

I. Elimination of the Waiting Period

The Commission has proposed to modify the current rules to eliminate the ten day waiting period within which the utility holds an enrollment request during which time the customer can dispute whether consent was given to the transfer to the EGS. Proposed Section 57.173(2). The Commission granted a temporary waiver of Code Sections 57.173 and 174 to shorten the current ten day confirmation period to five days.² The confirmation letter sent by the utility, including notice of the waiting period, would be reformulated as a notice to the customer of the transfer of service. *Id.* As NEM noted in previous comments on this issue, the waiting period, in and of itself, is not a cure for the practice of slamming per se. The Commission's regulations and penalty provisions provide the appropriate safeguard against slamming. The waiting period has served to unnecessarily delay the customer switching process, creating consumer confusion and dissatisfaction at the very early stages of exposure to energy shopping. For these reasons, NEM supports the elimination of the current waiting period.

II. Off Cycle Meter Reads

The second component of the Commission's proposal to accelerate customer switching is for the utility to make use of off-cycle meter reads. The language in Proposed Section 57.174(2) provides that,

The EDC shall obtain a meter read to effectuate the switch of EGS service within the time period provided for in paragraph (1). In instances where the EDC does not have advanced or automated metering capability, the EDC shall obtain an actual meter read, use an estimated meter read or use a customer-provided meter read. In instances where estimates are used,

² Docket No. M-2011-2270442, Order, entered October 24, 2012.

the estimated meter read shall be updated when an actual meter read is obtained to reflect the customer's actual usage through the customer's normal meter read cycle.

NEM is very concerned with the component of the proposal that would permit an estimated meter read to be accepted. From a practical perspective, using an estimated meter read in the switching process could be the source of unintended complaints. For example, during inclement weather a customer may use significantly more energy than usual. Based on an estimated meter read, the customer's usage will be spread across the load profile. As such, after the switch is effectuated, the new EGS will be saddled with costs based on PJM settlement that were incurred prior to the time the customer was taking service from them. Likewise, the prior EGS will be unable to recover costs incurred to serve the customer after they have switched. NEM suggests that a physical meter read or advanced meter should be utilized for off-cycle switching to avoid these unintended consequences.

III. Customer Switching from EGS Service to Default Service

Proposed Section 57.172(2) pertains to the process to be used when a current EGS customer seeks to change to default service. It would permit, "a customer or person authorized to act on the customer's behalf," to orally contact the default service provider to make such request. Proposed Section 57.178(2) would require the default service provider to retain records of these customer requests to take default service for a period of three years, to be produced to the Commission or Staff upon request. NEM recommends that the customer's current service provider, be it an EGS or EDC, should be provided with access to the recording to confirm that the person requesting the switch

was authorized to do so. The current service provider should have the ability to investigate if a switch was properly requested by an authorized person. EGSs currently share recordings with the EDC when questions of this nature arise.

IV. Terminology Related to Selected EGS Product

NEM suggests that the terminology related to a customer switching to a new “Selected EGS Product” should be clarified to better effectuate the Commission’s intent of accelerating switching between *providers*, not products. The Commission proposes to add language to Section 57.171 Definitions explaining a “Current EGS Product” and a “Selected EGS Product.” NEM suggests that this terminology is misleading as used in this subchapter of the Code that pertains specifically to changes in a customer’s electricity generation *supplier*. The specialized process delineated in this part of the Code is not meant to apply to the circumstance of a customer switching between different products at the same EGS. Yet, the reliance on the terms “Current EGS Product” and “Selected EGS Product” would appear to shift the focus to switches between products, and not suppliers. For example, Proposed Section 57.173(1) with its use of the terminology “Selected EGS Product” could potentially be construed to require the EGS to notify an EDC when an existing customer has selected a new *product* with the same EGS. We do not believe it was the Commission’s intent to create such an unnecessarily burdensome requirement. NEM recommends that this language be clarified to make clear that these rule provisions are aimed at the process of switching suppliers.

V. Conclusion

NEM appreciates this opportunity to submit comments on the Commission's proposed rule changes to effectuate accelerated customer switching.

Sincerely,

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