



PEOPLES NATURAL GAS™



PEOPLES TWP

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Via e-Filing

February 2, 2015

Rosemary Chiavetta, Secretary
Commonwealth Keystone Building
400 North Street 2nd Floor, Room-N201
Harrisburg, PA 17120

Re: Investigation of Pennsylvania's Retail Natural Gas Supply Market -
Account Number Access Mechanisms
Docket No. I-2013-2381742

Dear Secretary Chiavetta:

Please accept for e-Filing the enclosed Joint Comments of Peoples Natural Gas Company LLC and Peoples TWP LLC on Account Number Access Mechanisms in the above-referenced proceeding.

If you have any questions or concerns regarding this matter, please do not hesitate to contact me at (412) 208-6527.

Very truly yours,

Attorney for Peoples TWP LLC and
Peoples Natural Gas Company LLC

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Investigation of Pennsylvania's
Retail Natural Gas Supply Market

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Docket No. I-2013-2381742

**JOINT COMMENTS OF PEOPLES NATURAL GAS COMPANY LLC
AND PEOPLES TWP LLC ON ACCOUNT NUMBER ACCESS MECHANISMS**

I. INTRODUCTION

Peoples Natural Gas Company LLC (“Peoples”)¹ and Peoples TWP LLC (“Peoples TWP”) (sometimes hereinafter collectively referred to as the “Peoples Companies”) submit these Joint Comments in response to the invitation to file comments issued by the Public Utility Commission (“Commission”) in the Order entered in this matter on December 18, 2014 (“Final Order”).

In that Final Order, the Commission affirmed its belief, stated in the Tentative Order,² that a secure internet portal mechanism that suppliers could access to obtain account numbers may be useful in the natural gas industry to facilitate supplier marketing in public places (e.g., malls, community events, fairs, etc.) where consumers are unlikely to have their utility bill or their account number. The Commission noted that this is not a “new” matter, in that electric distribution companies (“EDCs”) are already in the process of developing account number access mechanisms and that some have already made this available to suppliers. The Commission suggested that parties can look at what has been

¹ Reference to Peoples includes the operations of its Equitable Division.

² The Tentative Order was issued in this docket on August 21, 2014.

done in the electric industry and use that experience to address the same matter in the natural gas industry. (Final Order, pgs. 44-45.)

The Commission stated that this is an important, immediate concern and invited interested parties to file comments. While stating that parties are free to raise any related issue, the Commission stated special interest in the following areas:

- The technological platform to be used. EDCs were directed to develop web-based portals. Is the same appropriate for the natural gas industry or are there alternatives we should consider?
- What security mechanisms should be utilized to protect consumer privacy? This includes the possible use of password-protections, and minimum customer information requirements for using the mechanism (customer's full name, service street address and five-digit postal code, etc.). The use of customer photo identification and a letters of authorization should also be addressed.
- Should the mechanisms only be available at public locations, not consumer homes or businesses? And if so, how should this be documented?
- What capabilities should be required of the mechanism to track the usage of the system and identification of users? What should be the record retention requirement for this information - three years as in the electric industry?

The Commission concluded that if, upon reviewing the comments, the Office of Competitive Market Oversight ("OCMO") believes there are further issues that require discussion, it may convene a stakeholders' conference but, in any event, OCMO should prepare, in the first quarter of 2015, recommendations for the Commission's consideration.

II. COMMENTS

The Peoples Companies generally support the implementation and use of a web-based portal for access by natural gas suppliers ("NGSs") to identify customer account numbers in order to complete the enrollment process. Still, since this is a new issue for Natural Gas Distribution Companies ("NGDCs"), the Peoples Companies support a thorough examination of

the issue in this rulemaking proceeding. As an initial matter, the Peoples Companies submit that adoption of use of a web-based portal should be subject to the corresponding adoption of important implementation conditions. One condition is that the costs to develop and maintain such a portal should be borne by the NGSs that benefit from its availability. The portal will have no use to any party other than the NGS and its choice customers, so cost causation principles dictate that the NGSs and their choice customers should assume cost responsibility for its development and operations costs. The Peoples Companies believe there can be multiple, acceptable cost recovery methods and are not proposing any particular method.

Another condition to implementation of a choice marketers' internet portal is the adoption of a reasonable and flexible implementation period. While the Peoples Companies acknowledge the Commission's emphasis of the importance of broadening the shopping customers' shopping opportunities, we also ask the Commission to acknowledge the importance of other ongoing NGDC information technology projects, which for the Peoples Companies include but are not limited to conversion of Equitable Division accounts into Peoples' existing customer records and billing system and improvements to Peoples' Customer Portal (which is used by customers to obtain e-bills, make electronic payments, and request service). The development of the NGSs' internet portal will require significant resources to ensure that it secures customer information, tracks NGS access for each customer record, and provides reporting for Commission use. NGDCs must be able to properly prioritize this project with other IT projects.

With respect to security mechanisms, the Peoples Companies suggest that the portal could be secured by a login name and password that would be assigned to the NGS by the NGDC. The NGS would be responsible for ensuring the login information is available only to authorized agents of the NGS. In order to limit administrative costs associated with NGS

account maintenance, the Peoples Companies recommend assigning one login and password to each NGS rather than assigning individual accounts for every agent of the NGS. Maintaining access records for three years is reasonable.

Obtaining an accurate account number is critical to the enrollment process. The Peoples Companies believe that use of the portal in customer homes and businesses can help provide more accurate account number information and thereby help to avoid delays in switching. Regardless of the location, customer authorization is important and records of such authorization should be maintained by the NGS. Moreover, authorization to use an internet portal from a customer's home should not be deemed to be authorization to pursue more intrusive marketing plans. Finally, the NGS should bear responsibility for the use of customer data obtained through the portal.

III. CONCLUSION

The Peoples Companies are members of the Energy Association of Pennsylvania ("EAP") and endorse EAP's comments filed in this proceeding.

WHEREFORE, the Peoples Companies respectfully request that the Office of Competitive Market Oversight give these Joint Comments due consideration in this proceeding.

Respectfully submitted,

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Dated: February 2, 2015