

RMI Technical Conference– August 31, 2011

Action items highlighted in yellow

Submit all deliverables to ra-rmi@pa.gov

All deliverables available at

[http://www.puc.state.pa.us/electric/Retail Electricity Market.aspx](http://www.puc.state.pa.us/electric/Retail_Electricity_Market.aspx)

Organizational Issues – Karen Moury

1. *Conference Calls vs. In-Person Meetings*
 - All conference calls through Sept. (Wednesdays)
 - In-person for 10/6/11 is now a conference call – possibly split into morning/afternoon sessions
2. *Staff Work Product*
 - Staff will develop work product
 - Will not be circulated to RMI group
 - Staff expects Commission to issue intermediate work plan as tentative order
3. *Deliverables*
 - Difficult to review in short timeframe
 - Have deliverables due to ra-rmi@pa.gov Wed. week before call in which it will be discussed

Default Service (DS) Plans – Karen Moury

1. *Electric Distribution Company (EDC) Procurement Schedules*
2. *1 Year Bridge Plan – How would it be done?*
3. *Need Commission Guidance on Next Set of DS Plans*
 - Moury: See EDC procurement schedules deliverables. Issue is that current plans expire 5/31/13. Need plan for DS plans afterwards – bridge plans? Plan extensions? PECO will describe. Comments?
 - PECO: Push need for new procurement plan from mid-2013 to mid-2014 recognizing contract overlap. See deliverable – pp. 5 – Full Res.; pp. 6 – Block & Spot; pp. 7 – Small & Medium Commercial. An extended plan will still have contracts that extend

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. “EGSs”)

past June 2014. Must procure load mid-2014 – focus on extension of current procurement patterns in current procurement plans.

- FirstEnergy (FE): Need to file DS plan 13 months prior to next scheduled procurement (Oct/Nov 2012). Need Sept/Oct 2011 for FE's next DS plan filing. Viable alternative – prep/filing case as required under Act 129, likely litigated, w/Commission cut-off date. Possibly run DS plan filings in parallel with interim RMI steps (e.g. opt-in auction)
- Electric Generation Suppliers (EGSs): Not supportive of having any contracts as long as 2 years included in DS plans. Is possible to meet Act 129 requirements without inclusion of contracts longer than 1 year. Consider plans that include “low-hanging fruit” from RMI. Some implementation items (e.g. opt-in auction) could be replacements for longer-term contracts and still meet Act 129 requirements. Common ground – don't structure bridge plans in way that might hinder implementation of interim measures. Still working on opt-in auction proposals (optional auctions for DS customers).
- Office of Small Business Advocate (OSBA): Wants appealable order. Until statute is changed, include prudent mix of contracts. EDCs should submit DS plans as scheduled. If something happens in interim, put forward to Commission. Against implementing opt-in auction during current DS period – contracts are load following and may affect bidding on such contracts. Do auctions for next DS plan. Generally satisfied with current small business market.
- Office of Consumer Advocate (OCA): Extend current plans that are in compliance with Act 129. Agrees with PECO proposed plan. To extent consensus is reached on intermediate steps, integrate into existing DS plans. If existing plans are extended, will have accomplished such integration. Having all EDCs with DS plans before Commission, in conjunction with RMI proceedings, would be difficult.
- DTE: In agreement with OSBA. Current market is competitive.

Be prepared to offer final input on 2013-2014 timeframe (DS plan options) on 9/14/11 for staff recommendation to Commission

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. “EGSs”)

Consumer Education – Tom Charles & Dave Hixson

1. *Call Center (CC) Scripts*
2. *New Customers*
3. *Moving Customers*
4. *Billing Inquiries*
5. *Customers who are Unable to Shop*
6. *Welcome Kits*
 - Hixson: See PECO deliverable re: EDC call center scripts. PECO to address highlights.
 - PECO: All EDCs engaging customers re: choice and ability to shop. Referring customers to PAPowerSwitch (PAPS). Only talked w/Retail Energy Suppliers Assoc. (RESA) and OCA. Working on proposals re: referral programs and standard offers. Currently no concern re: CC scripts/calls. Limited to ability to inform customers they can shop/save and refer to EDC and PAPS websites.
 - EGSs: RESA putting together draft proposal for potential changes to existing process for EDCs initiating service or moving in service territory. Had preliminary call with PECO and OCA. Identified areas of dissent/discussion. Issue encompasses many deliverables – general consumer ed, new customer/moving customer issue.
 - AARP: Concern isn't for EDCs to introduce concept of choice to new/moving customers. More appropriate to indicate possibility of saving money and help people understand how to shop (e.g. fixed vs. variable, compare terms) and confirm EDC neutrality. Highlight of messages should be reference to websites/materials to help shop.
 - Michael Meath (PEMC & "ACCES"): ACCES is strictly consumer ed and awareness. Willing to help with deliverables. Agree with AARP re: focus.

RESA and working group to have CC script changes – deliverable on 9/7/11 for 9/14/11

RMI Conference Call

7. *Annual Chairman Letter – Draft Message*
 - Hixson: 3 options from Staff – 1. Traditional letter from all Commissioners; 2. Big postcard from all Commissioners – designed to tie in to PAPS branding; 3. Postcard from just the Chairman – smaller. Best avenue? Cost concerns? Currently targeted

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. "EGSs")

only at residential. Add small commercial? Smaller postcards – 21-22 cents; Larger postcards – 24-26 cents.

- Charles: Message is call to action. More aggressive promotion of switching. EDCs would send out. Commission vs. EDC envelopes?
- OSBA: Not advocating aim at small commercial. Be helpful to send out to shopping and non-shopping – remind shoppers that it's beneficial to keep looking at offers.
- OCA: Concern with reference to saving \$100. Don't put numbers/values in letters – could cause disappointment. Focused should be on companies "supplying" (not "generating") electricity.
- EGSs: If keeping savings language, be sure to characterize correctly. Savings examples are a good idea. Postcards probably more effective – grab attention. People might throw out letter without opening. Slight preference for big postcard.
- EDCs: Would want cost recovery for letters. Preference that letters be in Commission envelopes – has people calling PUC and not EDCs. Don't mail in April due to end of the winter moratorium/no termination season. Include in updated consumer ed plans.
- AARP: Do not include reference to dollar savings. EGSs' responsibility to portray savings.
- ACCES: Don't include dollar amount. Try to determine language emphasizing value and access of other benefits from competitive offer.
- Pennsylvania Utility Law Project (PULP): Agrees with call to action. Encourage going to PAPS or Commission. Should only be educational and not giving value.

ACCES & RESA will edit postcards re: \$100 language – deliverable on 9/7/11 for 9/14/11

RMI Conference Call

8. Bi-Annual EDC Letters – Draft Message

- Hixson: Discussed bi-annual approach. Verbiage/points are familiar. Feedback?
- EGSs: Surveys showed common misconceptions re: switching. Add FAQs to letter. Implement mailing program like FE companies developing. Include generic info re: choice including FAQs and specific available retail offers.
- OSBA: Put FAQs as "grabbers" on postcard.

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. "EGSs")

Clearfield, RESA and DE will redraft EDC letter with FAQs included – deliverable on 9/7/11 for 9/14/11 RMI Conference Call

9. *Timing of Letters*

- *Sept/Oct – EDC Letter*
- *Jan/Feb – PUC Letter*
- *April/May – EDC Letter*
 - Hixson: Don't send all letters at once. Staff – EDC letter/postcard early spring, early fall. Chairman's letter at beginning of year.
 - EGSs: Move away from April 1 for spring letter. Replicate FE mailing operations. For EDC letter, re-craft approach after review of FE system success.
 - FE: Process: Mailing EDC letters that encourage shopping in envelope with offers from EGSs to all Res and Small Comm customers based on stipulation in DS case. Will do for WPP and PennPower in future. Currently confirming EGS participation. Launch around 10/1/11.

10. *Small Business Customers*

- *Optional Pricing Information (25 kW and below)*
 - Charles: Put small business EGS pricing on PAPS. “Shop for your small business” and “shop for your large business.” Vanilla price from EGSs opting to participate. Timing and funding issue -- \$25k and 10-12 months.
 - OSBA: Problem with various EDC rates. Frustration is lack of small business customers who have comparable profiles aren't getting same price (e.g. aggregation differences). Inclusion on PAPS may encourage EGS plain vanilla rate. Give kWh usage instead of 25 kW limitation.
 - EGSs: Important to give option of listing actual price or just EGS contact info.
- *Focus Group/Outreach*
 - OSBA: In testimony, urged Commission to contact some statewide business associations. Talk to chamber and business/industry groups.

OSBA will put together proposal of groups to contact – deliverable on 9/7/11 for 9/14/11 RMI Conference Call

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. “EGSs”)

- *Scripts/Welcome Kits*
 - Charles: Targeted to small business.

No Comments

11. *Statewide Campaign*

- *Surveys/Awareness*
- *Funding*
- *Timing*
- *Message*
 - Charles: Postpone issue to 9/14/11 RMI Conference Call.

12. *Net Metering*

- Moury: Issue re: net metering customers switching to EGSs and no longer having agreements with EDCs. Suggestion made to include column on PAPS for EGSs to note whether they offer net metering arrangements. Will be removed from RMI discussion and put on CHARGE agenda.

Supplier of “First” Resort (Status Update) – Kirk House & Megan Good

1. *Marketing by EDC*
2. *Seamless Moves*
3. *Account Changes*
4. *PAPowerSwitch.com Format*
5. *Deliverables due 9/9/11*

- House: Deliverables due 9/9/11. To be discussed on 9/14/11 RMI Conference Call.

Deliverables as determined at 8/10/11 RMI Technical Conference due on 9/9/11 for 9/14/11 RMI Conference Call

Acceleration of Switching Process – Dan Mumford & Pat Burket

1. *Confirmation Period: Eliminate/Shorten?*
 - Mumford: See RESA deliverable re: accelerated switching process. Eliminating 10-day confirmation window. Other proposal (per discussion) to keep letter but

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. “EGSs”)

eliminate waiting period. *Edit to RESA deliverable – “Rescission times in other states” should be “Confirmation times in other states.” 3-day rescission period not currently being discussed.* Any changes regarding regulations would be formal Commission action allowing for comments.

- OCA: Do not support elimination of 10-day letter. Open to shortening the period. Confirmation is crucial to shopping process. If kept letter but got rid of waiting period, how would customer be held harmless financially?
 - EGSs: Supportive of keeping letter but getting rid of 16-day period waiting period. If unwanted switching/slamming occurs, have more severe punishments.
 - EDCs: Switches should be done on next scheduled meter read date. PECO seeing 100+ rescissions/drops per week.
 - AARP: Issue with dramatically changing rules. Formal Commission action allowing for comments might be insufficient.
 - PULP: Support shortening, but not getting rid of, the switching timeframe. Easier to be protective at the beginning than dealing with after the fact. Perhaps utilize electronic delivery for confirmation for those customers who wish to do so.
- *EDC Data on Frequency of Customer Use*
No data provided
2. *Changes to Confirmation Letter*
- Mumford: If keep letters, what should they say? Do EDCs have information on settlement stipulations?

EDCs to submit any information re: settlement stipulations – deliverable on 9/7/11 for 9/14/11 RMI Conference Call

EGS/EDC Coordination Platform (Status Update) – Kirk House & Matt Wurst

1. *Credit Standards-Variations*
2. *List of EDC Supplier Charges*
3. *Staff Reviewing Information*
 - House: See RESA deliverables. Provide comments to ra-rmi@pa.gov

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. “EGSs”)

**Review RESA deliverable on EGS/EDC Coordination Platform and submit comments –
due 9/14/11 for 9/21/11 RMI Conference Call**

Price to Compare – Dan Mumford & Matt Hrivnak

1. *Displayed on Bills – Staff Proposal*

- Mumford: See staff proposal document. PTCs on bill along with variability info and possible PAPS referral. Proposing to do via Secretarial Letter to EDCs. Not for EGS billing.
- OSBA: Some EDCs have specific settlement stipulations re: PTC display on customer bills. PTCs needed for customers to search on PAPS.
- EDCs: For non-shopping customers, provide customer-specific PTC. For shopping customers, provide class average. Could probably provide quarterly change info dependent on bill space and programming. Must meet settlement stipulations. Don't apply to large industrial customers due to hourly changing.
- EGSs: Don't believe presentation of customer-specific PTC should be optional. Should be customer-specific. Still some disagreement about inclusion of PTC on bills.

2. *Quarterly Changes (Placeholder)*

Default Service Model – Key Issues (Status Update) – Karen Moury & Matt Wurst

1. *Definition of Default Service*
2. *Cost Allocation*
3. *EDC as Default Service Provider*
4. *Pricing of Default Service*
5. *Option Default Supply Auction Group (9/2 Deliverable)*
6. *Procurement Schedules*
7. *Default Service Products*

- Moury: Awaiting deliverable on optional opt-in aggregation auction. Discuss issues on 9/14/11 RMI Conference Call.

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. "EGSs")

- Some disagreement over proposals (opt-in vs. opt-out) and implementation timing. Discussion tabled until proposals submitted for review.

Auction proposals (with inclusion of non-consensus issues) from working group – deliverable on 9/7/11 for 9/14/11 RMI Conference Call

Future Issues and Process for Issue Identification – Karen Moury

1. *Customer Referral Programs*
2. *Universal Service*
3. *Energy Conservation Programs*
4. *Access to Customer Information*
5. *Choice for Customers at Small EDCs*
6. *AEPS Obligations*
7. *Unregulated Affiliates*
8. *EGS Consolidated Billing*
9. *EDC Billing Systems*
 - Moury: Staff to prioritize for future discussions.

RMI CONFERENCE CALL SCHEDULED FOR 9/7/11 CANCELED. NEXT CONFERENCE CALL IS 9/14/11 AT 10 AM.

Deliverables Referenced in Recap – Posted on Website:

1. Consumer Education: Coordination of Existing EDC Call Center Scripts & Process Proposals for Electric Choice – submitted by PECO
2. Draft Chairman’s Letter 1 – 8 ½ x 11 Letter – submitted by PUC Staff
3. Draft Chairman’s Letter 2 – Large Postcard – submitted by PUC Staff
4. Draft Chairman’s Letter 3 – Small Postcard – submitted by PUC Staff
5. Draft EDC Letter – 8 ½ x 11 Letter – submitted by PUC Staff
6. Displaying the Utility Default “Price to Compare” on Customer Bills Draft Staff Proposal – submitted by PUC Staff
7. EDC Procurement Schedules – submitted by FirstEnergy, PECO, PPL & UGI
8. Current Default Service Plan and Illustrative Scenario for Plan Extension – submitted by PECO
9. Consumer Education, Surveys, Enrollment Processes, EDC Credit Standards, EDC Supplier Charges & Identification of Other Issues – submitted by RESA

To the extent possible, information was compiled under one entity heading. It should be noted that this information may not reflect the views/opinions of all entities encompassed under that heading (e.g. “EGSs”)