

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120**

**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**

**Public Meeting January 26, 2017
2526627-OSA
Docket No. P-2016-2526627**

STATEMENT OF COMMISSIONER ROBERT F. POWELSON

Before the Pennsylvania Public Utility Commission (PUC or Commission) today is the Petition for Reconsideration filed by the Retail Energy Supply Association (RESA) seeking reconsideration of the Commission's Order entered October 27, 2016 (October 2016 Order) regarding PPL Electric Utilities Corporation's (PPL) Default Service Program and Procurement Plan for the period of June 1, 2017, through May 31, 2021 (DSP).

While I agree that RESA has not satisfied the legal standards to warrant reconsideration of our October 2016 Order, I wish to reiterate my position on this matter. In the Commission's October 2016 Order, we adopted a partial settlement covering all issues related to PPL's DSP except for the issue of whether PPL's Customer Assistance Program (CAP) customers should be able to shop for an electric generation supplier (EGS). With regard to this issue, the Commission approved PPL's Standard Offer Program (CAP-SOP) which requires EGSs to serve PPL's CAP customers at a rate that is 7% less than the Price-to-Compare.¹

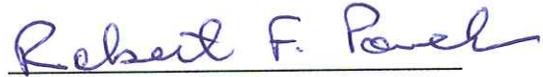
In my dissent to the Commission's approval of PPL's CAP-SOP program, I stated that limiting the ability of PPL's approximately 41,000 CAP customers to choose an EGS and have control over their electricity costs is a drastic step that should not be undertaken lightly. I have consistently disagreed with those who assert that being low-income equates to being unable to make reasoned, rational choices when purchasing electricity, and continue to do so here. The arguments used to support limitations on CAP shopping are rooted in a mindset that does not accurately reflect the current retail landscape. Imagine a retail customer walking into a shopping mall to purchase an iPhone and being told that they are not eligible to purchase that particular product because "they may not understand the pricing mechanism behind it." That is basically what we are saying here today by limiting shopping for certain utility customers.

It is also important to remember that 45% of PPL's CAP customers who are shopping *are* doing it well. PPL's CAP-SOP program proposal will take that option away, despite that many of these customers have done nothing but use the system wisely. If we start placing limitations on the ability of certain customers to shop out of a fear that they will not do it well, where will that end? The competitive electricity market brings real value to customers in the form of lower prices, innovation, and a broader array of product offerings. All Pennsylvanians should have access to these benefits.

¹ This price will remain fixed for a period of 12 months.

Therefore, I continue to advocate for the exhaustion of all reasonable alternatives, including educating customers on the value of “shopping smart,” before placing limitations on customer shopping. In order to protect the integrity of electric competition for all customers in the Commonwealth, the Commission should not permit utilities to unnecessarily limit shopping for certain categories of customers.

DATE: January 27, 2017

A handwritten signature in blue ink that reads "Robert F. Powelson". The signature is written in a cursive style with a horizontal line underneath the name.

ROBERT F. POWELSON
COMMISSIONER