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March 24, 2014

VIA eFILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Joint Electric Distribution Company –
Electric Generation Supplier Bill
Docket No. M-2014-2401345**

Dear Secretary Chiavetta:

Enclosed for filing in the above-referenced matter are the **Reply Comments of PECO Energy Company to the Tentative Order Entered on February 6, 2014.**

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Williams", written over a horizontal line.

W. Craig Williams

Enclosures

cc: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Investigation of Pennsylvania’s :
Retail Electricity Market: :
Joint Electric Distribution Company – : **Docket No. M-2014-2401345**
Electric Generation Supplier Bill :

**REPLY COMMENTS OF
PECO ENERGY COMPANY
TO THE TENTATIVE ORDER
ENTERED ON FEBRUARY 6, 2014**

PECO Energy Company (“PECO” or the “Company”) hereby submits the following Reply Comments on the Public Utility Commission’s (“PUC” or “Commission”) Tentative Order of February 6, 2014.¹

I. INCLUSION OF EGS LOGO

The Retail Energy Supply Association (“RESA”) suggests that the EGS logo should appear on every page of the bill and also on the envelope used to send the bill to the customer.²

PECO recommends including the EGS logo on EDC bills in the same location where the EGS billing information is located. Only a portion of the customer’s bill relates to energy supply charges and information. Linking the EGS logo with those charges and information makes the customer’s relationship with their chosen energy supplier clear to the customer and, commensurately, avoids customer confusion. Conversely, placing the EGS logo on every page of the bill would cause customer confusion, as the customer will be left with the impression that

¹ *Investigation of Pennsylvania’s Retail Market Electricity Market: Joint Electric Distribution-Electric Generation Supplier Bill, Tentative Order*, Docket No. M-2014-2401345 (Order entered February 6, 2014) (“Tentative Order”).

² RESA Comments, at 2.

all information and charges on the bill relate either to the EGS or the EDC. In addition, it is conceivable that natural gas suppliers, curtailment service providers and others providing services to PECO's customers would also want their logos on every page of the EDC bill. Not only would this cause further confusion for customers, this is not feasible given bill space considerations.

For the same reasons, PECO does not support including the supplier logo on the customer bill envelope. In addition, including a second logo (and perhaps more than two logos) on the bill envelope increases the risk that the customer discards the bill as a marketing piece without realizing that it is in fact a bill for services. Finally, PECO currently purchases preprinted envelopes in discounted bulk, because all of PECO's bill envelopes are identical. If PECO were required to print the EGS logo(s) on the envelopes, PECO would need to purchase \$2.5 million in additional printing equipment, as well as ongoing operational and maintenance costs associated with the equipment and envelope printing process.

For these reasons, PECO recommends that the EGS logo only be placed on EDC bills in the same location where the EGS billing information is located.

II. EGS BILL MESSAGING SPACE

RESA suggests that the EGSs should have the ability to add graphics and references to their websites in addition to text in their bill messages. Graphics might include those used to designate a company's presence on social media websites, such as Facebook and Twitter.³

As PECO noted in its original comments, expansion of EGS message space on PECO's bill will be accomplished by way of an EDI transaction.⁴ That EDI transaction will be the EGS's

³ RESA Comments, at 4.

⁴ PECO Comments, at 4-5.

means of communicating the content of its message to PECO for automatic insertion on the bill. The EDI transaction is limited to typographic symbols, and there is no means to accommodate graphics in the messaging, nor icons such as with Facebook and Twitter.

RESA also comments that each EGS should have its full allocation of messaging space, even if the Commission later orders that EGSs must make certain disclosures in its messaging space. In other words, the messaging space provided to EGSs on the bill will need to grow to accommodate any future EGS disclosure requirements, preserving the four lines of EGS messaging space.⁵

As noted in its initial comments, PECO has identified space on its bill to accommodate an expansion of the space for EGS messaging. However, if PECO is required to adapt to changing space requirements based on EGS disclosure requirements or even to provide additional space for EGSs to provide their regulatory disclosures apart from the allocated messaging space, PECO likely will need to add an additional page or pages to its bill at significant production and mailing costs. PECO, therefore, recommends that the EGSs make efficient use of the expanded messaging space to meet regulatory disclosure requirements in addition to their planned communications.

III. SHOPPING INFORMATION BOX

A. Price-to-Compare (“PTC”)

The Office of Consumer Advocate (“OCA”) suggests that the proposed Shopping Information Box should also include the price to compare (“PTC”), in addition to the future price to compare as found on PAPowerSwitch.com, the PAPowerSwitch.com web address and the

⁵ RESA Comments, at 4.

web address for the OCA's Shopping Guide.⁶ OCA agrees that a well-designed Shopping Information Box could assist shopping customers, but also balances the desire for more information in the Shopping Information Box against the potential costs of redesigning the bill or increasing the number of bill pages.⁷ Similarly, the Office of the Small Business Advocate ("OSBA") recommends placing the PTC in the proposed Shopping Information Box, rather than elsewhere on the bill.⁸

PECO is opposed to these changes to the Shopping Information Box at this time. PECO currently includes its PTC in the messaging portion of the bill, where PECO also points customers to the PPowerSwitch.com website and the web address for OCA's Shopping Guide. PECO maintains that having this information in an area of the bill that is clearly marked as "Message Center" is sufficient to communicate that information to the customer. Each EDC bill has its own unique layout, and with all of the changes being proposed, issues will arise about how best to arrange that bill to accommodate all the required information. In proposing where to place changes on the bill, PECO has worked to minimize the impact on the current bill design to avoid a total redesign of the bill, which PECO has recently completed.

Further, the original intent of the Shopping Information Box was to give customers ready access to the information they need to affect a supplier switch. The design was not to include all salient shopping information. In working the Commission's contemplated content and design of the Shopping Information Box into PECO's current bill, PECO developed a version of the box to fit within the current space constraints of the bill. PECO is concerned that adding lines of information will require a larger box, which may not fit those space constraints, driving a requirement for an additional page (or pages) to the bill.

⁶ OCA Comments, at 5.

⁷ *Id.* at 6.

⁸ OSBA Comments, at 2.

However, the suggestions of OCA and OSBA to prominently display shopping information warrants further discussion. As noted above, moving information as proposed by OCA and OSBA would cause issues with PECO's current bill design, therefore, PECO suggests that these bill enhancements be presented to focus groups to gauge customers receptiveness, and if the results warrant, include those findings in the next bill redesign.

B. Contract End Date

Park Power, LLC ("Park Power") and Citizen Power, Inc. ("Citizen Power") both recommend the inclusion of the contract end date, either in the Shopping Information Box or on the bill itself.⁹ PECO agrees that the contract end date is a valuable piece of information for shopping customers, and this should be communicated by the EGS to its customers in the four lines allocated for EGS messaging.

C. Customer Participation in EDC Programs

RESA suggests that the Shopping Information Box should also include information about a customer's participation in EDC programs, such as "budget billing, net metering and customer assistance programs."¹⁰ PECO believes that the Shopping Information Box should contain only information that is required for a customer to enroll with a new supplier. Including information about EDC programs like budget billing and customer assistance programs are not relevant to the shopping experience and should not be content for the Shopping Information Box.

⁹ Park Power Comments, at 3; Citizen Power Comments, at 1.

¹⁰ RESA Comments, at 5.

IV. OTHER PROPOSALS

RESA and others comment that the EGSs should have the ability to include value-added charges to the bills, like charges for energy efficiency products. These separate charges would be placed on the EDC bill, collected by the EDC and sent to the EGS, albeit outside the purchase of receivables (“POR”) process.¹¹ PECO bills its customers for electric service, which includes distribution, transmission and generation of electricity.¹² PECO should not have the obligation to bill for EGS charges other than those for electric supply and should not be in the primary position of administering, collecting and paying on EGS programs and promotions. EGS are free to offer these other services to their customers, but acting as the billing and collecting agent on behalf of the EGSs for these programs should not be a role of the EDCs.

V. CONCLUSION

PECO appreciates the opportunity to provide reply comments on the joint EDC-EGS bill.

Respectfully submitted,



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Date: March 24, 2014

Counsel for PECO Energy Company

¹¹ RESA Comments, at 9; *see also* National Energy Marketers Association Comments, at 4; Pennsylvania Energy Markers Coalition, at 4.

¹² PECO also bills customers for natural gas distribution and supply service.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

INVESTIGATION OF :
PENNSYLVANIA'S RETAIL :
ELECTRICITY MARKET: : **DOCKET NO. M-2014-2401345**
JOINT ELECTRIC DISTRIBUTION :
COMPANY – ELECTRIC GENERATION:
SUPPLIER BILL

CERTIFICATION OF SERVICE

I hereby certify and affirm that I have this day served a copy of PECO Energy Company's Reply Comments to the Tentative Order Entered on February 6, 2014 on the following persons in the manner specified in accordance with the requirements of 52 Pa. Code § 1.54:

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