

CHARGE Conference Call

August 26, 2010 – 9:30 a.m.

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

Recap of Discussion

1. EGS Marketing Activities

- PUC issued tentative order for comment on July 16, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2185981>
- Comments were due on August 16, and reply comments are due on August 31
- Staff is targeting late September/early October for issuance of final order by PUC
- Staff plans to hold a session on November 4 at 1:30 p.m. in Harrisburg which all CHARGE participants are welcome to attend, and EGSs (as well as NGSs) marketing to residential customers will be strongly encouraged to attend; meeting will include:
 - Overview of marketing guidelines
 - Description of marketing practices to avoid, through use of examples received in customer call center
 - Summary of other applicable PUC requirements
- Staff described some specific concerns about inappropriate and unreasonable marketing practices that have been raised in recent weeks by consumers contacting either PPL's or our call centers
 - List of concerns is attached to the recap
 - Staff reminded suppliers of the importance of avoiding misrepresentations or inappropriate/unreasonable sales tactics, both from a compliance perspective and from the standpoint of ensuring that consumers have a positive shopping experience
 - While some practices may not necessarily violate any provisions – such as the ones requesting social security numbers – we also do not know of any reason for the practices; and such requests are making consumers uncomfortable

2. 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, 2010
- Staff envisions general discussion of document during September 30, 2010 CHARGE call, followed up by written comments and more detailed discussion during a future call, leading to submission of staff recommendation to the PUC

3. Eligible Customer List

- PUC issued tentative order for comment on July 15, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2183412>
- Comments were due on August 4; no reply comments are permitted
- Next step will be issuance of final order by PUC; will provide target date during future call

4. Default Service Bid Information

- Staff updated the group on continuing discussions aimed at standardizing release of default service auction and formulation of price to compare, which has involved using First Energy's model as the starting point
 - As to including cost components in procurement result announcements by National Economic Research Associates, Inc. (NERA), staff noted that the calculation sheet shows what is and is not included
 - First Energy has agreed to include percent of supply in procurement result announcements
 - Regarding use of Excel rather than PDF document to show results, staff noted that a spreadsheet can easily be created using the PDF document
 - First Energy has agreed to explain how and when transmission costs are updated
 - First Energy has agreed to explain how spot market component will be estimated
- Staff is drafting a document with recommended approach

5. Estimated State Tax Amount on Bills (Placeholder)

- 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

- Staff has determined that EDC tax components are Capital Stock, Property Tax-Local and PURTA, State Unemployment Compensation, PA State Income Tax, and Gross Receipts Tax.
- Staff is conducting further review of statute and regulations to offer guidance to EGSs on this issue; interested in feedback from group on value of having information on bills about taxes (other than GRT) paid by EGSs

6. **Historical Usage Requests**

- Questions have arisen as to the obligation of electric distribution companies to provide historical usage information to electric generation suppliers when a customer has previously restricted release of this information but has given the EGS a letter of authorization
- The attached Secretarial Letter clarifying this obligation was issued on August 20 and may be accessed at the following link:

<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2009-2082042>

7. **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

8. **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
- Staff has gathered information from stakeholders and is seeking guidance from the Commission; expect to issue clarifications no later than the next CHARGE call scheduled for September 9

9. **Contract Expiration/Renewal Notices**

- Renewal notice regulations at 52 Pa. Code 54.5(g) have been superseded by subsequent guidelines issued in 2001, which are attached and posted on the OCMO's webpage at http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx
 - Staff is offering to informally review proposed renewal notices; please send them to ra-OCMO@state.pa.us at least 10 days prior to issuance to consumers
 - Any questions about these issues may be sent directly to Dan Mumford in BCS at dmumford@state.pa.us or by calling Dan at 717-783-1957

- Staff has gathered input from CHARGE participants on how to address requirement in Commission's order that the price to compare (PTC) be included in renewal notices, which must be issued prior to PTC being available; Staff is developing a recommendation for the PUC, targeting the September 2 Public Meeting for issuance of a tentative order for comments
- Staff has gathered input from CHARGE participants on how to handle situation where customer fails to respond to a renewal notice containing new price and terms and whether the EGS may renew the contract; Staff is developing a recommendation for the PUC, targeting the September 2 Public Meeting for issuance of a tentative order for comments

10. Budget Billing for Variable-Priced Products

- Group has discussed whether it is appropriate or necessary to require EGSs to offer budget billing option to customers in connection with variable-priced products
- Staff appreciates the feedback and will consider it in providing a recommendation to the PUC

11. 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

12. Meeting Schedule for Remainder of 2010

- September 9, **1:30 p.m. - new time**
- September 30, 9:30 a.m.
- October 14, 9:30 a.m.
- October 28, 9:30 a.m.
- November 18, **1:30 p.m.**
- December 9, 9:30 a.m.
- December 23, 9:30 a.m.

List of generic marketing issues to discuss during August 26 CHARGE call:

- Agents/suppliers representing themselves as “PPL” or “with PPL” or somehow affiliated with PPL.
- Agents/suppliers either reluctant or refusing to identify themselves; or identifying themselves only after being directly questioned by the customer as to their identity. Often representing themselves as “with PPL”
- Agent/supplier stating “we owe you a discount,” insinuating they are with PPL.
- Supplier tells customer “just want to send you information...but need your account number.” Customer ends up being switched/slammed.
- Suppliers telling customers that they “have to sign up with a supplier” or suggesting that PPL is exiting the business, etc. “If you don’t switch you will not have electricity” or “you have to switch by a certain date.”
- Supplier not explaining what customer is buying (generation service); customers thinking that they will no longer have anything to do with PPL, then getting confused/angry when they continue to get bills/charges from PPL.
- Some suppliers very difficult to contact; long hold times, etc.
- Supplier calling PPL, or having the customer call PPL, to obtain the customer’s account number. Sometimes the supplier is reluctant to place the customer on the line, or it appears supplier agent is pressuring customer or sometimes does not even have the customer present.
- Agent dealing with teenage children; asking how many people live here...asking to see the electric bill.
- Agents not identifying themselves; quickly flashing I.D. badge, etc.
- High pressure tactics; especially with elderly and some foreign language speakers.
- Supplier giving a phone number to customer to exercise the 3-day right of rescission that is NOT a toll-free number. In some cases, when callers call the number, it is disconnected.
- Suppliers asking for social security numbers, bank account numbers, etc.