.

**Q. In utility consolidated billing (rate ready & bill ready), will FirstEnergy provide budget billing for the supplier?**

A. Yes, for Rate Ready. No, for Bill Ready.

**Q. In utility consolidated billing (rate ready), what will FirstEnergy send in the EDI 810 transaction for a customer on budget bill?**

A. FirstEnergy will send 810's which reflect the calculated supplier amount.

**Q. In utility consolidated billing, does FirstEnergy maintain supplier balance?**

A. Yes, however, all FE and Supplier arrearages are combined when presented on the bill (presented as Previous Balance)

**Q. How long must FirstEnergy maintain supplier balance?**

A. Until the balance is written off via EDI 248. Time periods will vary.

**Q. When there is a cancel/rebill over bill types with the same supplier, what bill method does the rebill use?**

A. The bill type that was in effect at time of original bill period will be used.

## Supplier Services FAQ – Met-Ed & Penelec

- Q. When there is a cancel/rebill over bill types and the supplier is no longer active with the customer, what bill method does the rebiller use?**  
**A.** Bill type that was in effect at time of original bill period.
- Q. What is the payment posting hierarchy?**  
**A.**

<b>Met-Ed and Penelec (except NY) Payment Posting Rules for Large Commercial and Industrial Shopping Customers PCI</b>
1. Total Due
2. Security Deposit
3. Service Charge
4. Late Payment Charge – Arrears
5. Returned Check Fee
6. Reconnection Charge
7. Installment Plan – Distribution and Supplier – Arrears
8. Installment Plan same as PAM – Arrears
9. Consumption Items – Distribution – Arrears
10. Adjustment Debt (6000/1002) – Distribution Arrears
11. Late Payment Charge – Current
12. Installment Plan same as PAM – Current
13. Installment Plan – Distribution and Supplier – Current
14. Consumption Items – Distribution – Current
15. Adjustment Debt (6000/1002) – Distribution – Current
16. Consumption Items – Distribution then Supplier
17. DC Supplier Final Bill Items by Due Date
18. Adjustment Debt (6000/1002) – Distribution and Supplier
19. Miscellaneous Charges

<b>Met-Ed and Penelec (except NY) Payment Posting Rules and Government &amp; Special Due Date Payment Posting Rules PA1, CAP and PAGS</b>
1. Total Due
2. Security Deposit
3. Service Charge
4. Late Payment Charge Arrears
5. Returned Check Fee
6. Reconnection Charge
7. Installment Plan Arrears
8. All Consumption Item Arrears (FirstEnergy & Supplier by Due Date)
9. Current Late Payment Charge
10. Current Installment Plans
11. FirstEnergy Current Consumption Items
12. Supplier Current Consumption Items
13. Miscellaneous Charges
14. CAP Arrears
15. PCAP Arrears

## Supplier Services FAQ – Met-Ed & Penelec

**Q. Will FirstEnergy rebill for previous supplier?**

**A.** Yes.

**Q. If a supplier changes Bill Option, when does the change take effect?**

**A.** 814 Change will following rolling switching rules (first bill at least 10 days in future)

**Q. If a supplier changes a rate in rate ready, when does the change take effect?**

**A.** 814 Change will take effect as of the previous meter read

**Q. Does FirstEnergy provide a customer sync list?**

**A.** Yes. The sync list is available on the website at:  
[https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/data.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/data.html)

**Q. Will FirstEnergy print a supplier logo on the bill?**

**A.** Yes, a logo may be submitted for utility consolidated bills in accordance with the specifications posted at:  
[https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/supplier\\_registration.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/supplier_registration.html)

**Q. Will FirstEnergy send inserts for suppliers?**

**A.** No.

**Q. Is the supplier able to include a 'bill message' on the FirstEnergy bill?**

**A.** Yes, two NTE lines of 80 characters each are accepted on Bill Ready 810 transactions.

**Q. Are "Collective" billed customers allowed to shop?**

**A.** Yes, "collective" billing is available to shopping customers for all FirstEnergy operating companies located in PA.

## Supplier Services FAQ – Met-Ed & Penelec

### **Enrollment**

**Q. Who is eligible to enroll?**

A. 100% of Met-Ed and Penelec customers are eligible to shop for their generation.

**Q. Are unmetered accounts eligible to shop?**

A. Yes - OAL and Street Lighting accounts will be eligible to shop  
Yes - unmetered accts that have "CONS" distribution contract

**Q. Who holds authorization for a switch?**

A. The supplier holds authorization for customer enrollments.

**Q. Must there be a 'wet' customer signature?**

A. No.

**Q. Is the customer notified when a switch to an alternative supplier is processed?**

A. Yes. FirstEnergy sends confirmation letters within one day of receipt of 814 enrollments.

**Q. How long does the customer have to cancel their enrollment?**

A. With accelerated switching, there is a limited time frame for rescissions.

**Q. What is the minimum lead time from receipt of an enrollment to the first possible switch date?**

A. There is no minimum lead time. Switches, enrollments, and drops will be performed within 1 to 3 business days. Some switches may occur on a Saturday. Some unmetered accounts may take longer than 3 business days to switch. Meter read schedules are posted at:  
[https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/meter\\_read\\_schedule.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/meter_read_schedule.html)

**Q. When does the supplier become responsible for energy charges?**

A. The supplier becomes responsible on the customer switch date.

**Q. How many days does a customer have to cancel a drop?**

A. The customer can cancel a customer-initiated drop by contacting the utility on the same day. The customer cannot cancel a drop received via EDI from the supplier and must instead re-enroll with the supplier.

**Q. If a supplier drops a customer, how many days in advance of the meter read must FirstEnergy be notified?**

A. There is no minimum length of time. Switches, enrollments, and drops will be performed within 1 to 3 business days. Some switches may occur on a Saturday. Some unmetered accounts may take longer than 3 days to switch.

**Q. How is "last in" determined?**

A. FirstEnergy will take the last enrollment received. The contract date and time are only used if two enrollments are received on the same day.

**Q. Can Load Management (curtailable) customers shop?**

A. Yes.

**Q. Will FirstEnergy provide a file to suppliers of currently active customers with arrears?**

A. No.

## Supplier Services FAQ – Met-Ed & Penelec

- Q. Are switching fees applied to all customer enrollments?**  
**A.** No.
- Q. Does a supplier have to be registered in the service territory before the supplier can market / solicit customers?**  
**A.** Yes. More information can be found at:  
[https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/supplier\\_registration.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/supplier_registration.html)
- Q. When electronically requesting an enrollment or account information, what should be used as the EDU Account Number?**  
**A.** Suppliers must use the 20-digit customer number that is found on page 3 of the customer's utility invoice on any EDI transaction.
- Q. If enrollments are sent in error, how can they be cancelled?**  
**A.** A supplier cannot cancel an enrollment. An EDI drop request must be sent on or after the date the enrollment was sent in error.
- Q. What are Default Service rules (Minimum stay)?**  
**A.** There are no minimum stay rules.

## Supplier Services FAQ – Met-Ed & Penelec

### *EDI*

**Q. Is budget billing offered to suppliers?**

**A.** Yes.

**Q. Can I obtain 12-month customer usage history prior to the customer being enrolled?**

**A.** Yes. the supplier can request historical usage by sending an 814 secondary request for historical usage.

**Q. How do I obtain interval data for customer accounts?**

**A.** **Historical interval detail data** can be obtained by visiting the FirstEnergy web site at: [https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/data.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/data.html)

**Monthly interval detail data** is automatically sent on an interval customer unless the supplier requests summary data on the EDI 814 Enrollment or 814 Change transactions.

**Q. Is there a charge for EDI Historical Usage?**

**A.** No.

**Q. When can EDI testing be initiated?**

**A.** EDI testing can commence when the supplier credit has been approved by FirstEnergy. EDI testing may also be performed any time there are major changes to an EDI transaction, a system change, or a new system implementation.

**Q. What version of EDI is used?**

**A.** NAESB 1.6

**Q. Are VANs used or GISB?**

**A.** GISB

**Q. What are the turnaround times for EDI transactions?**

**A. 814:** 1 day

**810 & 867:** meter is read on day 1, account goes through billing on day 2, and both transactions are sent together on day 3

**820:** Details are sent directly to supplier within 1 day of customer payment posting. It usually takes an additional 2 days until suppliers receive the ACH payment to post to their bank account.

**248:** Supplier amounts remain on customer accounts indefinitely or until the customer account final bills. 248s on final billed amounts are generated 45 calendar days after the final bill due date.

**Q. Why did my 814 transaction (enrollment, change, and drop) reject?**

**A. Enrollments** may be rejected for the following reasons: Utility validates an enrollment by account number. The account number submitted could be invalid or not active.

A **drop request** may reject for the following reasons: the customer is 'pending' with a supplier; customer must be 'active' for a drop to be accepted. Drops can also be rejected due to an invalid account number.

**Change** requests may be rejected because the account number is not valid, or the customer is not the customer of the requestor.

**Q. When do 814 Change requests take effect?**

## **Supplier Services FAQ – Met-Ed & Penelec**

- A.** 814 rate code changes take effect with the previous meter read date. Bill Method changes take effect according to the supplier tariff switching rules.
  
- Q.** **Will FirstEnergy send the 820 through the bank or send the 820 to the supplier and an ACH through the banking system?**
- A.** FirstEnergy will send the 820 to the supplier and an ACH through the banking system.

## Supplier Services FAQ – Met-Ed & Penelec

### *Metering*

**Q. Where can suppliers find information regarding the Smart Meter program?**

**A.** Information regarding the Smart Meter program can be located on the website at:  
<https://www.firstenergycorp.com/content/customer/help/pa-smartmeter.html>

**Q. Will FirstEnergy charge for special request for meter testing of a FirstEnergy owned meter?**

**A.** Yes - Tariff Rule 10 allows a charge, which is refunded if meter does not meet accuracy standards

**Q. Will FirstEnergy support unscheduled meter reads?**

**A.** Only when final billing a customer move out.

**Q. Does FirstEnergy support non-standard metering?**

**A.** No.

**Q. Who determines customer's meter read schedule?**

**A.** FirstEnergy determines all customer meter read schedules.

**Q. What is the cut-off time for billing for interval accounts?**

**A.** IDM accounts: Day of billing at 2400  
Non-IDM: If not specified by billing, day of billing at 0015 is used.

**Q. Does FirstEnergy provide monthly interval data at the meter level or the account level?**

**A.** Monthly interval data is provided at the Account Level.

**Q. Can suppliers or the customer access their interval metered pulse data?**

**A.** Yes the process for obtaining an KYZ pulse is on the website at:  
[https://www.firstenergycorp.com/supplierservices/oh/interval\\_meter\\_workorder.html](https://www.firstenergycorp.com/supplierservices/oh/interval_meter_workorder.html)

**Q. What is the fee for manual historical interval usage when requested by a supplier?**

**A.** All suppliers that are registered with the PUC can access the interval data, for free, online at:  
[https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/data.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/data.html)

Suppliers not registered with the PAPUC need to request customer data through the terms of the Retail Tariff.



## Supplier Services FAQ – Met-Ed & Penelec

### **Price to Compare**

**Q. Can a EGS call in to FirstEnergy for a price to compare information for their customers?**

**A.** The PTC can be found on the website at:  
[https://www.firstenergycorp.com/customer\\_choice/pennsylvania/met-ed\\_penelec/your\\_price\\_to\\_compare.html](https://www.firstenergycorp.com/customer_choice/pennsylvania/met-ed_penelec/your_price_to_compare.html)

**Q. How often is price to compare calculated?**

**A.** The price to compare amount is updated for changes on a quarterly basis, to reflect increases/decreases to the Current Cost Component (the projected weighted cost of Default Service to serve Default Service load including any AEPS expenses), Network Integration Transmission Service charge (NITS), and any changes resulting from the quarterly reconciliation.

**Q. Are price to compare amounts shown on ALL customer bills?**

**A.** No. Customers subject to the Hourly Pricing Default Service Rider do not have a Price to Compare shown on their bill. All other customers have the Price to Compare shown on their bill.

**Q. Each tranche is approximately 50 MW. Is the 10% variable portion of the commercial tranches over and above the 50 MW block that the supplier provides (so that the supplier provides 55 MW), or is it included in the block (so that the supplier provides 45 MW)?**

**A.** A supplier does not bid to supply a fixed block of 50 MW. The supplier is responsible for supplying a certain percentage of Default Service Load for a class, whatever that load happens to be. The “variable portion of the commercial tranches” only applies to the price paid. The price paid is a weighted average of a fixed price determined at the Auction and a price based on the PJM Locational Marginal Price plus a \$9/MWh adder. The variable portion does not change the energy volumes for which a supplier is responsible and on the basis of which it is paid.

**Q. Are tranches for residential, commercial and industrial customers procured through a single Auction so that suppliers can switch their bids from tranches of one class to tranches of another class?**

**A.** Generally speaking, no. There are two auctions. The Fixed Auctions procure Default Service Supply for only residential and commercial customers who are on a (mostly) fixed-price plan. The Hourly Auctions procure Default Service Supply for Industrial customers on Hourly Pricing Service. There is one exception. In the October 2010 Solicitation, the Fixed Auction will procure Default Service for residential and commercial customers, as well as for industrial customers that have opted in to the fixed price option. That is the only Auction where tranches of all classes will be procured in a single Auction. Suppliers can switch their bids from one product to another in the Fixed Auction. Suppliers can switch their bids from one product to another in the Hourly Auction. However, suppliers cannot switch their bids from the products in the Fixed Auction to the products in the Hourly Auction or vice-versa.

## Supplier Services FAQ – Met-Ed & Penelec

**Q. Some products in the upcoming Fixed Auction have a supply period of January 1, 2011 to May 31, 2011. Given that this period is entirely non-summer, is the Seasonal Billing Factor for this period 1.0?**

**A.** The Seasonal Billing Factor for the period January 1, 2011 to May 31, 2011 for each Company and for each of the Residential and Commercial Classes is 0.97. This Seasonal Billing Factor is provided in Appendix F of the Fixed-Price Supplier Master Agreement (“Fixed-Price SMA”) for each Company, and for each of the Residential and Commercial Classes. The Seasonal Billing Factor does not apply to those Default Service Customers in the Industrial Class.

**Q. Are generation owners not located in PJM eligible to offer into the Auction?**

**A.** A Default Service Supplier need not be a generation owner and the Supplier Master Agreement is not linked to a particular generation source. Please consult the Supplier Master Agreements, which are posted on the Supplier Documents page of the Web site:

[http://www.firstenergycorp.com/utilitypowerprocurements/pa/mepn/auction/Supplier\\_Documents.html](http://www.firstenergycorp.com/utilitypowerprocurements/pa/mepn/auction/Supplier_Documents.html)

In order to become a bidder in the Auction, an applicant must submit to a two-part process. In the Part 1 Proposal, the applicant provides primary contact and financial information. The applicant either confirms that it is currently a Load Serving Entity (“LSE”) in PJM or the applicant certifies that it has investigated the requirements to become an LSE in PJM and that there exist no impediments for the applicant to become an LSE by January 1, 2011. Applicants must also agree to the terms of the Auction Rules and Supplier Master Agreements.

An entity that does not submit a Part 1 Proposal will not be able to participate in the Auctions. An applicant that successfully completes the Part 1 Proposal may submit a Part 2 Proposal.

**Q. Do the Companies recover any portion of RTEP costs in NITS rates?**

**A.** The Companies do not recover any portion of RTEP costs billed by PJM as schedule 12 charges through their NITS rates.

**Q. Will the Companies provide bidders with a summary of RTEP costs charged to load in their zones during 2009? Is this information available on the PJM web site?**

**A.** The Companies will not provide a summary of RTEP costs; however, the most recent Schedule 12 charges are posted on the PJM web site in the Transmission Enhancement Worksheet file. The PJM web site is:

<http://www.pjm.com/committees-and-groups/working-groups/mswg.aspx>

Click on the applicable Transmission Enhancement Charge Worksheet.

**Q. For the products with the supply period January 1, 2011 to May 31, 2011, are rates for commercial customers on Default Service consistent with how Default Service Suppliers are paid (90% based on the final auction price and 10% based on the PJM real-time price plus a \$9/MWh adder) or are rates based only on the final auction price?**

**A.** Commercial customers on Default Service pay a fixed per kWh retail rate that will change quarterly. The retail rate will be calculated based on the projected weighted cost of supply. The projected weighted cost of supply will include a forecasted cost of the variable component. The rate also includes a reconciliation factor that will capture differences in prior retail revenues and expenses (including differences in the estimate of the variable component and the actual cost of the variable component).

## Supplier Services FAQ – Met-Ed & Penelec

**Q. The Hourly Auction will be based on 1) the final auction price, 2) the real-time PJM price, and 3) a fixed \$2/MWh adder. What will the \$2 adder cover – only ancillary service costs? What if the actual cost of providing ancillary services is different from \$2/MWh?**

**A.** The payment of \$2/MWh is a fixed adder. If supplier estimate that the cost of ancillary services will be higher than this adder, the supplier should reflect the difference in their bids, which would be reflected in the final auction price.

**Q. Are the cost of capacity and AEPS cost included in the “final auction price” of the Hourly Auction or will the customer pay for these separately?**

**A.** A default service customer does not pay the RPM price for capacity or AEPS cost separately. These items are included in the final auction price.

**Q. Can you give us an idea of the administrative fees that the Companies will charge to customers taking Hourly Default Service?**

**A.** The administrative fees associated with providing Hourly Default Service to Customers are a separate charge in the Hourly Pricing Default Service Rider. An estimate of those costs is detailed in Met-Ed/Penelec Exhibit RAD-5. The following represents the costs allocated to Hourly Customers pursuant to the Settlement:

	<u>Met-Ed</u>	<u>Penelec</u>
Bill Inserts for Customer Notifications	\$117	\$141
Legal and Regulatory Expenses	\$3,990	\$4,601
Consultant Costs for Auction Process	\$7,152	\$8,252
Metering and Related Expenses	\$45,000	\$37,000
Billing System Enhancements and IT costs	<u>\$19,950</u>	<u>\$12,358</u>
Total	\$76,209	\$62,352

## Supplier Services FAQ – Met-Ed & Penelec

### **Registration & Eligibility List**

**Q. How long does it take to complete the supplier registration process with FirstEnergy?**

**A.** Once all of the registration paperwork is completed and approved, suppliers will be sent for EDI testing. EDI testing can take 4-6 weeks to complete.

**Q. What if the registration packet is incomplete?**

**A.** In the event the supplier fails to provide all of the information required for registration, the Company will provide written notice to the supplier of the registration's deficiencies.

**Q. What are the credit requirements necessary for registration?**

**A.** A supplier will satisfy its creditworthiness requirement and receive an unsecured credit limit by demonstrating that it has and maintains investment-grade long-term bond ratings from any two of the following four rating agencies: 1) Standard & Poor's - BBB- or higher; 2) Moody's Investors' Services - Baa3 or higher; 3) Fitch IBCA - BBB- or higher; 4) Duff & Phelps Credit Rating Company - BBB- or higher. Complete credit requirements may be found in Section 4 of FirstEnergy's Pennsylvania operating company Supplier Tariff or on our website at:  
[https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/supplier\\_registration/creditworthiness.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/supplier_registration/creditworthiness.html)

**Q. What occurs if my company is unable to meet the credit requirements set forth in Section 4 of FirstEnergy's Pennsylvania operating company Supplier Tariff?**

**A.** FirstEnergy will make reasonable alternative credit arrangements with a Supplier that is unable to meet the criteria and with those suppliers whose credit requirements exceed their allowed, unsecured credit limit.

**Q. When can EDI Supplier Certification testing begin?**

**A.** EDI Supplier Certification can take place once all of the registration paperwork is completed and approved. EDI testing must be completed before supplier is registered with FirstEnergy.

**Q. What is the Pennsylvania eligibility list?**

**A.** The eligibility list provides a list of customers who live within FirstEnergy's Pennsylvania (Met-Ed and Penelec) service territories. Customers are given an option to remove their name from this list. This list includes information such as customer name, service address, mailing address, utility rate schedule, and 12 months (24 months effective 8/31/2010 per the Met-Ed/Penelec Default Service Plan Settlement) of historical consumption data. For a complete file layout, please reference the Supplier Services website at: [https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/data.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/data.html)

**Q. How often is the Pennsylvania eligibility list generated?**

**A.** The eligibility list is generated monthly. Once the list has been updated, a Certified Supplier may not use an eligibility list from a prior month to contact customers.

**Q. How is the Pennsylvania eligibility list made available?**

**A.** The eligibility list is available to download from a secure portion of the supplier support website at: [https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/data.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/data.html)

**Q. What is the charge for the Pennsylvania eligibility list?**

**A.** There is no charge for the eligibility list.

**Q. Are multiple scheduling coordinators allowed?**

**A.** Yes.

**Q. Can a customer split load among suppliers?**

**A.** No.

## Supplier Services FAQ – Met-Ed & Penelec

### **Supplier Rates & Billing**

**Q. How does a EGS submit new rates?**

- A.** All supplier rates must be submitted via email using the 'Supplier Rate Schedule' on the FirstEnergy website at:  
[https://www.firstenergycorp.com/supplierservices/pa/me\\_pn/supplier\\_registration.html](https://www.firstenergycorp.com/supplierservices/pa/me_pn/supplier_registration.html)

**Q. How long will it take to implement a new rate once it is submitted?**

- A.** The naming convention for rate names has changed. Before, each rate name was supplier specific. Going forward, a generic rate name will be used. For example, a rate of 5 cents per kwh for XYZ Supplier might have been named XYZ-005, now it will be named GEN-005. This only applies to new rate change requests. The new naming convention is beneficial because it allows us to quickly turnaround rate change requests in approximately 2 weeks versus 90 days.

**Q. What, if any, limitations exist for submitting new rates?**

- A.** The Company will offer Rate Ready, Bill Ready and Dual Billing Capability to EGSs. The Rate Ready option will be limited to a flat rate per kWh and a percentage off the Price to Compare. The EGS is limited to no more than 200 discrete Rate Ready rates per calendar quarter.

**Q. When does FirstEnergy Supplier Services 'charge' for processing EGS's information requests?**

- A.** Supplier Services will charge (at a tariff rate of \$53/hr.) for research and EGS information requests when applicable. Typically, research time is billable when a EGS provider requests assistance with matters that could be resolved without the assistance of FirstEnergy Supplier Services.

**Q. How does FirstEnergy pay the supplier with the utility consolidated rate ready billing?**

- A.** An 820 CTX transaction is used to send the ACH payment and 820 detail information at the same time through the banking system.

**Q. Can supplier 'late payment charges' be applied to customer bills?**

- A.** No, FirstEnergy will not bill late payment charges for suppliers.

**Q. Can Residential customers for Pennsylvania FirstEnergy operating companies pay their bill electronically?**

- A.** Yes. If FirstEnergy bills for the supplier, customers may utilize FirstEnergy's E-Bill payment website to pay their bill.

**Q. Are suppliers notified when customers file bankruptcy with the utility?**

- A.** Yes.

## Supplier Services FAQ – Met-Ed & Penelec

### *Solar PhotoVoltaic Requirement*

- Q. Are Met-Ed and Penelec responsible for obtaining Solar Photovoltaic Alternative Energy Credits (“SPAECs”) for Default Service Load only or for the entire retail load including the load of customers that take service from Electric Generation Suppliers (“EGSs”)?**
- A.** Met-Ed and Penelec are responsible for obtaining SPAECs for the entire retail load.
- Q. Please clarify how the Companies’ procurement of Solar Photovoltaic Alternative Energy Credits (“SPAECs”) affects Electric Generation Suppliers (“EGS”) requirements to meet Alternative Energy Portfolio Standards (“AEPS”).**
- A.** As stated in Paragraph I.3.7 of the Fixed Auction Rules, the Companies will procure and supply SPAECs sufficient to fully satisfy solar AEPS requirements associated with default service supply provided to the Companies by each default service supplier during the period January 1, 2011 to May 31, 2013. The Companies will also provide SPAECs to fully satisfy EGS AEPS solar photovoltaic requirements associated with EGS load served in the Companies' service territories during the same period. For more information, please consult the Web site for the procurement of SPAECs:  
<http://www.firstenergycorp.com/utilitypowerprocurements/pa/mepn/srec/index.html>
- Q. If too few Solar Photovoltaic Alternative Energy Credits (“SPAECs”) are procured through the RFP that Met-Ed and Penelec will conduct, is it the responsibility of Default Service Suppliers (“DS Suppliers”) to supply the balance of the SPAECs?**
- A.** The obligation to obtain SPAECs to meet the solar photovoltaic requirements of the Alternative Energy Portfolio Standards Act rests with Met-Ed and Penelec under their Default Service Programs. DS Suppliers will not have the obligation to obtain SPAECs even if the procurement of SPAECs that Met-Ed and Penelec will conduct is not fully subscribed.
- Q. You mentioned that the Companies will supply Solar Alternative Energy Credits on behalf of the EGS. Will the Companies bill customers directly for the Solar Credits on utility portion of the bill, or with the Companies bill the EGS and then the EGS is supposed to collect those costs from their customers?**
- A.** The cost of SPAECs will be recovered through a Solar Photovoltaic Charge that will be charged to all delivery service customers at the same rate per kWh.
- Q. The PA Solar Energy Program does not allow “long term” SREC sales agreements. This program defines long term agreements as those with a ten year or more term which would include your 10 year Solar RFP. Would you entertain a five to nine year agreement under your program?**
- A.** No. Pursuant to the RFP bid rules, the target is 10,000 SPAECs per year, procured as 20 tranches of 500 SPAECs per year for 10 years. The Companies are unable to consider offers for periods of less than a 10 year term.
- Q. Does the solar system producing SPAECs have to be net metered with any facilities (i.e. does it have to be behind-the-meter)? If not, who will be the off-taker of the electricity?**
- A.** No. The system producing the SPAECs must be metered pursuant to the AEPS Act requirements but does not have to be configured for net metering. The SPAEC RFP is for the procurement of SPAECs only – no energy is being procured. Thus, SPAEC suppliers may sell the energy portion of their product to other parties.

## Supplier Services FAQ – Met-Ed & Penelec

- Q. Does each SPAEC have to come from single system, or can it be generated from multiple systems at multiple sites?**
- A.** A single SPAEC must be generated from a single AEPS-qualified facility. A winning supplier may satisfy its SPAEC obligations with SPAECs from multiple AEPS-qualified facilities.
- Q. Many customers have systems that are sized around 5-10 kW. How will they be able to sell these AEC's.?**
- A.** The minimum bid quantity in the RFP Rules is one tranche equivalent to 500 SPAECs per year. The Companies cannot advise on mechanisms for sale of smaller quantities of SPAECs but not that solar aggregators who can satisfy the requirements of the RFP and the SPAEC Purchase and Sale Agreement may participate in this RFP.
- Q. We would like to sell a large quantity of SPAECs. Does the Independent Procurement Manager handle directly negotiated transactions outside the RFP process? Can the Companies procure SPAECs through bilateral deals outside the RFP process at this time?**
- A.** The Independent Procurement Manager will only consider proposals submitted pursuant to the SPAEC RFP. At this time, the Companies are only procuring SPAECs through the SPAEC RFP process.
- Q. What happens in the event that the SPAEC RFP goal amount is not met? Do the Companies expect to conduct additional SPAEC RFPs in the future to cover any shortfall?**
- A.** The Companies' contingency plan is to purchase SPAECs at market prices to satisfy AEPS requirements for the applicable reporting year. In the event the Companies cannot procure the required SPAECs, the Commission will be consulted for guidance on how to proceed and/or remedy the situation. At this time, the Companies are only procuring SPAECs through the SPAEC RFP process.

## Supplier Services FAQ – Met-Ed & Penelec

### **AEPS Compliance**

**Q. Are suppliers responsible for AEPS requirements for load served?**

**A.** Yes.

**Q. What system is used for tracking AEPS Compliance?**

**A.** PJM GATS system is recognized as the system for tracking AEPS Compliance for suppliers.

**Q. What is the load Suppliers must base their AEPS compliance on?**

**A.** Suppliers will use the load as submitted to the RTO market true up for prior period adjustments less both transmission and distribution losses.

**Q. How is the load submitted to the PJM-GATS?**

**A.** The local Electric Distribution Company (EDC) will submit the load values and any true ups into each EGS's respective GATS account on a monthly basis.

**Q. How is the load submitted to the AEPS Program Administrator?**

**A.** The local EDC and Supplier are required to submit load values by quarter for each Supplier. These values will be used by the Commission to determine the quarterly Tier I resource percentage adjustments.

**Q. How is AEPS compliance demonstrated?**

**A.** In addition to submitting quarterly data for Tier I quarterly adjustments each EGS must submit to the AEPS Program Administrator an annual report that demonstrates the EGS met the requirements of AEPS. For more information see [http://www.puc.state.pa.us/electric/Act\\_129\\_info.aspx](http://www.puc.state.pa.us/electric/Act_129_info.aspx).

**Q. How is AEPS compliance handled for the EDC's Default Service Suppliers?**

**A,** Each Default Service Supplier is responsible for the AEPS requirements but are not the party that demonstrates the AEPS compliance – the EDC is responsible for compliance activities. The load data used for compliance is submitted monthly to the EDCs GATS account. At the end of each delivery period, the EDC informs the Default Service Supplier of their AEPS obligations and submits the compliance report to the AEPS Program Administrator utilizing the RECs transferred from the Default Service Suppliers and the load data entered in the EDC GATS account.



**Supplier Services FAQ – Met-Ed & Penelec**

***Website / Contact Information***

**Retail Choice Call Center**

**1-888-478-2300**

**Official Licensed Supplier List**

**<http://www.puc.state.pa.us/>**

**Supplier Hotline**

**330-761-4348**

**Supplier Hotline Fax**

**330-315-8664**