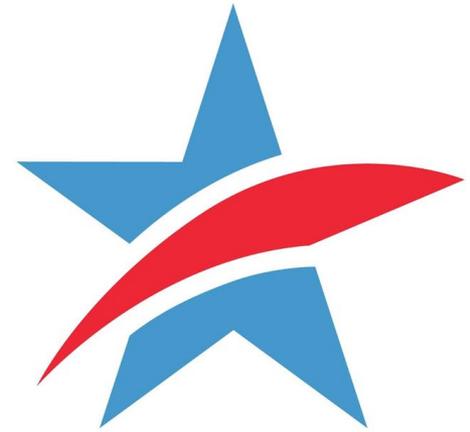


**Testimony by
Catherine Turcer**

**Before the Cleveland
City Council Utilities
Committee**

January 12, 2021

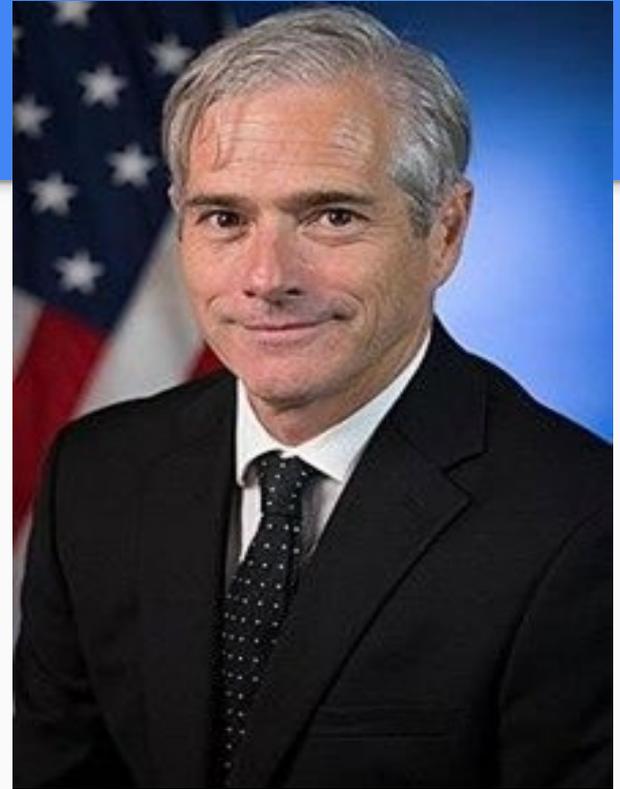


**Common
Cause**

Ohio

David Devillers, US Attorney

At a press conference on July 21, 2020, Jim Provance of the Toledo Blade asked if the whole Householder/HB 6 scandal could have happened if there were good disclosure laws and DeVillers answered, "*I don't see how it possibly could have.*"



SHINE A LIGHT
ON



**DARK
MONEY**

Demand
better
disclosure
laws in Ohio

What do we know about Partners for Progress?

- Partners for Progress Inc. was formed on February 8, 2017 – the same date listed for “Energy Pass-through” in the federal complaint.
- Payments from the “Energy Pass-Through” to Generation Now alleged in the complaint match sums that Partners for Progress paid to Generation Now on the nonprofit’s 2018 tax form.

What do we know about Partners for Progress' connection to Consumers Against Deceptive Fees?

- Partners for Progress, a 501(c)(4) group exclusively funded by FirstEnergy Service Company and based in Cleveland, reported that it paid \$200,000 to Consumers Against Deceptive Fees in 2019 on its latest annual Form 990 report to the IRS.
- Consumers Against Deceptive Fees reported \$200,000 in revenue for 2019 to the IRS, meaning it was entirely funded by Partners for Progress.

What don't we know?

- What is the source of the \$350,000 Consumers Against Deceptive Fees raised in 2018? Partners for Progress did not report any grants or contributions to Consumers Against Deceptive Fees to the IRS for 2018. Did that money also originate from FirstEnergy in some other way?

What do we know about Cleveland Illuminating Electric?

Cleveland Electric Illuminating (CEI) paid the FirstEnergy Service Company (FESC), for “Local Affairs and Economic Development” services. CEI paid FESC \$4,364,602 for local affairs and economic development services from 2017-2019, according to annual reports on file with FERC, including \$1,472,292 in 2017, \$1,428,399 in 2018, and \$1,463,911 in 2019.

What don't we know?

Did Cleveland ratepayers fund part of Cleveland Electric Illuminating's \$4.3 million in payments to the FirstEnergy Service Company for "local affairs" services from 2017-2019?

In 2010, an overwhelming majority (8-1) in Citizens United v. FEC emphasized the merits of transparency:

“... prompt disclosure of expenditures can provide shareholders and citizens with the information needed to hold corporations and elected officials accountable for their positions and supporters. Shareholders can determine whether their corporation’s political speech advances the corporation’s interest in making profits, and citizens can see whether elected officials are ‘in the pocket’ of so-called moneyed interests... This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages.”