

John F. Povilaitis
717 237 4825
john.povilaitis@bipc.com

409 North Second Street
Suite 500
Harrisburg, PA 17101-1357
T 717 237 4800
F 717 233 0852
www.buchananingersoll.com

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VIA E-FILING

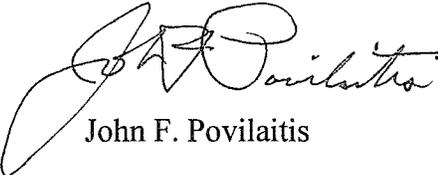
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Investigation of Pennsylvania's Retail Natural Gas Market: Joint Natural Gas
Distribution Company-Natural Gas Supplier Bill; Docket No. M-2015-2474802

Dear Secretary Chiavetta:

On behalf of The Retail Energy Supply Association, enclosed for electronic filing are the
Comments of the Retail Energy Supply Association for the above-captioned matter. Please
contact me if you have any questions regarding the foregoing matter.

Very truly yours,



John F. Povilaitis

JFP/bb
Enclosure

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Investigation of Pennsylvania's :
Retail Natural Gas Market: : **Docket No. M-2015-2474802**
Joint Natural Gas Distribution Company-:
Natural Gas Supplier Bill :

**COMMENTS
ON BEHALF OF THE
RETAIL ENERGY SUPPLY ASSOCIATION**

BUCHANAN INGERSOLL & ROONEY, P.C.

**John F. Povilaitis, PA ID No. 28944
Karen O. Moury, PA ID No. 36879**

**409 North Second Street, Suite 500
Harrisburg, PA 17101-1503
Telephone: (717) 237-4800
Facsimile: (717) 233-0852
john.povilaitis@bipc.com
karen.moury@bipc.com**

Attorneys for Retail Energy Supply Association

Dated: June 8, 2015

I. INTRODUCTION AND SUMMARY OF POSITION

The Retail Energy Supply Association (“RESA”)¹ appreciates the opportunity to provide comments and commends the Pennsylvania Public Utility Commission (“Commission”) for its efforts to enhance the functioning of the retail natural gas market by mandating new requirements impacting the relationship between Natural Gas Distribution Companies (“NGDCs”) and Natural Gas Suppliers (“NGSs”), and in turn the relationship between NGSs and their customers. RESA supports the three main improvements to the Joint NGDC-NGS Bill (“Joint Bill”) proposed in the April 23, 2015 Tentative Order (“T.O.”). Those improvements are the inclusion of the NGS logo on the Joint Bill; the expansion of the NGS messaging space; and the inclusion of a Shopping Information Box.

The Commission also raised several other issues in the T.O. RESA’s general position is that on issues where the Commission believes more deliberation is needed before finally deciding the merits of an issue, it should still attempt to “advance the ball” on the issue so that it is closer resolution. Accordingly, RESA requests that NGDCs be required to detail the steps necessary to allow allocation of some bill inserts to NGSs, with a proposed work around for any obstacles. RESA also supports inclusion of the Shopping Information Box on the NGDC dual bill and inclusion of the NGS logo, NGS messaging space and the Shopping Information Box on summary bills. Regarding cost recovery, RESA agrees that a non-bypassable surcharge or

¹ The comments expressed in this filing represent the position of the Retail Energy Supply Association as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of more than twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

similar mechanism should be permitted for the costs of these initiatives. Finally, RESA supports the Commission proposed timeline of implementation by June 1, 2016.

II. RESA COMMENTS

A. Inclusion of the NGS's Logo

RESA agrees with the Commission that the informal comments did not indicate any major technical obstacles to placing the NGS logo on the NGDCs' bill. T.O. at 5. As stated by the Commission, "the presence of an NGS logo will make the NGSs information more noticeable and will increase customer awareness of their selected NGS...and strengthen the relationship between the customer and their selected NGS." *Id.*

The use of the logo on the Joint Bill should be at the request of the NGS. Where it is used, the NGS logo should be similar in size and color to the NGDCs logo. The NGDCs should have initial discretion in the placement of the logo on the Joint Bill, but subject to the review of draft bills by the Office of Competitive Market Oversight ("OCMO"). RESA concurs with the Commission that the NGS logo should be placed in proximity to the supplier charges to reinforce the relationship between the logo and the service provided.

The Commission should adopt in a final order the requirement that NGS logos be included on the Joint Bill, subject to the foregoing considerations.

B. NGS Bill Messaging Expansion

RESA also supports the Commission's proposal that NGSs have the option of including up to four lines of NGS messaging on the Joint Bill. In making the inclusion of messaging optional for NGSs, the Commission correctly discerned that it may not be appropriate to convey information to customers via this format in each month's bill. When utilized, however, the content of the messaging should be decided by the NGS. RESA acknowledges the

Commission's sentiment that NGSs should consider using the messaging space to provide contract expiration information.

RESA also welcomes and supports the Commission's suggestion that NGDCs and NGSs collaborate on the issue of ensuring that additional bill messaging space can be formatted within the framework of existing NGDC Joint Bill templates. Ensuring the availability of messaging space and working toward maximizing that space in a collaborative fashion is a sound improvement to the Joint Bill that should be adopted.

C. Inclusion of a Shopping Information Box

The purpose of the proposed Shopping Information Box is to provide customers with the basic information necessary in order to participate in the competitive natural gas market. T. O. at 9. RESA concurs with this objective and the use of the Shopping Information Box to accomplish it.

Similar to its approach on other improvements to the Joint Bill, the Commission envisions NGDCs providing a draft of the Shopping Information Box to OCMO for its review of whether the draft meets the intent of this initiative. The standard used by OCMO appears reasonable. The Shopping Information Box should be: 1) conspicuous; 2) placed on the Joint Bill separate and apart from other charges; and 3) it must include "necessary" information such as the account or customer number, the relevant rate schedule and possibly a reminder to be aware of your contract expiration date. T.O at 8.

Once implemented, RESA expects the Shopping Information Box to be a helpful and convenient tool in assisting customers who wish to shop.

D. Allocation of Bill Inserts to NGSs

In RESA's view, the Commission correctly recognized that the issue of NGSs' use of bill inserts is complex. T.O. at 10. In addition to the logistical issues of preparing and delivering timely and relevant information through bill inserts, it is obviously difficult for all licensed NGSs to get equal opportunity to use this communication vehicle on a regular and non-discriminatory basis. That being said, the Commission should use this opportunity to obtain the NGDCs' informed views of what the prerequisites would be (cost, timing, procedures etc.) to make this form of customer communication available to NGSs. Also, as addressed below, observations on how one could practically make bill inserts available on a non-discriminatory basis to NGSs affiliated with the NGDC would be helpful.

The Commission correctly acknowledged that its current regulations specifically prohibit NGDCs' use of bill inserts to promote and affiliate NGS's services unless the NGDC offers the products or services to nonaffiliated NGSs "on the same terms and conditions." 52 Pa. Code §62.142(a)(17). Obviously identical terms and conditions could be set for NGDCs; however, given the nature of bill inserts, equal opportunity for the use of bill inserts by affiliated and nonaffiliated NGSs is difficult to achieve.

RESA supports the Commission's tentative decision to further study the issue of bill inserts before taking any specific regulatory action.

E. Dual and Summary Bills

RESA supports the Commission's tentative decision to include the Shopping Information Box on the NGDC bill in dual bill situations.² This information is very helpful to customers

² In a dual bill situation, the NGDC sends the customers a bill for distribution-related services and the NGS sends the customer a bill for supply-related costs. T.O. at 11.

whether they are currently shopping for their natural gas supply, contemplating a switch in suppliers or considering entry into the market.

On the issue of summary bills, RESA supports providing the NGS logo, bill messaging and the Shopping Information Box on the summary bill.³ Given the length and complexity of a summary bill, it is all the more important that information relevant to customer shopping is highlighted by features such as messaging and the Shopping Information Box for the multi-account customer.

Absent a compelling argument from the NGDCs as to unreasonable cost or complexity to make these changes, the Shopping Information Box should be included on dual bills and the NGS logo, bill messaging and the Shopping Information Box should be included on summary bills.

F. Cost Recovery

The Commission's T.O. proposes that the cost of its recommended changes to the Joint Bill be recovered by all distribution customers on a non-bypassable basis through a surcharge or some similar mechanism. T.O. at 12-13. RESA supports this approach as the proposals affect all customers and benefit all customers. In the event an NGDC believes the magnitude of the cost of implementing these proposals warrant an alternative approach, the Commission should indicate its support for approval of a regulatory asset, upon NGDC request, for future cost recovery claims in an appropriate proceeding.

G. Timeline

The Commission has proposed that NGDCs implement its proposals no later than June 1, 2016. T.O. at 13. RESA considers that date to be a reasonable deadline, but the Commission

³ Summary bills are sent to one account but include charges for multiple accounts under the same person or organization, for example, the summary bill to a university. T.O. at 11.

should encourage all NGDCs to implement its proposals as quickly as practical. Consistent with its usual practice, the Commission can consider the merits of any waiver requests for the timeline should an NGDC determine during implementation that an adjustment is needed.

III. CONCLUSION

RESA urges the Commission to adopt in a final order its Joint Bill proposals, including associated cost recovery and time lime. In addition, the Commission should further study the issue of NGS use of bill inserts. The Joint Bill proposals should be applied to dual and summary bills, consistent with RESA's comments. Implementation of these improvements will represent accomplishment of an important milestone in the ongoing Retail Markets Investigation and assist customers in participating in the retail natural gas supply market.

Respectfully submitted,

Dated: June 8, 2015



John F. Povilaitis
Karen O. Moury
BUCHANAN INGERSOLL & ROONEY PC
409 North Second Street, Suite 500
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Attorneys for Retail Energy Supply Association