

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Natural Gas Distribution Company  
Customer Account Number  
Access Mechanism for Natural Gas Suppliers

M-2015-2468991

---

**COMMENTS OF PHILADELPHIA GAS WORKS TO THE TENTATIVE ORDER –  
ACCOUNT NUMBER ACCESS MECHANISM FOR NATURAL GAS SUPPLIERS**

---

**I. INTRODUCTION**

On April 9, 2015, the Pennsylvania Public Utility Commission’s (“Commission” or “PUC”) entered a Tentative Order with respect to Natural Gas Distribution Company (“NGDC”) Customer Account Number Access Mechanisms for Natural Gas Suppliers (“NGS”), allowing 45 days from the entry date to file written comments. Philadelphia Gas Works (“PGW”) appreciates the opportunity to submit comments to address the Commission’s concerns regarding this important issue. PGW concurs with and supports the Comments filed by the Energy Association of Pennsylvania. PGW highlights specific issues in the following comments.

PGW respectfully submits that the Commission should adopt a deliberate approach to establish an account number access mechanism that takes into account customer privacy concerns, the existence of available resources for NGSs to identify potential customers and the appropriate mechanism for the allocation and recovery of relevant costs.

## **II. COMMENTS**

### **A. Current PGW Residential Customer Shopping**

PGW currently has no residential shopping customers, but is in the process of developing a Purchase of Receivables (“POR”) and Consolidated Billing program, with a proposed implementation at the end of this summer. Although PGW does not have experience with small business and residential customer shopping, it shares the Commission’s concerns with customer privacy. Further, given PGW’s current status and the fact that the account number access mechanisms implemented by Electric Distribution Companies (“EDCs”) have had relatively low utilization rates, PGW has some concern regarding the value of dedicating resources to this mechanism at this point in time.

### **B. Protection of Customer Privacy**

PGW agrees with the Commission that NGSs should be held responsible for obtaining, verifying, and retaining customer Letters of Authorization. Although PGW would develop and maintain the account access mechanism, it ultimately will be a tool utilized by NGSs. As such, PGW submits that NGDC responsibility with respect to Letters of Authorization should be limited to requiring NGS attestations during the access process. NGDCs should be shielded from any liability concerning the improper acquisition, use or release of confidential customer data accessed by NGSs through the account number access mechanisms, including liability connected with use of the mechanism in public/private venues.

### **C. Mechanism Use and Outputs**

PGW agrees with comments raised during the EDC proceeding stating that this mechanism is meant to supplement marketing and enrollment information already available through the Eligible Customer Lists (“ECL”), as opposed to replacing them. The ECL process provides

useful customer data to suppliers, while ensuring that customers retain the decision on whether their personal information should be shared. Suppliers should be required to continue using ECLs as the primary source of information, and the account number access mechanism should be utilized for customers in public venues for whom enrollment information is not already available, as described by Commission orders to date.<sup>1</sup> With respect to the use of this mechanism at customers' homes, given the composition of PGW's residential territory – dense urban residential housing – and the current unfamiliarity of PGW's residential customers with natural gas shopping, PGW submits that NGS' should be completely restricted from utilizing this mechanism in door-to-door marketing efforts and encourages the Commission to protect customers from potential abuse of this mechanism.

As a final suggestion regarding use, in addition to “NO HIT”, “MULTIPLE HITS”, or the customer's account number, a fourth mechanism output, “ON ECL,” should also be included. This functionality will remind suppliers that the information they are seeking for a particular customer is available on the ECL.

#### **D. Implementation Costs and Cost Recovery**

PGW estimates that original development of the account number access mechanism may cost approximately \$60,000. This figure is a high level estimate based upon general information provided in NGDC RMI materials to date. Additionally, this figure represents only initial development costs, and does not include ongoing operating and maintenance costs. PGW will be able to develop more detailed projections pending ultimate instruction from a Final Order on this matter. As such, PGW reserves the right to modify this estimate in the future.

---

<sup>1</sup> See, *EDC Customer Account Number Access Mechanism for EGSs*, Docket No. M-2013-2355751, 2013 Pa. PUC LEXIS 765; 307 P.U.R.4th 442 (Order issued July 16, 2013).

With respect to cost recovery, the account number access mechanism is intended to assist EGSs with marketing their businesses and enrolling new customers. As such, implementation costs should be borne by NGSs.<sup>2</sup> PGW submits that its cost recovery should be provided through an administrative discount on receivables purchased from NGSs. One benefit of this approach is that it would encourage all NGSs participating in consolidated billing and PGW's POR program to use the information sharing system. Other alternative recovery mechanisms, such as a user-fee arrangement, could provide a disincentive for NGSs to using the account number access system and could leave PGW without recovery for its costs. PGW submits that if the Commission decides that NGDCs should bear any of the costs of the program, cost recovery should be allowed through a reconcilable customer surcharge allowing for full and timely cost recovery.

### III. CONCLUSION

PGW appreciates the opportunity to provide these comments on the account number access mechanism for natural gas suppliers, and looks forward to continued work with the Commission and other stakeholders on customer choice issues.

Respectfully Submitted,



Edward G. Lanza, Esq.  
THE LANZA FIRM, LLC  
P.O. Box 61336  
Harrisburg, PA 17106-1336  
(717) 576-2696  
(717) 798-9897 (fax)  
[ed@lanzafirm.com](mailto:ed@lanzafirm.com)

Counsel:  
Michael P. Decktor, Esq.  
Philadelphia Gas Works  
888 W. Montgomery Ave.  
Philadelphia, PA 19122  
(215) 684 6647  
[Michael.Decktor@pgworks.com](mailto:Michael.Decktor@pgworks.com)

Date: May 22, 2015

Counsel for Philadelphia Gas Works

---

<sup>2</sup> This is consistent with the Commission's resolution of the cost recovery issue in the EDC account number access proceeding. *See, Id.*