

1 Mr. Chairman, Commissioners and PUC Staff, my name is Joey Vallarian. I am the Manager of
2 Media and Community Relations for Duquesne Light Company (“Duquesne Light”). I welcome the
3 opportunity to speak today concerning the Consumer Education – Statewide Campaign component of the
4 recent Retail Markets Investigation.

5 Since Duquesne Light was one of the first EDCs in the state to come out from under rate caps and
6 eliminate its Competitive Transition Charges in 2002, the company was in a unique position compared
7 with other PA utilities, including being one of the first in the state to launch a Consumer Education
8 campaign during the Electric Choice initiative of the late 1990s. Duquesne’s current Consumer
9 Education Plan, implemented in 2008, continued to focus on shopping and energy conservation. And
10 because of these efforts, 91% of our residential customers in the Duquesne territory know they have the
11 right to choose their electric supplier, as shown in a recent customer survey. Many have exercised that
12 right with the shopping levels having progressively increased over the years -- especially in the past year -
13 - as many new EGS marketers enter the Duquesne service territory. Currently, there are approximately
14 181,000 Duquesne customers receiving their generation from the nearly 25 EGSs in our service territory.

15 Now that all EDCs are in a post-transition period, we believe the Commission should address
16 how consumer education programs should be deployed. We believe that all interested parties in this
17 proceeding support continuation of consumer education programs in some form. The second issue is
18 whether consumer education should be expanded, and how to do so effectively, knowing that customers
19 in different areas of the Commonwealth have varying understandings of choosing an alternative supplier.
20 There does not appear to be strong opposition to an expansion of consumer education under reasonable
21 terms. The third apparent issue is whether the consumer education programs should remain local EDC
22 programs -- as they are today -- or whether they should be expanded to also include a statewide program.
23 One of the issues in having both a statewide and a local consumer education program is integration and
24 alignment of messages. It is important to avoid duplication and assure consistency between the two
25 programs. Therefore, it is imperative that EDCs are able to tailor their messages to the differing

1 circumstances of the service territories. Only having a statewide program cannot make those distinctions.
2 Duquesne, and we believe the other PA EDCs, support a statewide consumer education program, so long
3 as it would be reasonable in scope and cost and is collaborated on by the PUC, the EDCs, and the EGSs.

4 Regarding potential cost savings for customers, it is our belief that trying to state specific savings
5 amounts in any statewide educational materials will be misleading to customers. Since the pendulum of
6 savings swings dramatically based on the EDCs' price to compare, the supplying EGSs' offerings, and the
7 customers' usage patterns, any representation of savings should be very general to avoid confusing or
8 misleading customers.

9 We fully support the plan of mailing customers a PAPowerSwitch.com postcard from the
10 Commission as discussed in the Retail Market meetings. We also support a standard agreed-upon letter
11 sent to customers by each EDC about shopping. These materials would be sent out at specific times in
12 one year, and the costs would be recovered through the EDCs' Consumer Education surcharges. Also,
13 Duquesne believes these educational materials could be implemented sooner than June 2013 under
14 current POLR plans. However, we feel it is prudent for the PUC Communications staff to review the
15 results of these two mailings before sending out any further pieces or further expanding upon this
16 initiative. These can easily be evaluated by tracking increases in hits to the PAPowerSwitch website,
17 tracking increases in calls to the EGSs' call centers, and ultimately how many customers choose an
18 alternative supplier.

19 I thank you again for the opportunity to testify today and am happy to answer any questions.