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February 13, 2012

Via Hand Delivery

Rosemary Chiavetta, Esq.
Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Standards for Electronic Data Transfer and Exchange Between Electric
Distribution Companies And Electric Generation Suppliers
(Docket No. M-00960890F0015)

Dear Secretary Chiavetta,

Enclosed for filing, please find an original and five (5) copies of the Energy Association of Pennsylvania's Comments in the above-referenced Docket Number.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Donna M.J. Clark", is written over a horizontal line.

Donna M.J. Clark
Vice President & General Counsel

cc: Robert F. Powelson, Chairman
John F. Coleman, Jr., Vice Chairman
James H. Cawley, Commissioner
Pamela A. Witmer, Commissioner
Wayne E. Gardner, Commissioner
Patricia Krise Burket, Assistant Counsel (electronic copy)
Annunciata Marino, Bureau of TUS (electronic copy)

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Standards for Electronic Data Transfer :
And Exchange Between Electric Distribution : M-00960890F0015
Companies And Electric Generation Suppliers :

**ENERGY ASSOCIATION OF PENNSYLVANIA
COMMENTS TO THE TENTATIVE ORDER**

I. Introduction

The Pennsylvania Public Utility Commission (“PUC” or “Commission”) established a technical subcommittee in 1997 known as the Electronic Data Exchange Working Group (“EDEWG”) to help facilitate Pennsylvania’s transition to a retail electric market through the development of a standard set of data transaction guidelines for communicating customer information. As a technical stakeholder group, the Commission tasked EDEWG with developing the electronic data interchange (“EDI”) standards necessary to communicate customer information and facilitate transactions between Electric Distribution Companies (“EDCs”) and

Electric Generation Suppliers (“EGSs”). Using standardized Internet Protocol (“IP”) processes, EDEWG drafted guidelines which detail how to communicate data by EDI change control processes. In 1998, EDEWG was further directed by the Commission to maintain the guidelines so as to accommodate changes in the law, incorporate emerging Commission policy and account for changes in technology. EDEWG continues to meet on a regular basis to accomplish these objectives.

With respect to the two specific data control changes under consideration in this Tentative Order, EDEWG members agreed upon what information was to be transmitted and how that additional information would be communicated but were unable to reach consensus with respect to the timeline for implementation or how implementation costs would be recovered. Those issues were referred to the Commission’s Office of Competitive Market Oversight (“OCMO”), more specifically to OCMO’s Committee Handling Activities for Retail Growth in Electricity (“CHARGE”), for further discussion and possible resolution.

The two data control changes referred to CHARGE include:

- Change Control #085, which would identify customers who have net-metering arrangements with the EDC; and,
- Change Control #087, which would transmit a customer’s Peak Load Contribution and Network Service Peak Load Usage Data.

Both data control changes along with a specific timeline for implementation and a method for cost recovery were recommended for approval by OCMO after CHARGE was unable to achieve consensus on the timeline and cost recovery issues raised by these particular data control change requests. In turn, the Commission seeks further public input on these staff recommendations through the instant Tentative Order entered on January 12, 2012. The Energy

Association of Pennsylvania (“EAP” or “Association”) files the following comments to the Tentative Order on behalf of its EDC members¹.

II. Comments

EAP welcomes the opportunity to provide comments regarding the process employed to incorporate changes in the EDI transaction sets and to further provide input concerning the non-technical or policy issues discussed in the context of the particular data control changes sought through this Tentative Order. Generally, EAP supports the proposed changes to control processes #085 and #087 and favors the process employed by EDEWG to develop uniform guidelines or revise existing guidelines so as to facilitate the transmittal of particular data between EDCs and EGSs. Such tasks clearly fall within the role of EDEWG as delineated by the Commission.

On the other hand, EAP does not understand that EDEWG has been tasked with or is suited for providing non-technical or policy recommendations and, as such, supports the discussion of those related topics such as the timing of implementation and cost recovery mechanisms in the broader group setting of CHARGE. In the current context, the timing of implementation and cost recovery were discussed in CHARGE although no consensus resolution was achieved. This led to a PUC staff recommendation whereby EDCs would be ordered to implement the changes within 12 months of Commission approval “unless an EDC already has

¹ Electric Distribution Company members of the Association joining in these comments include: Citizens’ Electric Company, Duquesne Light Company, Metropolitan Edison Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities Corporation, UGI Utilities, Inc. (Electric), Wellsboro Electric Company, and West Penn Power Company. Pike County Light & Power Company obtained approval in 2006 to use New York EDI protocol and therefore is not participating in this proceeding.

plans to make system-wide modifications at a later time that would incorporate these changes”.² Further, staff recommended that cost recovery for implementation be considered in the EDC’s next base rate case.

As set forth in the Tentative Order, EDCs have raised concerns regarding the staff recommendations as they relate to both timing of the implementation and cost recovery. With respect to the timing of implementation, the staff recommendations do not necessarily account for common procedural considerations that are integral to an EDC’s determination process and timeline for making IT system changes. An EDC’s customer information system (“CIS”) is essentially the backbone of the utility, operating 24 hours a day, 7 days a week, 365 days a year. CIS systems house and coordinate every record attributable to a customer’s account from individual customer usage data, to billing and payment history, to interactions with utility personnel.

Each EDC’s CIS system is different - for some EDCs, one CIS system is used. Yet for others, customer records may be maintained on multiple systems, necessitating additional coordination and, in some instances, manual recordkeeping. An EDC’s decision to make a change to its CIS system involves a great deal of advance scheduling for time on the system, coordination with other jobs and staffing resources. Job prioritization and coordination are vital to ensure that changes are completed in an efficient and cost-effective manner to minimize associated expense and reduce possible functionality interruptions. For example, an EDC experiencing high volumes of net-metering customers would likely prioritize faster implementation of change control #85 than an EDC who may have only a few net-metering

² See Tentative Order at pp. 5-6, and p. 7. EAP contends that the use of a stand-alone tentative order to mandate all EDCs to implement changes within 12 months of the finalization of the instant Tentative Order is procedurally deficient in that it seeks to establish a “binding norm” of conduct outside of an adjudicatory or rulemaking process. See, Pennsylvania Human Relations Commission v. Norristown School District, 374 A2d 671 (Pa. 1977).

customers. Yet, the recommendation in the Tentative Order seeks a generic implementation timetable for all EDCs.

Essentially, the EDCs seek flexibility to implement the control changes according to individualized schedules that accommodate the CIS of each EDC. Each company provided detail with respect to how and when the control changes could be incorporated into its CIS. EAP believes that the request for flexibility and individual schedules for implementation is reasonable and respectfully asks the Commission to refrain from approving a uniform timeframe from which each of the companies would then have to seek an exception. EAP suggests that any final order approve the change control processes developed by EDEWG and leave the precise implementation schedule to the discretion of each EDC directing that the schedule be reasonable in terms of the time for implementation and be communicated to the EGS community through OCMO.

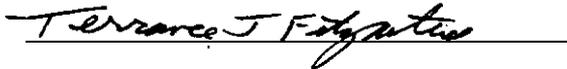
With respect to the issue of cost recovery, EAP respectfully asks that the Commission refrain from determining that the only avenue available for cost recovery is via the next base rate case. EAP suggests that such a generic determination in a tentative order process is not lawful and cannot meet due process considerations even where, as here, public comment is invited. Clearly, implementing these change controls will result in costs which are to be met by EDCs and, as such, are a factor in determining a timetable for implementation. While a base rate case provides an avenue for cost recovery, EDCs should not be precluded from seeking alternative means for cost recovery in a manner and at a time initially proposed by the EDC and considered by the Commission after notice and a hearing on the individual request.

III. Conclusion

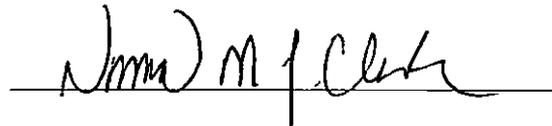
EAP reiterates that its members are generally in favor of the change control recommendations #085 and #087 as another step in enhancing retail electric competition through streamlined communication processes. However, adopting a uniform implementation timeframe without individual consideration of EDC IT constraints and costs is not necessary in order to approve the two control changes developed at EDEWG. Rather, EAP suggests that the Commission accord the EDCs flexibility in developing a reasonable implementation schedule and consider the method of cost recovery at a time and in a process determined by the EDC.

For the reasons stated above, the Association respectfully requests that: 1) the Commission provide the EDCs with the flexibility to establish a reasonable timeframe to implement control changes #085 and #087 to be communicated to EGSs through OCMO; and, 2) the Commission refrain from limiting the means of recovering implementation costs to a base rate case.

Respectfully Submitted:



Terrance J. Fitzpatrick
President & CEO



Donna M. J. Clark
Vice President & General Counsel

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