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May 20, 2013

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

**Re: EDC Customer Account Number Access Mechanism for EGSs
Docket No. M-2013-2355751**

Dear Secretary Chiavetta:

Enclosed for filing please find the comments of the Energy Association of Pennsylvania to the Commission's Tentative Order at the above-referenced docket.

Sincerely,

A handwritten signature in black ink, appearing to read "Donna M. J. Clark".

Donna M. J. Clark
Vice President and General Counsel

Enclosure

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

EDC Customer Account Number : M-2013-2355751
Access Mechanism for EGSs :
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**COMMENTS OF THE
ENERGY ASSOCIATION OF PENNSYLVANIA
TO TENTATIVE ORDER**

I. INTRODUCTION

In 2009, the Pennsylvania Public Utility Commission's ("PUC" or "Commission") formed the Office of Competitive Market Oversight ("OCMO") to oversee the functioning of the competitive retail natural gas supply market. Subsequently, OCMO was charged with managing issues related to the development of the electric retail competitive markets. In its role as ombudsman, OCMO facilitates an ongoing dialogue with retail market participants and stakeholders, monitors market issues and complaints as they arise, and serves in an advisory role to informally mediate and resolve disputes between market participants.

In July of 2012, Electric Generation Suppliers ("EGSs") raised an issue with OCMO concerning difficulties experienced when trying to complete new customer sales/enrollment processes at public locations (e.g., farmers markets, shopping malls, etc.). The situations involve

customers who have opted out of the Eligible Customer List (“ECL”) and then seek to sign an agreement with an alternate electricity supplier at a public venue. If the customer does not have his/her account number, the transaction cannot be completed. The supplier must take additional steps to secure the account number from the EDC to complete enrollment when the customer does not have the account number at the sales location. Suppliers contend that these extra steps create a barrier to competition, and result in frustration and lost savings for the customer. EGSs maintain that these extra steps can and should be avoided and further recommend that Electric Distribution Companies (“EDCs”) adopt a process for providing the customer’s account number to the EGS during the enrollment process. OCMO suggests that public venue sales are preferred by customers over door-to-door marketing or telemarketing because the transaction is less intrusive and is generally initiated by the customer and claims that the inability of the EGS to obtain the customer account number for these transactions is a serious impediment to customer shopping.

Following OCMO-coordinated discussions and initial stakeholder input, it was determined that important policy decisions needed to be resolved and, as a result, the Commission issued the instant Tentative Order at M-2013-2355751 on April 18, 2013. The Tentative Order requests comments on the concerns and proposed mechanisms recommended by stakeholders as well as the policy issues associated with customer information processes and related safeguards that OCMO stated involved decisions not appropriate for the informal CHARGE process. The Order further seeks input on thirteen specific questions related to preferences and capabilities, safeguards, timelines and utility-specific technologies for developing a mechanism to solve problems associated with providing the customer’s account

number in the specific referenced circumstances. Comments are requested within 30 days of the entry date of the Order (by May 20, 2013).

Following Commission review and evaluation of the comments, the Commission stated that it will issue a Final Order containing guidelines informing EDCs how to proceed in developing a mechanism as discussed in the Tentative Order. The Commission also stated that it will further determine whether to direct EDCs to proceed with development of a mechanism and whether a future rulemaking proceeding is necessary. The Energy Association of Pennsylvania (“EAP”) respectfully submits these comments to supplement those filed individually by its member EDCs.¹

II. COMMENTS

A. There is no one-size-fits-all solution.

EAP acknowledges OCMO’s role in resolving issues raised by suppliers and supports reasonable efforts to improve the shopping experience for retail choice customers. However, EAP believes that, in directing² and/or developing guidelines for EDCs to use in the design and implementation of an access mechanism to enhance the EGS process for obtaining customer account numbers during public enrollment situations when that customer has chosen to opt-out

¹ Citizens’ Electric Company; Duquesne Light Company; Metropolitan Edison Company; PECO Energy Company; Pennsylvania Electric Company; Pennsylvania Power Company; Pike County Light & Power Company; PPL Electric Utilities Corporation; UGI Utilities, Inc.(Electric Division); Wellsboro Electric Company; and, West Penn Power Company.

² The Tentative Order process used here is sufficient for adopting non-binding policies and guidelines, but establishing mandatory standards – i.e., “binding norms” of conduct – can only be accomplished by rulemaking or adjudication. *Pennsylvania Human Relations Commission v. Norristown Area School District*, 374 A.2d 671 (Pa. 1977). It is clear that this proceeding does not involve a rulemaking (although the Commission notes that it may initiate one in the future), and it is also not an adjudication in that it was initiated by the Commission to consider a new policy and it does not involve resolution of a complaint in which the Commission exercises its quasi-judicial powers.

of the ECL, it should be recognized, first, that a one-size-fits-all resolution will not work for EDCs, and, second, that the benefit for customers may not be uniform across service territories.

Any process that is adopted should be done in a manner that provides flexibility and recognizes the differences in individual EDC operating systems and resources. Rather than attempting to identify a single, standardized solution, EAP suggests identifying a framework which seeks to automate an accurate exchange based on the individual EDC's circumstances and system functionalities. While some EDCs may find it preferable and more cost-effective to build on to an existing web-based system, another may determine that method to be cost-prohibitive. Maintaining flexibility is crucial to developing a mechanism that performs best for both EDCs and EGSs and appropriately balances cost-effectiveness and efficiency with *continued customer protections and safeguards.*

B. EDCs should be permitted cost recovery for expenses related to developing and maintaining the EGS requested access mechanism.

EAP believes that if the Commission directs EDCs to initiate a process for establishing an access mechanism that facilitates this particular EGS request to obtain customer account numbers from EDCs under the circumstances outlined in the Tentative Order, it is paramount that the Commission also resolve who will pay the costs of necessary system and process changes. EDCs should not be required to undertake costly programming and system changes for particularized EGS requests without the assurance that cost recovery of associated expenses will be allowed. Expenses related to the development of the mechanism as well as its implementation, testing and ongoing maintenance will be incurred and means for recovery should be determined upfront. Further, where programming changes are needed, EAP requests

that any schedule consider the numerous Commission directives and requests already underway and vying for EDCs' limited resources prior to mandating a particular completion timeframe.

C. The obligation to verify or review the LOA, if necessary, rests with the Commission.

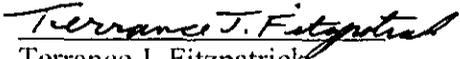
Some stakeholders have suggested that EGSs use a Commission-approved Letter of Authorization ("LOA") to facilitate batch-requests for customer account numbers during point-of-sale situations as described in the Tentative Order, once the supplier has verified that the customer is not on the ECL. See Tentative Order at pp. 3-4. EDCs do not oppose exploring this process further but would object to any requirements or responsibilities on their part for verifying the authenticity of the LOA request. Complete responsibility for the accuracy and legitimacy of the LOA, if considered, should be borne solely by the requesting EGS, with the Commission addressing issues of verification raised by the customer with the EGS.

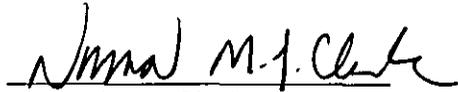
D. Identifying proper EGS sales venues for using the access mechanism process is a policy determination.

With respect to the Commission request for comments on appropriate EGS sales channels that should be included in those "approved" to use the subject access mechanism, EAP respectfully suggests that *determinations of appropriate sales venues is a policy decision for the Commission*. The protections that necessarily must be in place to prevent fraud, pressure sales tactics or slamming should be established, monitored and policed by the Commission, not utilities.

EAP respectfully requests that the Commission consider these comments in the Final Order in this proceeding³.

Respectfully submitted,


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³ EAP notes that this Tentative Order only relates to the retail electric competitive market and it was not served on Natural Gas Distribution Companies. Accordingly, any consideration of adopting policies for the retail gas competitive market would require initiation of a separate proceeding.