



17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
717-731-1970 Main
717-731-1985 Main Fax
www.postschell.com

Christopher T. Wright

cwright@postschell.com
717-612-6013 Direct
717-731-1985 Direct Fax
File #: 163476

July 19, 2016

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2017 through May 31, 2021
Docket No. P-2016-2526627**

Dear Secretary Chiavetta:

Enclosed please find the Joint Petition for Approval of Partial Settlement in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,


Christopher T. Wright

CTW/skr
Enclosure

cc: Honorable Susan D. Colwell
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL

Aron J. Beatty
Christy M. Appleby
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923

Gina L. Lauffer
Bureau of Investigation & Enforcement
400 North Street, 2nd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265

Steven C. Gray
Office of Small Business Advocate
300 North Second Street, Suite 1102
Harrisburg, PA 17101

Todd S. Stewart
Hawke McKeon & Sniscak LLP
100 N. 10th Street
Harrisburg, PA 17101
*Counsel for NextEra Energy
Power Marketing, LLC*

Pamela Polacek
Adeolu A. Bakare
Alessandra L. Hylander
McNees, Wallace & Nurick
P.O. Box 1166
100 Pine Street
Harrisburg, PA 17108-1166
Counsel for PPLICA

Kenneth L. Mickens
The Sustainable Energy Fund of Central
Eastern Pennsylvania
316 Yorkshire Drive
Harrisburg, PA 17111

Patrick M. Cicero
Elizabeth R. Marx
Joline Price
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
Counsel for CAUSE-PA

Charles E. Thomas III
Thomas, Niesen & Thomas, LLC
212 Locust Street, Suite 600
Harrisburg, PA 17101
*Counsel for Noble Americas
Energy Solutions LLC*

H. Rachel Smith
Asst. General Counsel
Exelon Business Services Corp.
100 Constellation Way, Suite 500C
Baltimore, MD 21202
Counsel for Exelon Generation Company

Daniel Clearfield
Deanne M. O'Dell
Sarah C. Stoner
Eckert Seamans Cherin & Mellott, LLC
213 Market St., 8th Floor
Harrisburg, PA 17101
Counsel for RESA

Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
Consultant for OSBA

Richard Hahn
Daymark Energy Advisors
One Washington Mall
9th Floor
Boston, MA 02108
Consultant for OCA

Barbara Alexander
Consumer Affairs Consultant
83 Wedgewood Drive
Winthrop, ME 04364
Consultant for OCA

John Costlow
1005 Brookside, Suite 210
Allentown, PA 18106
Consultant for SEF

Date: July 19, 2016



Christopher T. Wright

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities :
Corporation for Approval of a Default : Docket No. P-2016-2526627
Service Program and Procurement Plan for :
the Period June 1, 2017 through May 31, :
2021 :

**JOINT PETITION FOR APPROVAL OF
PARTIAL SETTLEMENT**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE SUSAN D. COLWELL:

I. INTRODUCTION

PPL Electric Utilities Corporation (“PPL Electric”), the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), PP&L Industrial Customer Alliance (“PPLICA”), and Retail Energy Supply Association (“RESA”), all parties to the above-captioned proceeding (hereinafter, singularly “Signatory Party” and collectively “Signatory Parties”), hereby file this “Joint Petition for Approval of Partial Settlement” (“Partial Settlement”) and respectfully request that Administrative Law Judge Susan D. Colwell (“ALJ”) and the Commission approve the proposals set forth in PPL Electric’s above-captioned petition subject to the terms and conditions of the Partial Settlement and a decision on the issue reserved for litigation.¹ This Partial Settlement is not contested by any party, and represents a partial settlement to resolve certain of the issues and concerns raised in

¹ Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), NextEra Energy Power Marketing, LLC (“NextEra”), Sustainable Energy Fund of Central Eastern Pennsylvania (“SEF”), Noble Americas Energy Solutions, LLC (“Noble”), and Exelon Generation Company (“ExGen”) are not parties to the Partial Settlement but have indicated that they do not object.

the instant proceeding. In support of the Partial Settlement, the Signatory Parties state the following:

II. BACKGROUND

1. PPL Electric furnishes electric distribution, transmission, and default supply services to approximately 1.4 million customers throughout its certificated service territory, which includes all or portions of 29 counties and encompasses approximately 10,000 square miles in eastern and central Pennsylvania. PPL Electric is a “public utility,” an “electric distribution company” (“EDC”), and a “default service provider” as defined in Sections 102 and 2803 of the Pennsylvania Public Utility Code, 66 Pa.C.S. §§ 102, 2803.

2. On January 29, 2016, PPL Electric filed a Petition requesting Commission approval of its proposed fourth Default Service Program and Procurement Plan (“DSP IV Program”) to establish the terms and conditions under which PPL Electric will acquire and supply Default Service or provider of last resort service (“Default Service”), from June 1, 2017 through May 31, 2021 (the “DSP IV Program Period”). (PPL Electric Exhibit No. 1) Copies of a *pro forma* Default Service Supply Master Agreement (“Default Service SMA”) and a *pro forma* Request for Proposals (“RFP”) Process and Rules were included with the Petition. (PPL Electric Exhibit No. 1, Attachments A and B, respectively) The Petition also contained *pro forma* tariff pages for the Generation Supply Charge-1 (“GSC-1), the Generation Supply Charge-2 (“GSC-2), and the Transmission Service Charge (“TSC”) to implement rates under the DSP IV Program. (PPL Electric Exhibit No. 1, Attachment C)

3. PPL Electric’s proposed DSP IV Program, *inter alia*, consists of a proposal for competitive procurement of Default Service supply and related Alternative Energy Credits (“AECs”) during the DSP IV Program Period; an implementation plan; a proposed rate design; a

proposal to continue the Company's current Standard Offer Referral Program ("SOP"); and a contingency plan for the DSP IV Program. As part of its filing, PPL Electric also introduced a proposal to mitigate the impacts of shopping by customers enrolled in its Customer Assistance Program ("CAP"). (PPL Electric St. No. 1, pp. 47-48)

4. Together with the DSP IV Petition, PPL Electric filed the following prepared direct testimony, with related exhibits in support of the DSP IV Program: PPL Electric Statement No. 1, Direct Testimony of James R. Rouland; PPL Electric Statement No. 2, Direct Testimony of A. Joseph Cavicchi; and PPL Electric Statement No. 3, Direct Testimony of Michael S. Wukitsch. Therein, PPL Electric more fully explained the details of the proposed DSP IV Program and why the Company believes that the proposed DSP IV Program includes and/or addresses all of the elements prescribed by Section 2807(e) of the Public Utility Code, the Commission's regulations, and the Commission's policies for a Default Service plan.

5. On February 4, 2016, the Commission issued a notice scheduling a prehearing conference in the above-captioned matter on March 9, 2016. On February 13, 2016, notice of PPL Electric's DSP IV Petition was published in the *Pennsylvania Bulletin*, 46 Pa.B. 836, along with notice of the prehearing conference scheduled for March 9, 2016.

6. A Notice of Appearance was filed by I&E on February 18, 2016. Notices of Intervention and Answers were filed by the OCA and OSBA on February 29, 2016. Petitions to Intervene were filed by: PPLICA, SEF, CAUSE-PA, NextEra, Noble, RESA, and ExGen.

7. An initial prehearing conference was held before the ALJ on March 9, 2016. The active parties filed prehearing memoranda identifying potential issues and witnesses. A litigation schedule was established at the prehearing conference and adopted in a Scheduling Order issued on March 9, 2016.

8. On March 9, 2016, PPL Electric submitted the following supplemental direct testimony and related exhibits to make corrections to the initial filing: PPL Electric Statement No. 1-Supp., Supplemental Direct Testimony of James R. Rouland; and PPL Electric Statement No. 2-Supp., Supplemental Direct Testimony of A. Joseph Cavicchi.

9. On March 18, 2016, PPL Electric filed a Motion for Protective Order, which was granted on March 29, 2016.

10. On April 20, 2016, certain parties other than PPL Electric served the following direct testimony: I&E served the Direct Testimony of D.C. Patel, I&E Statement No. 1; OCA served the Direct Testimony of Richard S. Hahn, OCA Statement No. 1, and the Direct Testimony of Barbara R. Alexander, OCA Statement No. 2; CAUSE-PA served the Direct Testimony of Harry Geller, CAUSE-PA Statement No. 1; and RESA served the Direct Testimony of Matthew White, RESA Statement No. 1. No other party served direct testimony.

11. On May 23, 2016, the following rebuttal testimony was served by certain parties: PPL Electric served: the Rebuttal Testimony of James R. Rouland, PPL Electric Statement No. 1-R, the Rebuttal Testimony of A. Joseph Cavicchi, PPL Electric Statement No. 2-R, and the Rebuttal Testimony of Michael S. Wukitsch, PPL Electric Statement No. 3-R; OCA served the Rebuttal Testimony of Richard S. Hahn, OCA Statement No. 1-R; OSBA served the Rebuttal Testimony of Robert D. Knecht, OSBA Statement No. 1; CAUSE-PA served the Rebuttal Testimony of Harry Geller, CAUSE-PA Statement No. 1-R; and RESA served the Rebuttal Testimony of Matthew White, RESA Statement No. 1-R. No other parties served rebuttal testimony.

12. The following surrebuttal testimony was served by certain parties on June 3, 2016: PPL Electric served the Surrebuttal Testimony of James R. Rouland, PPL Electric

Statement No. 1-R; I&E served the Surrebuttal Testimony of D.C. Patel, I&E Statement No. 1-SR; OCA served the Surrebuttal Testimony of Richard S. Hahn, OCA Statement No. 1-SR, and the Surrebuttal Testimony of Barbara R. Alexander, OCA Statement No. 2-SR; CAUSE-PA served the Surrebuttal Testimony of Harry Geller, CAUSE-PA Statement No. 1-SR; and RESA served the Rebuttal Testimony of Matthew White, RESA Statement No. 1-R. No other parties served surrebuttal testimony.

13. On June 15, 2016, the following rejoinder testimony was served: PPL Electric served the Rejoinder Testimony of James R. Rouland, PPL Electric Statement No. 1-RJ; and RESA served the Rejoinder Testimony of Matthew White, RESA Statement No. 1-RJ. No other parties served rejoinder testimony.

14. As a result of settlement discussions, the active parties were able to achieve a partial settlement in principle prior to the June 16, 2016 evidentiary hearings. In addition, prior to the June 16, 2016 evidentiary hearing, PPL Electric, I&E, OCA, and CAUSE-PA entered into a Joint Litigation Position that supported a single revised CAP shopping proposal set forth in PPL Electric's rejoinder testimony, PPL Electric Statement No. 1-RJ.

15. An evidentiary hearing was held on June 16, 2016. The active parties agreed to waive cross examination, and moved their respective testimonies and exhibits into the record. The Joint Litigation Position among PPL, I&E, OCA, and CAUSE-PA was admitted into the record at the evidentiary hearing. (Tr. p. 38) CAUSE-PA and RESA also entered into a Stipulation that was admitted into the record. (Tr. p. 44)

16. Also on June 16, 2016, the ALJ issued a Briefing Order establishing the schedule for briefing and directing that the Joint Petition for Partial Settlement, including Statements in Support, be filed no later than July 19, 2016.

17. As a result of the extensive efforts described above, the active parties have agreed to a partial settlement on all issues raised in this proceeding except shopping by customers enrolled in PPL Electric's CAP, which was reserved for litigation and will be briefed by the active parties.

18. This Partial Settlement resolves all but one of the issues and concerns raised by the active parties in the instant proceeding and, therefore, the Signatory Parties request that the ALJ and the Commission approve the proposals set forth in PPL Electric's proposed DSP IV Program, subject to the terms and conditions of the Partial Settlement and a decision on the issue reserved for litigation.

19. The Partial Settlement agreed to by the Signatory Parties is set forth in the following Section III.

III. SETTLEMENT

20. The following terms of this Partial Settlement reflect a carefully balanced compromise of the interests of all of the Signatory Parties in this proceeding. The Signatory Parties unanimously agree that the Partial Settlement is in the public interest.

21. The Signatory Parties agree to the following:

A. GENERAL

22. Subject to the terms and conditions of the Partial Settlement, and a decision on the issue reserved for litigation, the Signatory Parties agree that the proposals set forth in PPL Electric's Petition requesting approval of its DSP IV Program, including the Default Service SMA, RFP Product Procurement Schedule, and Tariff provisions for the GSC-1, GSC-2, and TSC are acceptable and should be adopted by the Commission.

23. The Signatory Parties agree that PPL Electric's DSP IV Program, as modified by the terms and conditions of the Partial Settlement, includes and/or addresses all of the elements prescribed by Section 2807 of the Public Utility Code, the Commission's regulations, and the Commission's policies for a Default Service plan.

B. DEFAULT SERVICE PROGRAM AND PROCUREMENT PLAN

24. The Signatory Parties agree that the DSP IV Program shall be in effect for a period of four years, from June 1, 2017 through May 31, 2021.

(a) PPL Electric agrees to hold a stakeholder collaborative in November 2017, open to all parties to this proceeding, to discuss any aspect of the products or programs approved in the DSP IV Program, as well as other retail market enhancement issues as they relate to PPL Electric's provision of default service.

(b) In the event any party believes market conditions have changed, the parties may present such information supporting their position during the collaborative.

(c) Within 60 days from the date of the collaborative, PPL Electric will submit a report at this Docket summarizing the collaborative.

(d) Nothing herein restricts any party's rights under law to make any filing regarding (a) or (b) above, nor does anything herein restrict any position any party may take in any such proceeding or in any other proceeding. The Signatory Parties acknowledge that nothing contained herein is intended to expand or limit the Commission's subject matter jurisdiction, including, but not limited to, matters that are within the jurisdiction of the Federal Energy Regulatory Commission and/or PJM Interconnection LLC.

(e) Nothing contained herein is intended to limit the use of information presented during the collaborative for other appropriate purposes, including as set forth in paragraph (d).

25. For the Residential and Small C&I Customer Classes, the Signatory Parties agree that PPL Electric will procure layered 6-month and 12-month products twice per year, in April and October, with the first procurement occurring in April 2017 for Default Service beginning June 1, 2017. The Signatory Parties agree that the product portfolio and procurement schedule for the Residential Customer Class will be modified so that, exclusive of the long-term 50 MW block product for the Residential Customer Class, the procurements will be approximately 20% 6-month contracts and 80% 12-month contracts to decrease the total amount of default service supply being procured at one time. Attached to the settlement as Appendix A is a Residential Customer Class product portfolio and procurement schedule that reflects this settlement term.

26. PPL Electric agrees to modify the phrase “load weighted spot market energy price” in Article 9.1(b) of the DSP IV SMA to be “load weighted, real-time spot market energy price.”

C. TIME OF USE

27. PPL Electric’s proposal in this proceeding to continue the Time of Use (“TOU”) rate option adopted in the *Petition of PPL Electric Utilities Corporation For Approval of a Default Service Program and Procurement Plan*, Docket No. P-2014-2417907 (Jan. 15, 2015) (“DSP III”) for the DSP IV Program period is withdrawn.

28. PPL Electric’s TOU program has been remanded to the Commission by the appellate courts for further proceedings at Docket No. P-2013-2389572 (“TOU Remand Proceeding”). See *The Dauphin County Industrial Development Authority v. Pennsylvania Public Utility Commission*, 123 A.3d 1124 (Pa. Cmwlth. 2015). The parties to this proceeding

reserve the right to fully participate in the Commission's TOU Remand Proceeding, and nothing herein restricts any position any party may take in any such proceeding or in any other proceeding.

29. The Signatory Parties agree that the Company will comply with the Commission's direction/order in the TOU Remand Proceeding for purposes of the entire or remaining duration of the DSP IV Program period (depending on when the TOU program is approved).

30. In the event a new TOU program has not been approved by the Commission in the TOU Remand Proceeding before the May 31, 2017 expiration of the current TOU program, PPL Electric agrees to promptly notify both customers and suppliers participating in the TOU program that the TOU rate option will expire on May 31, 2017.²

D. STANDARD OFFER PROGRAM

31. PPL Electric agrees to revise its Standard Offer Program ("SOP") scripts within 90 days of Commission approval of the settlement to provide more explicit disclosures. Attached as Appendix B are revised SOP scripts that reflect this settlement term.

32. Within 90 days of Commission approval of the settlement, PPL Electric agrees to conduct, using the Company's contracted independent survey company, a one-time survey of a random selection of customers participating in SOP regarding:³ (a) customers' understanding of the SOP; (b) customers' understanding that the Price to Compare ("PTC") could change and could impact the level of savings realized by the customers during their enrollment in SOP; (c) whether customers are aware of the difference between the fixed SOP prices and the PTC during their enrollment in SOP; and (d) whether customers are aware of their right to terminate an SOP

² SEF's non-opposition to the Partial Settlement should not be interpreted as SEF having waived any arguments regarding whether a TOU program should be in place after May 31, 2017.

³ PPLICA and Noble do not join in and take no position on this provision of the Partial Settlement.

contract at any time without penalty. The purpose of the survey will be to assess the functioning of the SOP and the information will be used to inform future SOP processes and procedures. Nothing contained herein is intended to limit the use of survey information for other appropriate purposes.

(a) PPL Electric agrees to make the survey questions available to the statutory advocates and any interested party in advance of the survey, and will consider other parties' comments and input on the survey questions without any obligation to adopt or accept.

(b) PPL Electric further agrees to provide the statutory advocates and any interested party with the results of the SOP survey.

(c) The Signatory Parties agree that the costs of the survey shall not exceed \$30,000. The Signatory Parties also agree that any costs incurred by PPL Electric to conduct the SOP survey will be recovered through PPL Electric's Competitive Enhancement Rider.

33. Subject to any applicable intervening Commission order or regulation, if PPL Electric files to continue the SOP in its next Default Service proceeding, the Signatory Parties reserve their right to challenge whether the SOP should continue or be terminated.

34. The Signatory Parties agree that PPL Electric will modify the SOP Binding Agreement to make it clear that, for all customers that enroll or re-enroll in SOP, EGSs participating in the SOP must send an EDI 814 rate code change transaction by no later than 3 business days after the rescission period for enrollment or re-enrollment.

35. PPL Electric agrees that all customers that request enrollment in the SOP, both new and re-enrollments, will be placed into the SOP "pool" and randomly assigned to EGSs that

are voluntarily participating in the SOP at that time. Provided, however, that customers seeking to enroll in the SOP, both new and re-enrollments, will continue to be permitted to request service from a specific SOP supplier.

36. PPL Electric agrees that it will implement any processes and protocols developed by the Seamless Moves and Instant Connect Electronic Data Exchange Working Group where and if applicable, including, to the extent feasible, the SOP.

E. NON-MARKET BASED TRANSMISSION SERVICE CHARGES

37. PPL Electric agrees to monitor its own filings with the Federal Energy Regulatory Commission (“FERC”) and to provide notice to EGSs and default service suppliers of any such filings that modify the definition or application of Non-Market Based (“NMB”) Transmission Service charges. This includes but is not limited to any information filings implementing annual rate changes under a formula rate and any major transmission related filings that could have a significant impact on the pricing NMB charges.

(a) All such notices will be provided via an e-mail correspondence issued through the PPL Electric Supplier Portal, and will also be posted on the Company’s Default Service webpage.

(b) PPL Electric agrees to provide such notices of such filings as soon as practical, and in advance if possible. PPL Electric will make a best effort to comply with this settlement term, but the Signatory Parties agree that PPL Electric will not in any way be liable for inadvertently failing to provide notice or inadvertently providing inaccurate notice of any FERC filings or proceedings that ultimately impact the definition or application of NMB.

F. SUPPLIER COORDINATION TARIFF

38. PPL Electric agrees to update its Supplier Coordination Tariff to reflect the current Purchase of Receivables (“POR”) discount rate and to ensure that the Supplier Coordination Tariff is updated with any future Commission-approved changes.

IV. THE SETTLEMENT IS IN THE PUBLIC INTEREST

39. Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense the parties must expend litigating a case and, at the same time, conserve administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. *See id.* § 69.401. In order to accept a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm’n v. York Water Co.*, Docket No. R-00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm’n v. C.S. Water and Sewer Assocs.*, 74 Pa. P.U.C. 767 (1991). As will be detailed in the Signatory Parties’ Statements in Support, the instant Partial Settlement is in the public interest because, with the conditions imposed herein, PPL Electric’s DSP IV will provide substantial affirmative public benefits.

40. Approval of the Partial Settlement will lessen the time and expenses that the Signatory Parties and the Commission must expend on the proceedings.

41. The Partial Settlement resolves all issues in this proceed with the exception of one discrete issue concerning shopping by customers enrolled in PPL Electric’s CAP.

42. The Signatory Parties will further supplement the reasons that the Partial Settlement is in the public interest in their Statements in Support.

V. CONDITIONS OF THE SETTLEMENT

43. The Partial Settlement is conditioned upon the Commission's approval of the terms and conditions contained in this Partial Settlement without modification. If the Commission modifies the Partial Settlement, any Signatory Party may elect to withdraw from the Partial Settlement and may proceed with litigation and, in such event, the Partial Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all Signatory Parties within five (5) business days after the entry of an Order modifying the Settlement.

44. The Signatory Parties acknowledge and agree that this Partial Settlement, if approved, shall have the same force and effect as if the Signatory Parties had fully litigated these proceedings.

45. This Partial Settlement is proposed by the Signatory Parties to settle certain issues in the instant proceeding. If the Commission does not approve the Settlement and the proceedings on these issues continue, the Signatory Parties reserve their respective procedural rights to evidentiary hearings, submission of additional testimony and exhibits, cross-examination of witnesses, briefing, and argument of their respective positions. The Partial Settlement is made without any admission against, or prejudice to, any position that any Signatory Party may adopt in the event of any subsequent litigation of these proceedings, or in any other proceeding.

46. The Signatory Parties acknowledge that the Partial Settlement reflects a compromise of competing positions and does not necessarily reflect any Signatory Party's position with respect to any issues raised in this proceeding. This Partial Settlement may not be cited as precedent in any future proceeding, except to the extent required to implement this Partial Settlement.

47. If the ALJ adopts the Partial Settlement without modification, the Signatory Parties waive their right to file Exceptions on those issues that are resolved by this Partial Settlement.

VI. CONCLUSION

WHEREFORE, PPL Electric, I&E, the OCA, the OSBA, PPLICA, and RESA,⁴ by their respective counsel, respectfully request as follows:

(a) That the Honorable Administrative Law Judge Susan D. Colwell recommend approval of, and the Pennsylvania Public Utility Commission approve, this Joint Petition for Approval of Partial Settlement including all terms and conditions thereof without modification; and

(b) Subject to the terms and conditions set forth herein, and a decision on the issue reserved for litigation, that the Honorable Administrative Law Judge Susan D. Colwell recommend approval of, and the Pennsylvania Public Utility Commission approve, the proposals set forth in PPL Electric's DSP IV Program.

⁴ CAUSE-PA, NextEra, SEF, Noble, and ExGen are not parties to the Settlement but have indicated that they do not object.

Respectfully submitted,



David B. MacGregor, Esquire
Michael W. Hassell, Esquire
Christopher T. Wright, Esquire
Post & Schell, P.C.
17 North Second Street,
12th Floor
Harrisburg, PA 17101-1601

7/19/16

Date

Paul E. Russell, Esquire
Kimberly A. Klock, Esquire
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101

Counsel for PPL Electric Utilities Corporation

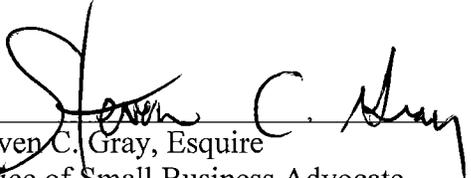


Aron J. Beatty, Esquire
David T. Evrard, Esquire
Christy Appleby, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

7-19-16

Date

Counsel for the Office of Consumer Advocate

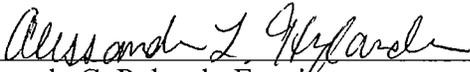


Steven C. Gray, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 1102
Harrisburg, PA 17101

7/19/16

Date

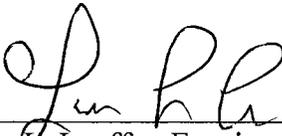
Counsel for the Office of Small Business Advocate



Pamela C. Polacek, Esquire
Adeolu A. Bakare, Esquire
Alessandra L. Hylander, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166

7/19/16
Date

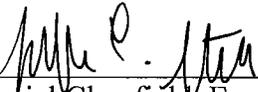
*Counsel for PP&L Industrial
Customer Alliance*



Gina V. Lauffer, Esquire
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265

Date: 7/19/16

For Bureau of Investigation and Enforcement



Daniel Clearfield, Esquire
Deanne M. O'Dell, Esquire
Sarah C. Stoner, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101

7/19/16
Date

*Counsel for Retail Energy Supply
Association*

Appendix A

Appendix B

PPL CSR START SERVICE SCRIPT (Current)

Complete Call

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Customer Name:

Address:

Account Number:

Primary Phone:

Your new account number is 61723-26024.

I see that you are eligible to participate in a standard offer program for a 7% discount on the generation portion of your bill. Would you like to hear more?

If response is no: Close the call.

If response is Yes: Please hold while I transfer you to a specialist that can help you.

Read script

Customer interested?

Yes No

Entered account number into CIC

Transferred call to Standard Offer

Cancel	Next
--------	------

PPL CSR START SERVICE SCRIPT (Proposed)

Your New Account is: XXXXX-XXXXX

PROPOSED PPL EU LANGUAGE: In Pennsylvania, you can choose the supplier that provides your electricity without impacting the quality of service provided by PPL Electric. PPL Electric is sponsoring a program called the Standard Offer Program which may be able to offer you a potential savings opportunity by enrolling with an electric generation supplier. Would you like to hear more?

If response is no: Close the call.

If response is Yes: Please hold while I transfer you to a specialist that can help you.

Read script

Customer interested?

Yes No

Entered account number into CIC

Transferred call to Standard Offer

Cancel	Next
--------	------

VENDOR GREETING ROUTINE CALL

(Current)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name: Account Number:
Address: Primary Phone:

Hi my name is [YOUR NAME]. I understand you would like to hear more about the standard offer program. Is that correct? PPL Electric is responsible for delivering your electric. The actual generation of the electric you receive can be provided by PPL Electric or a participating supplier of your choice. I can offer you PPL Electric's rate of 7.918 CENTS or the standard offer rate of 7.364 CENTS, which is a 7% discount from the PPL Electric rate, and will be, in effect for 12 months.

This 7% discount is based on PPL's current rate. PPL's rate can change semiannually on June 1st and December 1st and your savings can vary as PPL's rate changes. The standard offer rate may be higher or lower than PPL's rate when the semiannual changes occur.

Are you interested in the standard offer?
 Yes No

Next	Cancel
------	--------

VENDOR GREETING ROUTINE CALL (Proposed)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name: _____ Account Number: _____
Address: _____ Primary Phone: _____

Vendor CSR Script:

Hi, My name is [CSR NAME]. I understand you would like to learn more about the Standard Offer Program. Is that correct? PPL Electric is responsible for delivering your electric. The actual generation of the electric you receive can be provided by PPL Electric or a participating supplier of your choice. The Standard Offer Program offers a fixed price of [SOP Rate] cents/kWh for one year provided by an Electric Generation Supplier. The fixed Standard Offer Program price provides a 7% discount off of today's Price to Compare which is [PTC Rate] cents/kWh. PPL Electric's Price to Compare changes on June 1st and December 1st each year. The Standard Offer Program price will not change during the 12 monthly bills, but the Price to Compare could be higher or lower than the Standard Offer Program during this period when it changes.

Are you interested in the standard offer?

Yes No

Next	Cancel
------	--------

VENDOR GREETING SHOPPING CURRENT SUPPLIER NOT PARTICIPATING (Current)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:
Address:

Account Number:
Primary Phone:

Hi my name is {YOUR NAME}. I understand you would like to hear more about the standard offer program. Is that correct? Your current generation supplier Think Energy is not currently participating in this program. I can provide you the standard offer rate of 7.364 CENTS , which is a 7% discount from the PPL Electric rate of 7.918 CENTS , and will be in effect for 12 months. Cancellation fees may apply if you switch to this rate with a new supplier.

This 7% discount is based on PPL's current rate. PPL's rate can change semiannually on June 1st and December 1st, and your savings can vary as PPL's rate changes. The standard offer rate may be higher or lower than PPL's rate when the semiannual changes occur.

Are you interested in the standard offer?

Yes No

Next	Cancel
------	--------

VENDOR GREETING SHOPPING CURRENT SUPPLIER NOT PARTICIPATING (Proposed)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Address:

Account Number:

Primary Phone:

Vendor CSR Script:

Hi, My name is [Your Name]. I understand you would like to learn more about the Standard Offer Program. Is that correct? The Standard Offer Program offers a fixed price of [SOP Rate] cents/kWh for one year provided by an Electric Generation Supplier. The fixed Standard Offer Program price provides a 7% discount off of today's Price to Compare which is [PTC Rate] cents/kWh. PPL Electric's Price to Compare changes on June 1st and December 1st each year. The Standard Offer Program price will not change during the 12 monthly bills, but the Price to Compare could be higher or lower than the Standard Offer Program during this period when it changes.

You currently are receiving electricity from [EGS Name]. You can still participate in the Standard Offer Program, but may incur cancellation fees from your current supplier if you switch to this rate with a new Supplier.

Are you interested in the standard offer?

Yes No

VENDOR GREETING CURRENT SUPPLIER PARTICIPATING (Current)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Address:

Account Number:

Primary Phone:

Hi my name is {YOUR NAME}. I understand you would like to hear more about the standard offer program. Is that correct? Your current generation supplier Talen Energy is participating in the standard offer program and is offering a rate of 7.364 CENTS , which is a 7% discount from the PPL Electric rate of 7.918 , and will be in effect for 12 months.

This 7% discount is based on PPL's current rate. PPL's rate can change semiannually on June 1st and December 1st, and your savings can vary as PPL's rate changes. The standard offer rate may be higher or lower than PPL's rate when the semiannual changes occur.

Are you interested in the standard offer?

Yes No

[Next](#)

[Cancel](#)

VENDOR GREETING CURRENT SUPPLIER PARTICIPATING (Proposed)

- *Script eliminated due to settlement proposal.
No longer needed as all customers, shopping
or default service, are placed into the “pool”
for random, automatic assignment to an EGS.*

VENDOR CHOOSE A SUPPLIER (Current)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Account Number:

Address:

Primary Phone:

Please choose a supplier from list of suppliers below

Choose a Supplier:

Select
No Preference
SmartEnergy Holdings
Talen Energy
Think Energy
VIRIDIAN Energy PA
WGL Energy Services
YEP Energy
AEP Energy Inc
Eligo Energy
Energy Plus Holdings
Energy Rewards
NRG Retail Solutions
NextEra Energy Services
North American Power
Green Mountain (3)
IGS Energy
Public Power LLC

VENDOR CHOOSE A SUPPLIER (Proposed)

Unless you select a specific supplier participating in the Standard Offer Program, you will be randomly assigned a supplier from the list of suppliers participating in the Standard Offer Program.

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Address:

Account Number:

Primary Phone:

Please choose a supplier from list of suppliers below

Choose a Supplier:

- No Preference
- SmartEnergy Holdings
- Talen Energy
- Think Energy
- VIRIDIAN Energy PA
- WGL Energy Services
- YEP Energy
- AEP Energy Inc
- Eligo Energy
- Energy Plus Holdings
- Energy Rewards
- NRG Retail Solutions
- NextEra Energy Services
- North American Power
- Green Mountain (3)
- IGS Energy
- Public Power LLC

VENDOR RECAP SPECIFIC SUPPLIER SELECTED (Current)



Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:
Address:
Account Number:
Primary Phone:

OK, I will set your account up for the standard offer rate. The supplier providing your electric will be Think Energy and you will receive information from them to confirm your enrollment. The rate is 7.364 CENTS, which is 7% less than PPL Electric's current rate for the generation portion of your bill. You will be able to select a different supplier at any time during or after that 12 month period and there will be no cancellation fee for doing so.

Previous Submit

VENDOR RECAP SPECIFIC SUPPLIER SELECTED (Proposed)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Account Number:

Address:

Primary Phone:

Ok, I will set your account up for the Standard Offer rate. The supplier providing your electricity will be [*Customer Selected EGS*] and you will receive information from them to confirm your enrollment. The Rate is [*SOP Rate*] cents/kWh. There are no cancellation fees under the Standard Offer Program, so you may select a different supplier at any time during or after the 12 month period. Also, [*Customer Selected EGS*] will send you renewal notices including terms and conditions, at the conclusion of the Standard Offer Program annual term.

[Previous](#) [Submit](#)

VENDOR RECAP NO SUPPLIER PREFERENCE (Current)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Account Number:

Address:

Primary Phone:

OK. I will set your account up for the standard offer rate. A supplier will be assigned to you and you will receive information from them to confirm your enrollment. The rate is 7.364 CENTS, which is 7% less than PPL Electric's current rate for the generation portion of your bill. You will be able to select a different supplier at any time during or after that 12 month period and there will be no cancellation fee for doing so.

Previous

Submit

VENDOR RECAP NO SUPPLIER PREFERENCE (Proposed)

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Account Number:

Address:

Primary Phone:

Ok, I will set your account up for the Standard Offer rate. A supplier will be assigned to you and you will receive information from them to confirm your enrollment. The Rate is [*SOP Rate*] cents/kWh. There are no cancellation fees under the Standard Offer Program, so you may select a different supplier at any time during or after the 12 month period. At the conclusion of the Standard Offer Program annual term, your assigned EGS will send you renewal notices including terms and conditions.

Previous

Submit

VENDOR COMPLETE

Standard Offer

[Account Information](#) | [Contacts](#) | [Financial Activity](#) | [Payment History](#) | [View Bill](#) | [Collection History](#) | [Service Orders](#)

Caller Name:

Address:

Call closing scripting change suggestion:

Thank you for calling PPL Electric Utilities.

“Thank you for calling and being a valued PPL customer. It was nice talking to you today. Have a great day!”

[Return to Account Information](#)

[Return to Account Search](#)

PPL CSR – SOP Customer Concern RE: SOP Rate (Proposed)

- PPL CSR scripts will be updated to inform the customer of the following:
 - The SOP has no cancellation or termination fees;
 - The SOP customer may terminate participation in the SOP at any time by returning to PPL Electric Default Service or choosing to shop on another EGS rate; and,
 - The customer can contact the SOP supplier to request a new rate.