



100 Pine Street • PO Box 1166 • Harrisburg, PA 17108-1166
Tel: 717.232.8000 • Fax: 717.237.5300

Pamela C. Polacek
Direct Dial: 717.237.5368
Direct Fax: 717.260.1736
ppolacek@mwn.com

February 1, 2012

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

**RE: Investigation of Pennsylvania's Retail Electricity Market: Intermediate Work Plan;
Docket No. I-2011-2237952**

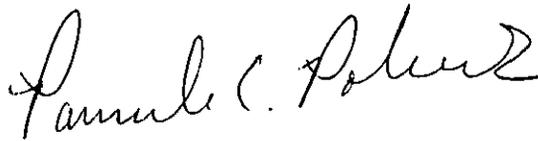
Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission are the original and five (5) copies of the Reply Comments of Citizens' Electric Company of Lewisburg, PA, and Wellsboro Electric Company in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to these proceedings are being duly served. Please date stamp an extra copy of this transmittal letter and Reply Comments, and kindly return them for our filing purposes. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By 
Pamela C. Polacek

Counsel to Citizens' Electric Company of
Lewisburg, PA, and Wellsboro Electric Company

PCP/sar

Enclosures

c: Office of Competitive Market Oversight Retail Markets Investigations
Certificate of Service

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Investigation of Pennsylvania's :
Retail Electricity Market: : Docket No. I-2011-2237952
Intermediate Work Plan :

**REPLY COMMENTS ON INTERMEDIATE WORK PLAN TENTATIVE ORDER OF
CITIZENS' ELECTRIC COMPANY OF LEWISBURG, PA,
AND WELLSBORO ELECTRIC COMPANY**

Pamela C. Polacek (PA I.D. No. 78276)
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
Phone: (717) 232-8000
Fax: (717) 237-5300

Counsel to Citizens' Electric Company of
Lewisburg, PA, and Wellsboro Electric Company

Dated: February 1, 2012

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I. INTRODUCTION

The Pennsylvania Public Utility Commission (“PUC” or “Commission”) is currently conducting an Investigation of Pennsylvania’s Retail Electricity Market (“Retail Markets Investigation” or “RMI”). In a Tentative Order issued on December 15, 2011, the Commission proposed an Intermediate Work Plan, which includes the retail enhancements Electric Distribution Companies (“EDCs”) will be expected to adopt before the end of their next default service plans (“DSP”), as well as new requirements for Electric Generation Suppliers (“EGSs”). On January 17, 2012, Citizens' Electric Company of Lewisburg, PA (“Citizens”) and Wellsboro Electric Company (“Wellsboro”) (collectively, the “Companies”) provided Comments. The Companies are submitting these limited Reply Comments.

II. REPLY COMMENTS

Multiple EDCs, EGSs and consumer interests submitted Comments regarding the Commission's Tentative Order. Those Comments reflect a variety of views and considerations that must be balanced by the Commission in rendering its decisions regarding the Intermediate Work Plan. Citizens' and Wellsboro are responding to only three limited issues: (1) the information that EDC Customer Service Representatives (“CSRs”) must provide in response to consumer inquiries regarding customer choice should be limited to high level issues as discussed in the Companies' Comments; (2) the Commission should not overly expedite the development of Standard Offer Customer Referral Programs (“SOCRPs”); and (3) EDC charges may be appropriate when responding to certain types of EGS data requests. Citizens' and Wellsboro's failure to respond to other positions that may be in conflict with those set forth in the Companies' January 17th Comments should not be construed as a waiver of those positions.

A. EDC Customer Service Representative Discussion of Customer Choice

Section II(C) of the Companies' January 17th Comments sets forth their recommended level of interaction between EDC CSRs and customers regarding customer choice options. Several EGSs, including First Energy Solutions Corp. ("FES"), explain in their Comments the various issues that they believe the EDC CSRs should be prepared to discuss with customers regarding shopping options, including what FES categorizes as a "high level overview of shopping options that are available in the EDC service territory, categorized as fixed price, month-to-month pricing, introductory specials and renewable products." FES Comments, p. 5.

Citizens' and Wellsboro do not agree that EDC CSRs should be expected to discuss with customers the types of products that are (or may be) available in their service territories. Detailed explanations of the types of products that may be available to shopping customers is a role that is best filled by EGSs or a statewide call center focused on customer choice advice. Furthermore, it is unreasonable to expect the EDC CSRs to keep track of the current EGS offerings in the territory to be able to provide an all-inclusive list of the options as well as pertinent details. Referring customers to the PAPowerSwitch website, where this information is warehoused, is a more appropriate role for the EDC CSRs. EDCs should not be placed in the role of attempting to explain the EGS offerings or answering specific questions on the rate that a particular EGS may offer.

B. The Standard Offer Referral Program Should be Carefully Constructed Prior to Introduction

As discussed in the Companies' January 17th Comments, it is prudent to delay the implementation of either of the proposed referral programs in Citizens' and Wellsboro's territories until EGSs enter to serve the target markets (e.g., residential and/or small

commercial). Direct Energy Services LLC ("Direct Energy") and the Retail Energy Supply Association ("RESA") both recommend expedited schedules for the implementation of SOCRP.

Citizens' and Wellsboro appreciate the desire of the EGSs to implement the SOCRP as soon as possible; however, as set forth in the Companies January 17th Comments, the role that the EDC will take in these types of programs, and the administrative burdens, such as billing and programming difficulties, that may fall on a smaller EDC, remains unclear. Citizens' and Wellsboro are very concerned that this type of program will place the EDC's CSRs in a position of explaining competitive supply products to customers which, as discussed above and in the Companies' January 17th Comments, is a role that is better filled by the EGS or a statewide call center focused on customer choice issues. The Companies urge the Commission to ensure that any timeline for submitting and ruling on a SOCRP is sufficient to enable a full consideration of all options and the potential administrative hurdles that may exist for smaller EDCs in implementing these programs.

C. EDC Charges May be Appropriate for Certain Types of Data Requests

In its Comments, RESA recommends that "no charges be assessed by any EDC for standard IDR requests." RESA Comment, p. 17. RESA's discussion of this issue focuses on a charge assessed by Duquesne Light Company for data, and notes that all other major EDCs make interval meter data available via either EDI or a data transfer website at no charge. The exception noted by RESA is for requests that require manual processing.

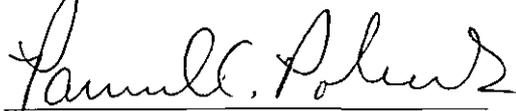
Citizens' and Wellsboro currently have a waiver from implementing EDI that was granted in 1999 and is in effect until 25% of their customers are shopping. The Companies are exploring options to use a third-party for EDI functions; however, unless that third-party solution can be pursued in a cost-effective manner, or unless the shopping threshold is reached, the Companies

will continue to require manual intervention and processing for many EGS requests. As EGSs enter the Companies' territories and the processes to coordinate forecasting, reconciliation and data requests are further developed, the Companies wish to reserve judgment and flexibility regarding the appropriate recovery mechanism for any related costs (e.g., distribution rates, default service rates or EGS charges).

WHEREFORE, the Citizens' Electric Company of Lewisburg, PA, and Wellsboro Electric Company respectfully request that the Pennsylvania Public Utility Commission consider and adopt, as appropriate, the foregoing Reply Comments.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 

Pamela C. Polacek (PA I.D. No. 78276)
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
Phone: (717) 232-8000
Fax: (717) 237-5300

Counsel to Citizens' Electric Company of
Lewisburg, PA, and Wellsboro Electric Company

Dated: February 1, 2012

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL AND HAND DELIVERY

Office of Competitive Market Oversight
Retail Markets Investigation
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
ra-RMI@state.pa.us

Johnnie E. Simms, Esquire
Office of Trial Staff
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor West
Harrisburg, PA 17120
josimms@state.pa.us

H. Kirk House
Office of Special Assistants
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 3rd Floor East
Harrisburg, PA 17120
hhouse@pa.gov

Steven C. Gray, Esquire
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101
sgray@state.pa.us

Daniel Mumford
Bureau of Consumer Services
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor East
Harrisburg, PA 17120
dmumford@pa.gov

Darryl Lawrence, Esquire
Aron J. Beatty, Esquire
Jennedy S. Johnson, Esquire
Tanya J. McCloskey, Esquire
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Forum Place
Harrisburg, PA 17101-1923
dlawrence@paoca.org
abeatty@paoca.org
jjohnson@paoca.org
tmccloskey@paoca.org

VIA E-MAIL AND FIRST CLASS MAIL

Gary A. Jack, Esq.
Duquesne Light Company
411 Seventh Ave. 16-1
Pittsburgh, PA 15219
gjack@duqlight.com

Theodore S. Robinson, Esq.
Citizen Power
212 Murray Avenue
Pittsburgh, PA 15217
robinson@citizenpower.com

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SECRETARY'S BUREAU

Todd S. Stewart, Esq.
Hawke McKeon & Sniscak LLP
P.O. Box 1778
100 North Tenth Street
Harrisburg, PA 17101
tsstewart@hmslegal.com

Paul E. Russell, Esq.
Associate General Counsel
PPL Electric Utilities, Inc.
Two North Ninth Street
Allentown, PA 18108-1179
perussell@pplweb.com

Daniel Clearfield, Esquire
Deanne O'Dell, Esquire
Carl R. Shultz, Esquire
Eckert Seamans Cherin & Mellott LLC
213 Market Street, 8th Floor
Harrisburg, PA 17108-1248
dclearfield@eckertseamans.com
dodell@eckertseamans.com
cshultz@eckertseamans.com

Bradley A. Bingaman, Esquire
Tori L. Giesler, Esquire
FirstEnergy Service Company
2800 Pottsville Pike
P.O. Box 16001
Reading PA 19612-6001
bbingaman@firstenergycorp.com
tgiesler@firstenergycorp.com

Anthony E. Gay, Esquire
Jeanne J. Dworetzky, Esquire
Exelon Business Services Company
2301 Market Street
PO Box 8699
Philadelphia, PA 19101
anthony.gay@exeloncorp.com
jeanne.dworetzky@exeloncorp.com

Linda R. Evers, Esquire
Stevens & Lee
111 N. Sixth Street
P.O. Box 679
Reading, PA 19603-0679
lre@stevenslee.com

Michael A. Gruin, Esquire
Stevens & Lee
17 North Second Street, 16th Floor
Harrisburg, PA 17101
mag@stevenslee.com

Dana Pirone Carosella, Esquire
Stevens & Lee
620 Freedom Business Center, Suite 200
King of Prussia, PA 19406
dpc@stevenslee.com

Chris Hendrix
Wal-Mart Stores, Inc.
2001 S.E. 10th Street
Bentonville, AR 72716
chris.hendrix@wal-mart.com

Harry S. Geller, Esquire
Patrick M. Cicero, Esquire
PA Utility Law Project
118 Locust Street
Harrisburg, PA 17101-1414
PULP@palegalaid.net

Michael Meath, President
Strategic Communications, LLC
3532 James Street, Suite 106
Syracuse, NY 13206
mmeath@stratcomllc.com

Frank Caliva, III
Strategic Communications LLC
1012 14th Street NW, Suite 1106
Washington, DC 20005
fcaliva@stratcomllc.com

Craig G. Goodman
Stacey Rantala
National Energy Marketers Association
3333 K Street NW Suite 110
Washington, DC 20007
cgoodman@energymarketers.com
srantala@energymarketers.com

Elizabeth R. Marx, Esq.
Pennsylvania Coalition Against
Domestic Violence
3605 Vartan Way
Harrisburg, PA 17110
erm@pcadv.org

Terrance J. Fitzpatrick
Energy Association of Pennsylvania
800 North Third Street, Suite 205
Harrisburg, PA 17102
tfitzpatrick@energypa.org

Richard Hudson
Director of Energy Affairs
ConEdison Solutions
1102 Park Square
Munhall, PA 15120
hudsonr@conedsolutions.com

Madelon Kuchera
BlueStar Energy Services
363 West Erie Street
Chicago, IL 60654
mkuchera@bluestarenergy.com

Scott J. Schwarz, Esq.
City of Philadelphia
1515 Arch Street, 16th Floor
Philadelphia, PA 19102-1595
scott.schwarz@phila.gov

Brian J. Knipe
Buchanan Ingersoll & Rooney, PC
17 North Second Street, 15th Floor
Harrisburg, PA 17105-1503
brian.knipe@bipc.com

Jay Kooper
Director of Regulatory Affairs
Hess Corporation
One Hess Plaza
Woodbridge, NJ 07095
jkooper@hess.com

Thu B. Tran, Esq.
Community Legal Services, Inc.
1424 Chestnut Street
Philadelphia, PA 19102
ttran@clsphila.org

Courtney Lane
Citizens for Pennsylvania's Future
1500 Walnut Street, Suite 502
Philadelphia, PA 19102
lane@pennfuture.org

Benjamin L. Willey
Law Offices of Benjamin L. Willey LLC
7272 Wisconsin Avenue, Suite 300
Bethesda, MD 20814
blw@bwilleylaw.com

Elise Caplan
Project Manager
American Public Power Association
1875 Connecticut Avenue, NW
Washington, DC 20009
ecaplan@publicpower.org

Ray Landis, Advocacy Manager
AARP
30 N. 3rd Street, Suite 750
Harrisburg, PA 17101
rlandis@aarp.org

Amy M. Klodowski, Esquire
FirstEnergy Solutions Corp.
800 Cabin Hill Drive
Greensburg, PA 15601
aklodow@firstenergycorp.com

Divesh Gupta, Esquire
David Fein
Constellation Energy
100 Constellation Way, Suite 500C
Baltimore, MD 21202
divesh.gupta@constellation.com
david.fein@constellation.com

Noel Trask, Esquire
Exelon Business Services Company
300 Exelon Way
Kennett Square, PA 19348
noel.trask@exeloncorp.com

Harry Kingerski
Spark Energy, L.P.
2105 CityWest Blvd, Suite 100
Houston, TX 77042
hkingerski@sparkenergy.com

Mark C. Morrow, Esquire
UGI Utilities, Inc.
460 North Gulph Road
King of Prussia, PA 19406
mmorrow@ugicorp.com

John J. Gallagher, Esquire
711 Forrest Road
Harrisburg, PA 17112
jgallagher@jglawpa.com

Enver Acevedo, Esquire
Consolidated Edison Company, Inc.
4 Irving Place
New York, NY 10003
acevedoe@coned.com

Melanie J. Elatieh, Esquire
UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406
elatiehm@ugicorp.com

VIA FIRST-CLASS MAIL

Honorable Camille George
Pennsylvania House of Representatives
38B East Wing
Harrisburg, PA 17120-2020

Honorable Phyllis Mundy
120th Legislative District
36 East Wing
P.O. Box 202120
Harrisburg, PA 17120-2120

Edward V. Johnstonbaugh
Future Times Energy Aggregation Group
474 Justabout Road
Venetia, PA 15367

David S. Cohen
President
Rescom Energy LLC
20 East Avenue
Bridgeport, CT 06610

Tim Locascio
Manager
Liberty Power Corp.
1970 West Cypress Creek Road, Suite 600
Fort Lauderdale, FL 33309

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Dr. Vera J. Cole
Mid-Atlantic Renewable Energy
Association
2045 Upper Rocky Dale Road
Green Lane, PA 18054

Harry A. Warren, Jr.
Washington Gas Energy Services, Inc.
13865 Sunrise Valley Drive, Suite 200
Herndon, VA 20171-4661

Christopher C. O'Hara, Esq.
NRG Energy Inc.
211 Carnegie Center Drive
Princeton, NJ 08540

A handwritten signature in cursive script, appearing to read "Pamela C. Polacek", written in black ink over a horizontal line.

Pamela C. Polacek

Counsel to Citizens' Electric Company of
Lewisburg, PA, and Wellsboro Electric Company

Dated this 1st day of February, 2012, at Harrisburg, Pennsylvania