

**BEFORE THE**  
**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Interim Guidelines on Marketing and Sales )  
Practices for Electric Generation Suppliers ) Docket No. M-2010-2185981  
and Natural Gas Suppliers )

**COMMENTS OF INTERSTATE GAS SUPPLY, INC.**

**INTRODUCTION**

Pursuant to Docket No. M-2009-2082042<sup>1</sup>, the Pennsylvania Public Utility Commission (“PUC,” or “Commission”) requested comments on rules regarding marketing and sales practices. These Interim Guidelines have emanated from a series of collaborative meetings being conducted by the Office of Competitive Market Oversight (“OCMO”) and as part of two primary industry working groups – The Committee Handling Activities for Retail Growth in Electricity (“CHARGE”), and Stakeholders Exploring Avenues to Remove Competitive Hurdles (“SEARCH”).

Through this effort, multiple parties have introduced various concepts and possible resolutions related to a number of items. Interstate Gas Supply, Inc. (“IGS”) has been an active participant with several of these interveners, and has regularly participated in CHARGE and SEARCH meetings and conference calls in an effort to develop strong consumer protection measures that balance the emergence of a competitive marketplace with the rights of consumers.

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<sup>1</sup> See December 10, 2009 Secretarial Letter expanding the role of the PUC’s Office of Competitive Market Oversight (“OCMO”).

Notwithstanding IGS' participation with these groups and the positive incremental progress which has been made with respect to consumer protection, IGS believes that, on one issue, the rules do not seem to go as far as they could to provide necessary oversight and accountability on door-to-door solicitations.

It is IGS' belief that given the unique nature of the personal contact with customers and continuing performance issues on the part of various market participants, that the creation of a separate door-to-door certification/licensing process where a supplier is certified and an individual is licensed, is warranted. A well structured certification/licensing process will provide the necessary tools to make sure that both companies and individuals are qualified and accountable for direct solicitation performance.

An effective certification/licensing process should achieve the following goals:

### **CERTIFICATION**

Certification would require any company that seeks to engage in door-to-door activity to demonstrate that it has the ability to properly administer and monitor a door-to-door program both from a customer enrollment perspective as well as agent management. The specific certification requirements could be determined in a working group or collaborative process; however, the requirements of a company certification should be robust enough to ensure that certified companies are indeed acting in a reputable manner as well as held accountable for their actions. An effective certification process will enable the ongoing viability of door-to-door solicitation as a reputable and safe means of providing consumers with information about the market and enable them to enroll in the products and services knowing that those companies engaged in the process have a commitment to doing so within the framework of the rules.

Companies that seek to do door-to-door solicitations in a reputable manner should be supportive of an effective certification process.

### **LICENSING**

Licensing would be done at the individual representative level and will provide a means for the Commission to have much greater accountability over those who wish to engage in direct solicitation of customers. The actual requirements of obtaining a license could be determined through further working groups or collaborative, however, should at a minimum verify that individuals have a sufficient level of knowledge and understanding of (i) the products they are selling and for whom they are selling; (ii) basic information about terms, definitions and market concepts; and (iii) consumer protection rules, policies and procedures and a commitment to adhering to those rules. Licensing individuals engaged in direct solicitation will also provide a more viable means of oversight so that those who engage in the process appropriately and uphold the consumer protection rules will be able to develop longer tenure in the field, while those that demonstrate an inability or unwillingness to abide by those rules will ultimately be removed from the process via termination of the license. One benefit of a separate licensing for individuals is that if an agent loses their license they would not then be able to work for another certified supplier.

### **CONCLUSION**

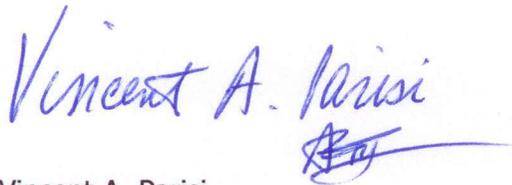
Our belief is that a two step process of certification and licensing will provide the best framework to enable continued growth of the competitive market and long term viability of direct solicitation channels. Such a process could be crafted in a manner that allows for flexibility between companies on how each will demonstrate such commitment to positive

customer experiences through certification, while providing sufficient guidance to the market regarding the general requirements so that certification is done in a non-discriminatory manner.

IGS understands that this suggested approach to direct solicitation would require some additional amount of work to fully think through and implement. However, we believe that consideration of this certification/license process is important to maintain the long term credibility of the competitive energy marketplace, especially at this early juncture in the market's development. We pledge our commitment to continuing to work with the Commission and Staff to address these and other market concerns for the benefit of the consumer.

August 16, 2010

Respectfully submitted,

A handwritten signature in blue ink that reads "Vincent A. Parisi". The signature is written in a cursive style and includes a horizontal flourish at the end.

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A handwritten signature in blue ink that reads "Anthony Cusati, III". The signature is written in a cursive style and includes a horizontal flourish at the end.

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