

DISPLAYING THE UTILITY DEFAULT “PRICE TO COMPARE” (PTC) ON CUSTOMER BILLS

DRAFT STAFF PROPOSAL TO THE COMMISSION

After carefully considering the statements made at the August 10 technical conference, and the recent discussions of this topic at the CHARGE conference calls, Commission staff is prepared to present a proposal to the Commission.

We understand the concerns expressed by some in the supplier community that placing the default PTC on bills invites consumers to only compare price with the utility default service, when they should be comparing other suppliers and should also be considering more than just price, etc. We also acknowledge the concerns expressed by some EDCs over space limitations on bills. However, we believe that at this early stage in the market, and given the current default market model, it is understandable that customers want to know what their default PTC is. Simply put, we believe it is important to give consumers more information, rather than less. Additionally, we agree that just placing the PTC on the bill, with no explanation or indication of its variability, can give a misleading impression that it is a fixed price. Therefore, we believe that the PTC, along with an indication that it is subject to change, should be placed on the bill. Additionally, if the utility space/character restrictions permit, referral information to PaPowerSwitch.com should also be included.

This is how staff proposes the information should be displayed on the bill:

Your Price To Compare for your rate class is X.XXX per kWh. This can change quarterly. For more information and supplier offers visit PaPowerSwitch.com.

The above is just an example/approximation. EDCs would be free to develop alternative wording/format, as long as the following basic information is provided:

- the Price To Compare for the customer’s rate class.
- information indicating its variability and how often/when it can vary.
- referral to PaPowerSwitch.com (space permitting).

We propose that the Commission issue a Secretarial Letter, directed to the EDCs, with this guidance. The letter would ask that an EDC that is unable to comply with this guidance within a year to contact the Office of Competitive Market Oversight and explain why it cannot comply, and what it propose as an alternative. We believe, at this time, that this guidance should only be directed to EDCs, and not to EGSS who may perform their own billing. We also acknowledge that the current investigation could result in changes to the default service model and that those changes could cause the Commission to reconsider this issue in the future.