

PENNSYLVANIA ENERGY MARKETERS COALITION

May 20, 2013

VIA ELECTRONIC FILING

Rosemary Chiavetta
Secretary, Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Dear Secretary Chiavetta:

Please find enclosed the Comments of the Pennsylvania Energy Marketers Coalition ("PEMC"), in response to the Pennsylvania Public Utility Commission's Tentative Order of April 18, 2013, regarding proposals for a remote customer utility account number access mechanism (Docket No. M-2013-235571). Please do not hesitate to contact me with any questions or concerns regarding our Comments.

Sincerely,



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(PEMC)

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Enclosures

Electricity (“CHARGE”) on July 26, 2012, the issue was raised of the method by which an EGS in the process of enrolling a new customer can obtain a customer’s account number from an EDC in instances in which the customer’s information is not on the ECL and the customer is not able to provide the account number.² As the Commission noted in their Tentative Order of April 18, 2013, EGSs reported to OCMO/CHARGE that this is not an uncommon occurrence – especially in the context of enrolling customers in public locations and community events, such as shopping malls and trade shows.

Completing the EDI transaction necessary to enroll and switch the customer’s generation service requires the customer’s account number, which customers rarely have memorized or on their person, particularly in public places. As a result, customers and EGSs without account numbers are unable to complete the application process at the point of sale. As noted in the Tentative Order, the customer and EGS must take further additional steps for enrollment (i.e., having the customer retrieve a utility bill and then contacting the EGS to provide it, or by the customer calling the EDC’s customer call center and then informing the EGS). As a result, this obstacle leads to a decrease in customer participation in the competitive marketplace.

Therefore, in approaching this matter, we appreciate the Commission’s consideration on improving Pennsylvania customers’ shopping experience, allowing customers to make an affirmative choice no matter where they are and providing customers the ability to grant authorization to a retail supplier to obtain their account number information.

An effective customer shopping experience is largely dependent on assuring customers that switching to an EGS from an EDC is not a time-consuming or complex

² Recaps of these discussions are available on the Commission’s website at:
http://www.puc.state.pa.us/utility_industry/electricity/electric_competitive_market_oversight.aspx.

process. Shoppers usually do not show up to the mall, for example, to intentionally enroll with a supplier, or may attend a shopping fair but not realize that their account number is required to initiate a switch.

PEMC strongly supports accomplishing this through a process similar to what has been proposed by Green Mountain Energy in the CHARGE working group.³

In short, the EGS would undertake the following steps: (1) the EGS will obtain a Letter of Authorization ("LOA") from the customer for the EGS to obtain the customer's account number on the customer's behalf; (2) determine if the customer is on the ECL; (3) if the customer is not on the ECL, (4) the EGS will then submit a request to the EDC which includes the customer's full name and address, using an agreed-to format which functions best with the EDC database; and (5) the EDC will return a report to the EGS which includes the account numbers for customers which had an exact match in the EDC database. For customers without an exact match, or with multiple matches, the EDC will note this in the report but not provide any further information.

The PEMC further addresses certain additional questions proposed in the April 18, 2013 Tentative Order. The PEMC believes that the general approach under consideration by the Commission, will improve the shopping experience and fulfill the customers' expectations that switching is a simple, quick, and effective process.

Additional Questions:

(1) EDCs may propose using different technologies to provide account numbers. If so, how much variation among utilities would be too confusing or burdensome upon the suppliers using the systems?

Ideally, there would be a single, uniform approach statewide, which would facilitate the transaction, ensure that EGSs get accurate, required information from customers, bring the necessary technology to a shopping fair, etc.

³ Please see http://www.puc.state.pa.us/electric/pdf/OCMO/GMEC_Sample_Sales_Form_LOA_080212.pdf

We recognize, however, that utilities differ in their communications and database systems, and we would accept some variation in approaches if that was required in order to implement the program.

(2) Technologies that have been discussed include the internet, interactive voice response (IVR) telephone and electronic data exchange (EDI). Are some technologies preferable to others and if so, why?

The PEMC supports using a secured Internet portal, such as the PECO SUCCESS Portal, for the transfer of both the customer account request file and the return report from the EDC. We believe this is the best way to secure and protect customer data. It would also make use of existing infrastructure, thereby reducing costs and programming time.

EDCs also pointed out "prioritization" of this enhancement among other new programming requirements as an issue. We understand that the implementation of the Standard Offer Referral Program, the new default service end-state, and other retail choice enhancements, all require significant utility resources. We would rank this as an important market issue, however, and given EGS willingness to pay for the system development (see below), we believe this should be able to be implemented as soon as possible after the Standard Offer Referral Programs are launched.

(3) In providing account numbers, should there be limits on the response time back from the EDC, and if so, should the timeframes be dependent upon the technology being used?

Using the Internet-based approach, we believe Green Mountain Energy's proposal for EGSs to submit one batch request per supplier per week is reasonable. Assuming the database search is fully automated, we would expect same-day turn-around on the utility report.

(4) What specific identifying data should a supplier be required to submit to the EDC to get an account number? At a minimum, should a customer's name and address be required? AND (5) What level of precision is necessary to ensure accurate data?

We understand the concerns that some EDCs have expressed, regarding discrepancies in their databases. As the Commission notes in the Tentative Order, EDCs have pointed out that their databases include thousands and even millions of names – many of them very similar or even identical to other customer names. To ensure accurate retrieval of this data, the PEMC agrees that at a minimum the EGS must provide the full customer name and location addresses.

(6) The amount and recovery of costs could vary by EDC and by the technology used. If there are significant costs, can they be estimated at this time? Who should be responsible for those costs and what mechanisms should be used to assess and collect costs?

We understand the costs of modifying or developing such systems, and who should pay the costs, raise various issues. The PEMC suggests a “pay-as-you-go” approach in which only the EGSs in a given service territory that use the system would share in the development and implementation costs. These user fees would continue to be paid until the EDCs have fully recovered all associated costs. This will relieve any payment burden on ratepayers or EGSs that do not wish to use the system, while at the same time ensuring that the EDCs get full cost recovery for all appropriate expenditures.

7) What safeguards are needed to ensure that account numbers are accurately communicated and provided only to the customer and supplier involved?

Regarding account number protection, as mentioned earlier, EGSs are required by the Commission's regulations to maintain the confidentiality of such information, as noted in the Tentative Order, and EGSs who violate these provisions are subject to Commission sanctions, including the imposition of civil penalties and the suspension or revocation of

their license. We believe these policies send a strong, effective signal for EGSs to be in compliance.

(8) What information and format should be required in a LOA?

Since an OCMO-led CHARGE working group is currently being formed to address this matter, we would respectfully advise that the Commission defer any action on the LOA issue until the working group has reported out its recommendations.

(9) Are there possible reporting requirements that should be developed so that the Commission can monitor the effectiveness and security of the systems? This could include things like the total number of account numbers provided and the number of complaints or problems associated with the provision of account numbers under these mechanisms.

The PEMC believes it is reasonable that EDCs maintain records related to use of the remote customer account lookup system, including: (1) number of times the system has been successfully accessed; and (2) complaints lodged with EGSs, EDCs, and the Commission itself that can be traced to accidental switching because of conflicting account numbers. As always, we would ask that the Commission seek to distinguish between the occasional mix-ups that occur and are promptly resolved, and malicious acts of "slamming."

(10) What are the appropriate sales channels that would be authorized to use this process?

The most appropriate sales channels for this process are shopping at public locations like retail malls, fairs, or other similar locations and events, just as customers can so shop for wireless phones, credit cards, and other similar products and services. We agree with the Commission that this sales venue offers several advantages over other sales channels like door-to-door or telemarketing, with regard to the use of remote customer account number lookup. Unlike in a door-to-door sales approach, in a public setting, such as in a

mall, it is the customer who approaches and initiates the sales contact at a time and place of the customer's choosing.

Furthermore, a face-to-face discussion in public is less intrusive than a sales agent engaging in a sales pitch with a customer at the front door of the customer's private residence. Thus, customers may feel more comfortable with a public transaction as opposed to one that is conducted at the front door of their homes. Additionally, it is reasonable to assume that in a door-to-door interaction, the customer could more easily access their utility bill and provide the sales representative with his or her account number if interested in switching service to a supplier.

CONCLUSION

The PEMC believes the Commission has a very important opportunity in establishing an improved customer shopping experience, allowing customers to make an affirmative choice no matter where they are, providing customers the ability to grant authorization to a retail supplier to obtain their account number information via a remote customer account number lookup system. Ultimately, this will allow for a smooth, simple pathway towards switching from an EDC to an EGS. We understand, as mentioned earlier, the customer privacy and utility technical concerns, and per the PEMC suggestions discussed above, we believe our comments can address these concerns in order to protect information for customers and avoid burdensome costs for EDCs.

We recognize that work remains to be done on this topic and pledge to the Commission our continued support to help with these efforts.

May 20, 2013

Respectfully submitted,



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