

CHARGE Conference Call

February 17, 2011 – 9:30 a.m.

Call-in number: 1-866-618-6746 and Access Code: 6060145

Recap Discussion

17. EGS Marketing Activities

- PUC adopted guidelines on November 4, 2010, which is available at the following link:
<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2185981>
- Proposed rulemaking order adopted by PUC at February 10, 2011 Public Meeting; copy of entered order is attached; can be accessed on OCMO page and at the following link:
<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=L-2010-2208332>
 - Comments will be due 60 days after publication in Pa. Bulletin, which will be at least a couple of months due to requirements of regulatory review process
- Staff is closely monitoring EGS marketing activities to: 1) immediately resolve serious concerns; 2) refer matters as necessary to prosecutory staff for appropriate handling; and 3) prepare report for PUC due in April 2011 about the use of unlicensed independent contractors by licensed EGSs
- Staff referred to attached correspondence from Speaker of the House of Representatives, Sam Smith, raising concerns about door-to-door marketing practices, including after-dark marketing and aggressive tactics in requesting bills, and requested assistance of EGSs in ensuring compliance with guidelines

30. Estimated State Tax Amount on Bills

- Question has arisen about whether the presentation of “estimated total state taxes” on residential bills is required for generation charges of EGS as there is no standard treatment among EGSs; more recently, EDEWG asked CHARGE to resolve issue so that requirement for tax field on EDI 810 Bill Ready Invoice can be eliminated
 - Components of EDC’s “estimated total state taxes” components are Capital Stock, Property Tax-Local and PURTA, State Unemployment Compensation, PA State Income Tax, and Gross Receipts Tax
 - Resolution of this issue will not affect presentation of GRT by EGSs
 - Staff is reviewing statute and regulations to offer guidance to EGSs on issue of whether their state taxes (other than GRT) must be displayed

- EGSs are either not populating the state tax field or are populating it with zero; EGS prices are computed using different methods, raising questions about whether requirement is practical; no party expressed desire to require EGSs to show “estimated total state taxes”
- Staff has gathered information and will seek guidance from Commission

31. Eligible Customer List

- PUC adopted final order on November 12, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2183412>
- OCA and PA Coalition Against Domestic Violence filed Petitions for Review with Commonwealth Court, which has granted stay of November 12, 2010 order
- Commission issued attached Secretarial Letter on February 15, 2011 clarifying effect of stay (Docket No. M-2010-2183412)

33. Last-In Enrollments (Placeholder)

- Spreadsheet was previously circulated to show how EDCs handle multiple enrollments for the same customer before the 16-day cut-off date
- Group has generally discussed value of standardizing enrollment process going forward; benefits of standardization were identified; and issue will remain on the list for further discussion
- Issue was discussed during calls on April 29, May 13, May 27 and June 10, 2010; summary of discussion appears in recaps for those calls

34. Mixed Meter – EGS Authority

- Questions have been raised about whether EGSs must have authority to serve residential customers when a residential customer is served as part of a mixed meter situation
- While the PUC expects EGSs to seek amendments to licensing authority in these situations, Staff has indicated that it may be feasible to exempt compliance with inapplicable residential consumer protection requirements in Chapters 54 and 56; and Staff continues to have questions about how EDCs bill these customers
 - EGSs still desire clarification of whether license must be amended and whether they are required to compliance with Chapters 54 and 56 in these situations
 - Staff will pursue desired clarifications, and has noted that it will be difficult to provide a bright line defining incidental service, especially for purposes of Chapter 56

37. Supplier Consolidated Billing Implementation

- EDEWG document summarizing issues that need to be addressed for full implementation of supplier consolidated billing was circulated on August 25; and Blue Star provided responses based on Illinois experience which were distributed on October 25
- Both documents are available at links next to the agenda for the October 28 call at http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx
- Currently PPL has an interim structure in place allowing Blue Star to implement SCB
- Staff has summarized results of surveys that were done of EGSs regarding interest in SCB and will be reaching out to EDCs to complete the survey process as to capabilities
 - Of 18 EGSs who responded to surveys, 10 noted that they currently utilize SCB in Pennsylvania or another state; 9 said they are definitely interested and would probably utilize SCB if it were available in PA; 2 are possibly interested; and as to timing, 6 indicated they might use it within the next year
- Future work will be coordinated with EDEWG
- Existence and status of SCB mechanisms in restructuring implementation plans will be considered; any interested party is free to formally petition the Commission on this issue in the event that the CHARGE process is deemed too slow
- Staff has gathered additional information and is finalizing memo to seek guidance from Commission to gain a sense of the priority nature of this matter and the Commission's preference for how issues are addressed, i.e. through a formal petition by an interested party; a Commission-initiated investigation; or working group discussions/report

41. Budget Billing for Dynamically-Priced Products

- Group has discussed whether it is appropriate or necessary to require EGSs to offer budget billing option to customers in connection with dynamically-priced products
- Staff asked for feedback on January 20, 2011 call regarding draft language which was circulated prior to the call; no concerns were expressed
- Commission issued attached Secretarial Letter on February 16, 2011 clarifying that EGSs do not have an obligation to offer a budget billing option to customers in connection with dynamically-priced products (Docket No. M-2009-2082042)

43. Displaying Prices on PAPowerSwitch

- a. Suggestion has been made for consistency in the way EGS pricing is displayed on PAPowerSwitch; major concern is that in some instances, an introductory price rather than an average price is being displayed
 - o Staff reported that vendor suggested adding a column for EGSs to show introductory price, if applicable
 - o No one objected to this approach; staff will follow up with vendor on details
- b. EDCs now have the ability to indicate that a future price to compare is an estimate and then remove the “estimate” indicator when the actual future price to compare is known
- c. A concern has been expressed about showing EGSs in alphabetical order; suggestions have been made to list in a different order (i.e. by price), provide sorting capabilities to the customer or randomly list the EGSs
 - o Staff reported that vendor suggested maintaining alphabetical order but providing sorting capabilities; staff is still reviewing costs to determine feasibility
 - o No one objected to this approach, staff will follow up with vendor on details
- d. Commission issued attached Secretarial Letter on February 16, 2011 encouraging all EGSs and EDCs to be diligent in updating their pricing information (Docket No. M-2009-2082042) and reminding EGSs that a failure to do so could result in loss of privileges to be listed
 - o Disclaimers are now displayed on the shopping page and in e-mail alerts highlighting that the pricing information is the responsibility of EGSs and EDCs

44. Net Metering Customers

- Questions have been raised by customers who have net metering arrangements with EDCs and then switched to EGSs without entering into net metering contracts with the EGSs; staff noted the need for customers to make these arrangements with EGSs before they switch
 - o PECO and PPL discussed their efforts to educate customers at the time they sign a net metering contract and during the enrollment process
 - o Staff encouraged EGSs to also ensure that customers are aware before they switch that if they are on a net metering tariff, they will no longer receive energy credits from the EDC; it is up to EGSs if they want to offer energy credits to the customer

- Brandon indicated that EDEWG is looking at this from the standpoint of having information provided in an EDI segment on enrollment response and in historical usage transaction so that EGSs are aware that a customer is net-metered; will be discussed at next meeting on March 3
- Follow-up discussion on next call about what steps have been taken or will be taken by other EDCs and EGSs to educate consumers

General Matters

A. New Issues

- Any new issues or questions about issues previously discussed on CHARGE calls should be submitted to ra-ocmo@state.pa.us

B. Old Agendas/Recaps

- All agendas and recaps are posted on the OCMO page of the website along with various other documents that have been distributed or relied upon during CHARGE discussions, at the following link -
http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx

C. CHARGE Distribution List

- To be added to the CHARGE distribution list, please send an email to ra-ocmo@state.pa.us

D. CHARGE Contact List

- Contact list is on website at the following link:
http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx
- Please send contact information or updates to ra-ocmo@state.pa.us; purpose of this list is to enable stakeholders to contact one another directly to resolve issues and is separate from email distribution list

E. Meeting Schedule for 2011

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| ● March 3, 2011, 9:30 a.m. | ● May 12, 2011, 9:30 a.m. |
| ● March 24, 2011, 9:30 a.m. | ● June 2, 2011, 9:30 a.m. |
| ● April 7, 2011, 9:30 a.m. | ● June 23, 2011, 9:30 a.m. |
| ● April 21, 2011, 9:30 a.m. | |