Retail Electric Competition: Default Service Policies and Residential Customer Migration

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The following Chart presents the Default Service policies in effect for Restructuring States, the Residential Customer Migration Rate, current Default Service Prices, and additional information regarding the competitive market, including whether the state has a "purchase of receivables" or POR requirement. The Chart is organized by geographic region, which roughly corresponds to the applicable wholesale market region.

New England: Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York

Mid-Atlantic: New Jersey, Delaware, Pennsylvania, Maryland, District of Columbia, Virginia

Mid-West: Michigan, Illinois, Ohio

Southwest and West: Montana, Oregon, California, New Mexico, Arizona, Nevada

ERCOT: Texas

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
New England					

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Maine	35-A M.R.S.A. §3212: Standard Offer Service must be available to any consumer not served by a retail supplier. The Commission selects the Standard Offer Service provider for each distribution utility pursuant to one or more RFP's; "For the purpose of providing over a reasonable time period the lowest price for standard-offer service to residential and small commercial customers, the commission, with respect to residential and small commercial standard-offer service, may, in addition to incorporating cost-effective demand response and energy efficiency pursuant to subsection 4-B and to the extent authorized in section 3210-C, incorporating the energy portion of any contracts entered into pursuant to section 3210-C, establish various standard-offer service contract lengths and terms." §3212 (4-C). The second new initiative authorizes the Maine Commission to take certain steps to increase capacity resources and long term reliability of service for Maine's electricity supply. Under this approach, the PUC may negotiate long term capacity contracts (with a priority given for renewable resources) and order the distribution utilities to sign and recover the costs of such contracts through distribution rates.	The Commission has adopted a Standard Offer Service Rule (chapter 301) that requires that the SOS rate reflect a fixed price that does not vary by level of usage or time of day. The Rule establishes criteria for qualification to provide SOS by licensed suppliers. The distribution utility is obligated to bill and collect for SOS. The SOS provider is named on the customer's bill. See http://www.maine.gov/sos/cec/rules/65/407/407c301.doc The Commission conducts an annual RFP for one-third of the SOS load for residential and small commercial customers; as a result the customer SOS price changes annually. See the most recent RFP for each utility at: http://www.maine.gov/mpuc/electricity/standard_offer_rates/current_sorates_cmp.shtml	Less than 1% [Migration statistics available at: http://www.maine.gov/mpuc/electricity/choosing_supplier/migration_statistics.shtml	$0.084906/kWh (Central Maine Power Co.,) eff. 3/1/2011-2/29/2012	Maine's SOS is provided by a retail electricity provider, but the provider is chosen by the Commission pursuant to a policy that is designed to provide stable prices through laddered contracts and annual price changes. A significant debate about the structure of the SOS occurred in 2005 with the adoption of statutory authority for laddered contracts and the obligation to provide "lowest price" over a reasonable period of time. The distribution utility bills and collects for SOS pursuant to the standard billing and collection regulations applicable to regulated services. The costs for providing this service are included in SOS rates. Consolidated billing available to alternative suppliers. No POR program (except for SOS billed by utility).

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Massachusetts	The Massachusetts Electric Industry Restructuring Act states that, as of March 1, 2005, default service is the generation service that is provided by distribution companies to those customers who are not receiving service from a competitive supplier. As such default service acts as a "generation service of last resort." Section 83 requires each electric distribution company to solicit proposals for long-term contracts of ten to 15 years in duration from renewable energy developers at least twice over a five-year period beginning on July 1, 2009, and, if the proposals received are reasonable, to enter into cost-effective long-term contracts to facilitate the financing of renewable energy generation. St. 2008, c. 169, § 83; 220 C.M.R. §§ 17.00 et seq. A long-term contract must be approved by the Department before it can become effective. St. 2008, c. 169, § 83; 220 C.M.R. § 17.03(2). The Department must take into consideration both the potential costs and benefits of such contracts and shall approve a contract only upon a finding that it is a cost-effective mechanism for procuring renewable energy on a long-term basis. St. 2008, c. 169, § 83; 220 C.M.R. § 17.05.	The Department established two pricing options for default service customers: (1) a variable pricing option in which the price changes monthly; and (2) a fixed pricing option in which the variable monthly prices are averaged and remain constant for six-month periods. Customers were assigned to the six-month fixed rate as a default service and must affirmatively request the monthly variable rate option. In June 2002, the Department revised default service pricing and procurement policies. For residential and small commercial and industrial customers, the Department directed each distribution company to procure 50 percent of its default service supply semi-annually, for 12-month terms. As a result, default service prices for these smaller customers (for both the monthly and the six-month pricing options) are now based on an average of the results of two separate procurements. D.T.E. 02-40-B	As of December 2010, 14% of residential customers were served by a competitive generation supplier. However, of this amount, 59% represent customers served under the Cape Light Compact. Excluding the municipal aggregation program at Cape Light Compact, 5.7% of residential customers have migrated. See, http://www.mass.gov/?pageID=eoeeaterminal&L=4&L0=Home&L1=Energy%2c+Utilities+%26+Clean+Technologies&L2=Electric+Power&L3=Electric+Market+Information&sid=Eoeea&b=terminalcontent&f=doer_electric_deregulation_migration&csid=Eoeea	Fixed Default Service Rate: 7.718 cents per kWh (NSTAR-Boston Edison), eff. January 2011 through June 2011 8.083 cents per KWh (National Grid), eff. January 2011 through June 2011. 7.075 cents per kWh (Western Mass. Electric Co.), eff. January 2011 through June 2011	Municipal Aggregation authorized by statute: Cape Light Compact serving towns of Cape Cod is only project to date. Section 247, Chapter 164, The Acts of 1997, which became section 134 of M.G.L. chapter 164. The DPU has mandated that utilities provide licensed suppliers with a Customer Information List that includes the name on the electric account (corporate name, where applicable), mailing and service addresses, monthly meter reading date, and rate class. In addition, the monthly kilowatt-hour usage (and demand where applicable) for the previous twelve months is included. Customers can opt out of being included on this list by contacting their utility or via web. The Department's website maintains a hot link to each utility's web page which presents the active suppliers seeking customers according to customer class. On July 2, 2008, Chapter 169 of the Acts of 2008 ("Green Communities Act" or "Act") was signed into law. Section 60 of the Act amends G. L. c. 164, § 1D, and provides for three

					programs relating to competitive supplier: 1.Amended G.L. c. 164, § 1D requires electric distribution companies to offer residential or small commercial customers an opportunity to learn about electric competitive options at the time a customer contacts the company to initiate new service, change service, or inquire about rates or energy efficiency. Electric distribution companies are required to describe the competitive options available through a method approved by the Department. 2. Amended G.L. c. 164, § 1D allows non-utility competitive suppliers of energy to list qualifying electric offers in each customer's utility bill. The Department will determine the manner such information is presented in customers' utility bills. 3., the last paragraph of G. L. c. 164, § 1D as amended by Section 60 of the Act, requires electric distribution companies to pay competitive suppliers, that have chosen the complete billing method, the full amounts due from customers for generation services "in a time period consistent with the average payment period of the participating class of customer, less a percentage of such amounts that reflects the average of the uncollectible bills for the participating classes.....and other reasonable

					development, operating or carrying costs incurred, as approved by the [D]epartment." Pursuant to the Supplier Agreement posted by National Grid: In accordance with M.G.L. c. 164, §1F(4)(i), applicable regulations, and the EBT Standards, Company guarantees payment to Supplier for all power sold to each Customer served on the Company's filed Low Income Rate(s). Supplier agrees to cease Generation Service with such Customers prior to the request for payment on the guarantee. The guaranteed payment amount will be capped at the lower of: (1) the Standard Offer Service price; (2) Supplier's price as billed; or (3) such other billing price that is determined appropriate by the MDTE for the three most recent Company monthly billing periods for the Customer. Supplier agrees to assign to Company all amounts subject to call for payment for which Supplier exercises its option to receive guaranteed payment from the Company. If the Customer makes a payment to the Supplier after the Supplier receives a payment from the Company on the guarantee, and such payment results in a credit balance on the Customer's account with the Supplier, Supplier must repay that balance, up to the guaranteed amount, to the

					Company. https://www.nationalgridus.com/non_html/shared_supplier_agreemt.pdf

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Rhode Island	Faced with rising electricity prices which were reflected in the 2005 and 2006 six-month wholesale market contracts used for Default Service, Rhode Island enacted The Comprehensive Energy Conservation, Efficiency and Affordability Act of 2006 (2006 General Assembly, S. 2903, signed June 30, 2006). Under the Rhode Island electric restructuring model, the electric utilities remained responsible for acquiring Standard Offer Service (SOS) for non-shopping customers which had been done under a series of relatively short term wholesale market contracts. After proposed rate increases of up to 25% by the largest electric utilities due to the impact of wholesale market prices, the Rhode Island General Assembly enacted a comprehensive bill that contained reforms for SOS policies and procurement, new low income bill payment assistance programs, and a significant increase in funding and implementation of energy efficiency and demand response programs. The obligation of the electric utilities to arrange for Standard Offer Service was extended from 2009 through 2020 and the obligation to plan and acquire the necessary resources is now governed by a "least cost procurement" policy. This term is defined to include system reliability, energy efficiency and conservation procurement, and supply procurement. The electric utilities are responsible for procurement plans, which must be approved by the PUC.	The most recent order was issued by the RI PUC concerning National Grid's (Narragansett Electric) proposed 2011 Standard Offer Service Procurement Plan: http://www.ripuc.org/eventsactions/docket/4149-NGrid-Ord20125(9-23-10).pdf In this Order the Commission approved the use of laddered contract terms for full requirements contracts and a 5% purchase of block spot purchase contracts, retained the semi-annual price adjustment, and approved the use of 6, 12, 18, and 24 month contract terms to prevent price volatility.	National Grid files a quarterly migration reports with the PUC. National Grid's 4th Q 2010 report shows that no more than 2,000 residential customers are served by a competitive supplier, less than 1%. http://www.ripuc.org/utilityinfo/electric/4thQrt2010.pdf	National Grid's residential SOS price for April through December 2011 is 6.933 cents per kWh. See, https://www.nationalgridus.com/narragansett/business/rates/4_standard.asp	

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New Hampshire	In 1996, the New Hampshire Legislature enacted RSA 374-F, a statute which directed the Public Utilities Commission (the Commission) to develop a statewide restructuring plan to implement electric retail choice for all customers by January 1, 1998. The Commission issued a restructuring plan in February 1997, although its implementation was slowed by subsequent litigation that constrained the Commission to consider only voluntary filings of settlement agreements or compliance plans. As a result, electric utilities in New Hampshire restructured at different times and in somewhat different ways. Granite State Electric was the first electric utility to restructure, doing so in August 1998. Public Service of New Hampshire (serves 70% of customers) followed in May 2001. The Unitil Energy Systems, Inc. companies, which merged in December of 2002, introduced retail choice as of May 1, 2003. Default Service must be provided by the incumbent electric utilities. Pursuant to RSA 369-B:3, IV(b)(1)(A), customers taking Default Energy Service from PSNH are billed a rate equal to PSNH's actual, prudent and reasonable costs of providing the power, as approved by the Commission. The other smaller electric utilities purchase Default Service in the wholesale market.	With the exception of PSNH who provides default service pursuant to its generation supply portfolio, other utilities conduct bids to acquire default service from wholesale market entities pursuant to the terms of their individual restructuring settlements. Typically, this process implements the use of laddered "full requirements" contracts that vary in length from six months to 12 months. For example: "Pursuant to the settlement agreement approved by Order No. 24,577, National Grid [Granite State] sets a fixed default service rate for the Small Customer Group for the applicable six-month period." The Commission approves the default service rates. See, e.g., Granite State Electric Company d/b/a National Grid Petition for Approval of Solicitation and Selection of Default Service Supply for Large and Small Customer Groups for Period Beginning May 1, 2011, Order Approving Solicitation and Selection of Default Service Supply and Resulting Rates, Docket No. DE 11-016, Order No. 25,207 (March 22, 2011)	As stated on the Commission's website, "Although competitive suppliers are welcome to provide service in restructured franchise areas, most residential customers receive Default Energy Service." http://www.puc.state.nh.us/Electric/electric.htm The Commission lists approved energy suppliers by service territory: http://www.puc.state.nh.us/Consumer/energysuppliers.htm Migration statistics are not available , but residential migration appears to be negligible.	8.67 cents per kWh [PSNH, for period January 1, 2011 through December 2011] 06.680 cents per kWh, eff. May 1, 2011-October 31, 2011 [National Grid, d/b/a Granite State]	No POR program.

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Connecticut	Connecticut adopted reforms to its electric restructuring law in 2007 following a two-year debate about the nature of the reforms that should be adopted. First, the legislation requires the Department of Public Utility Control (DPUC) to order the utilities to obtain Default Service (called Generation Service Charge in Connecticut) on a quarterly basis through the wholesale market. However, the utilities are also required to develop a new long term integrated procurement plan for future energy and capacity resources, with the objective of first meeting all resource needs through available energy efficiency and demand reduction resources. The plan must reflect an assessment of needs for the next 3, 5, and 10 years. The utilities must submit the plan to the Connecticut Energy Advisory Board (a new agency). This agency will first decide on the proposed plan and then send it to the DPUC for its approval process. Distribution utilities are also now authorized to propose building new generation and enter into long term contracts directly with generators. http://www.cga.ct.gov/2007/ACT/PA/2007PA-00242-R00HB-07432-PA.htm	The utilities obtain wholesale market full requirements contracts pursuant to RFPs. The contracts are laddered and reflect terms of 6 to 12 months, with prices that change no more frequently than quarterly, but the actual portfolios that are currently in effect call for annual price changes.	As of 12/31/2010, 34.9% (CL&P) and 40.7% (UI) http://www.dpuc.state.ct.us/electric.nsf/22bd353cdb8843d985257615005b5bcc/4d19e927ef8972d285257616005c73bf?OpenDocument	2011 rates: CL&P-9.482 cents per kWh (down from 11.051 cents in 2010) UI-10.615 cents per kWh (down from 11.568 cents in 2010) http://www.ctenergyinfo.com/dpuc_electric_rates.htm These rates are in effect for the 2011 calendar year.	CT Energy Info is a website in which customers can see current offers from suppliers compared to the standard service rate for each electric utility and a calculation of monthly bill impact for the average usage of 750 kWh. The chart available for CL&P residential customers on May 3, 2011 shows that 34 separate offers are available (many by the same supplier), ranging from fixed price to variable price and renewable energy attributes. Of these offers, 8 would result in a higher monthly bill, and 3 would result in a savings of less than $1 per month. None of the offers currently reflect efficiency or demand response services. See: http://www.ctenergyinfo.com/display_rates.htm Both CL&P and UI offer Time of Use rate options to residential customers; the CL&P version is a TOU rate in which the peak hour rate changes daily. See, http://www.cl-p.com/vpp/vpp.aspx A statewide referral program is in effect pursuant to Section 92 of Public Act 07-242, An Act Concerning Electricity and Energy Efficiency. The Act states that customers expressing an interest to learn about their electric supply options shall be

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					informed of the qualifying electric offers then available from participating electric suppliers and requires the electric distribution companies to describe then available qualifying electric offers through a method reviewed and approved by the Department. The Act further requires that customers be allowed to move among generation service providers, including utility provided service, without penalty. Finally, the Act directs the Department to establish a payment arrangement under which the electric distribution company reimburses electric suppliers through a formula that reflects each company's uncollectible experience. The Department ordered the following: ✓ The Companies must offer all eligible customers the opportunity to learn about their electric supply options; ✓ Customers who express an interest in learning about their electric supply options must be quoted the price and term of each Qualifying Electric Offer and must be told that suppliers also offer other price options, including TOU rates, real-time rates

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					(when these become available for CL&P customers) and other pricing programs (if applicable); ✓ Customers expressing an interest in a particular Qualifying Electric Offer or supplier shall be immediately transferred to a call center operated by that supplier; ✓ Customers may not express an interest in a particular Qualifying Electric Offer but may have additional questions regarding retail choice. These customers must be offered the option to receive information from CL&P or UI through the mail, or be directed to the internet at www.ctenergyinfo.com or directed to the Department's toll free Outreach phone number 1-888-922-3782. ✓ The Companies may use an IVR system to deliver the information required under the Amended Referral Program; ✓ The Companies will be required to submit the text of all messages for

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					approval. ✓ Qualifying Electric Offer rates must be quoted as a single price, in cents per kWh, rounded to the second decimal place; ✓ Qualifying Electric Offer rates must reflect all generation-related charges; ✓ Qualifying Electric Offer rates will be quoted in ascending order (lowest price first); ✓ Standard Service rates will be quoted first to allow customers to compare prices and must be based on their then current rate; http://www.ct.gov/dpuc/lib/dpuc/050805RE021_101007.doc

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New York	There is no explicit "restructuring" statute in New York and, as a result, there is no statutory guidance on default service procurement policy. However, in 2002, the New York enacted the Energy Consumer Protection Act of 2002. Under ECPA, all of the protections defined by the consumer bill of rights are made applicable to the transactions between the competitive suppliers and residential consumers. With respect to the commencement and continuation of service, these include rules with respect to deposits, budget billing, estimated bills, plain language bills, third-party notices and other protections found for low income, elderly and disabled customers in NY's bill of rights. In the event a residential customer accumulates an arrears with the competitive supplier, as with an arrears to the utility supplier, the customer is entitled under the bill to notice of the reason for termination and notice of the procedures for avoiding termination. The customer is also entitled to the opportunity to continue service despite the arrears through a deferred payment agreement and to the further protections provided for households experiencing medical emergencies, for households with elderly, blind or disabled customers, and for households that might experience a loss of service in a cold weather season. Under ECPA, service from the competitive supplier can be restored, as it is for utility service today, upon the guarantee of payment by the local social services district, and a reconnection can be ordered by the department of public service. Finally, ECPA allows the residential customer taking service from a competitive supplier who has a billing or service dispute with that	There is no uniform method of purchasing and pricing default service. Each utility has litigated or agreed to specific portfolio requirements in the context of base rate cases or other proceedings. The Commission has promoted short-term acquisitions by utilities on the wholesale market, but has also authorized "hedging" practices to ameliorate price volatility. See, Case 06-M-1017, Policies, Practices and Procedures for Utility Commodity Supply Service to Residential and Small Commercial and Industrial Customers - Instituting A Phase II to Address Longer-Term Issues, Order Requiring Development Of Utility-Specific Guidelines For Electric Commodity Supply Portfolios And Instituting A Phase II To Address Longer-Term Issues (April 19, 2007), available at the Commission's website under this case number: www.dps.state.ny.us ConEd's default service is priced monthly based on an average of daily wholesale market prices. Central Hudson G&E's supply charge rate changes monthly.	Based on the December 2010 report, 19.2% of residential customers are served by an alternative electric supplier (statewide). This percentage varies considerably by utility, ranging from 35% at Orange & Rockland Utility to 6% for Central Hudson Gas & Electric. ConEd's migration rate is 20.7%. See, http://www.dps.state.ny.us/ElectricMigration_dec_10.pdf Over 35 suppliers are making offers to ConEd's residential customers. See, http://www.poweryourway.com/residential_escos.asp The Commission sponsors a	The Commission publishes Monthly Bill Comparisons for all utilities. http://www.dps.state.ny.us/TypicalBills.htm#ElecRes \ \ The utilities disclose generation charges using different terms and there are typically a number of riders listed that impact the actual amount charged for "default service." Based on the January 2011 chart, ConEd residential customers using 250 kWh (which is the typical usage for NYC residents) paid 8.8787 cents per kWh for supply and additional supply-related charges in the amount of .8533 cents per kWh for a total of9.732 cents per kWh. Central Hudson G&E residential	Several utilities offer a "referral program" to customers initiating service. Customers are guaranteed a 7% discount for an introductory period in return to choosing an alternative supplier. The customer can choose a specific supplier or be allocated to a supplier participating the in the program at random. See, http://www.askpsc.com/askpsc/page/?PageAction=renderPageById&PageId=170e82c440a34abdc4eb7c02349bbdf8 See also, Proceeding on Motion of the Commission to Review Policies and Practices Intended to Foster the Development of Competitive Retail Markets, Case 07-M-0458, Order Determining Future of Retail Access Programs (October 27, 2008). In this Order the Commission ordered suppliers (called energy service companies or ESCOs) to bear the cost of any promotional efforts beyond the utilities' basic outreach and education program that are intended to assist customers seeking to participate in retail access. Order at 2. The Commission terminated some retail access programs that are subsidized by ratepayers. The Commission encouraged utilities to continue existing referral programs, but conditioned such program on the supplier funding for the program, with only those

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	supplier under HEFPA to pay the portion of the bill not in dispute and to take that complaint to the Public Service Commission for an informal hearing or formal hearing and written determination.		website (Power to Choose) in which customers can see supplier offers for their zipcode compared to current utility default service prices. http://www.newyorkpowertochoose.com/index.cfm	customers paid 9.098 cents per kWh for "market price charge" and various surcharges and adjustments. The default service charge for ORU is much higher, over 11 cents per kWh. The lowest rate is charged by NYSEG at slightly over 5 cents.	suppliers that fund the program eligible for participation. Order at 13. The Commission's order is available on the PSC website: www.dps.state.ny.us Several utilities offer POR and charge a "merchant function administrative and supply charge" to all customers. In a recent Central Hudson G&E base rate case, these charges unbundled commodity related procurement, credit and collection, call center costs, and advertising costs, and related administrative and general expenses and rate base items allocated to each component. See July 2010 rate order (pages 31-32) at http://www.cenhud.com/pdf/2010_rateplan.pdf Pursuant to the Home Energy Fair Practices Act or HEFPA, which is applicable to competitive suppliers, a customer must be reconnected upon payment of an amount that does not exceed what the customer would have incurred pursuant to the utility's default service rates. See, New York Public Service Law Art. 2, §32 (5).

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Mid-Atlantic States					

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New Jersey	New Jersey's Electric Restructuring statute requires utilities to offer Basic Generation Service to any customer not served by a competitive supplier. The statute does not establish any specific portfolio policy for this service. New Jersey's recently enacted legislation P.L. 2011, c.9 ("LCAPP Law") allows for the construction of up to 2,000 MW of new baseload/intermediate capacity to be supported by hedged capacity contracts, referred to as Standard Offer Capacity Agreements (SOCA).	In December 2001 the New Jersey Board of Public Utilities (BPU) determined that for year 4 of the transition period (i.e., August 2003-August 2004), electric utilities should continue to provide Default Service (referred to as "Basic Generation Service" in the NJ law) by buying electricity through standardized contracts in the wholesale market. The price for these contracts is determined by a state-supervised descending clock auction process. The Board has approved this process each year since 2002 and has ordered that service for residential and small commercial customers be provided at a fixed price that changes every year according to the results of the auction. Rather than requiring that the entire Default Service portfolio be acquired at once, the Board has moved to a "laddered" contract approach in which 1/3 of the load is acquired every year for a three-year fixed price.	As of March 2011, 6.5% of residential customers were served by alternative electric suppliers. http://www.bpu.state.nj.us/bpu/pdf/energy/NJ%20Switching%20Data_March%202011%20EDCs.pdf	The average price of the 2011 auction results was 9.528 cents per kWh for the fixed price contracts. Once blended with the previous year's auction results, PSE&G customers will see a 3.5% total bill decrease. See, Press Release issued by the NJ BPU, Feb. 9, 2011, http://bgs-auction.com/bgs.press.annc.item.asp?anncId=332	

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Delaware	In 2006 Delaware amended its restructuring law to adopt reforms to the policies governing Standard Offer. The new restructuring law states that Standard Offer Service "shall be treated as a public utility service or function," but the right to shop and select a competitive electricity provider is expressly continued. The only investor-owned electric utility (Delmarva, a subsidiary of Pepco Holdings, Inc.) is required to create and file an Integrated Resource Plan with a 10-year planning period by December 1, 2006. The required Integrated Resource Plan must "evaluate all available supply options during a ten (10) year planning period in order to acquire sufficient, efficient and reliable resources over time to meet its customers' needs at a minimal cost." The Integrated Resource Plan must also investigate all potential options, including demand side management, wholesale market contracts obtained via bid or auction, long-term purchased power contracts, self generation, as well as short term or spot market purchases where appropriate. In addition, as a preliminary move to a more diversified portfolio, the utility is required to specifically solicit long term contracts with a term not to exceed 25 years "for the construction of new generation resources within Delaware for the purpose of serving its customers taking Standard Offer Service." These contracts must include capacity and energy and may include ancillary electric products and environmental attributes. The utility is also specifically granted the authority to develop and implement demand side management programs that are designed to reduce overall electricity consumption as well as make use of advanced metering, time of use rates, and	The Delaware Commission has to date retained the use of full requirements wholesale market contracts for Standard Offer service. The prices are set by means of a reverse auction. The prices are fixed for the contract term. The residential class is served with multiple suppliers that bid on tranches for a 36-month contract term annually to serve one-third of the load. http://depsc.delaware.gov/orders/7846.pdf Delmarva signed four long term contracts to meet the DE renewable energy portfolio requirements in 2006-2007.	As of March 31, 2011, 3% of Delmarva's residential customers have chosen an alternate supplier. There is only one supplier marketing to Delmarva's residential customers. See, http://depsc.delaware.gov/electric/DPSC%20Choice%20Report.xls	For the contract year beginning June 1, 2011, Delmarva's residential SOS customers will be served by seven suppliers. The weighted average bid was $85.77 per MW, a 21% reduction from 2007-2008. See Final Report of Technical Consultant on Delmarva's 2010-2011 RFPs: http://depsc.delaware.gov/documents/Technical%20Consultant%20Final%20Report%2002_22_11.pdf Delmarva's pending tariff proposes a rate of 10.6299 cents per kWh (summer) and 10.55043 cents per kWh (winter) for residential customers, eff. June 2011. This rate reflects the blended price based on prior year's contracts with the newly	DE has not adopted a POR program, but Delmarva issues a consolidated bill on behalf of licensed suppliers.

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	programs aimed at reducing usage during peak periods. http://delcode.delaware.gov/title26/c010/index.shtml			acquired contracts.	

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Maryland	Maryland adopted statutory reforms to its Standard Offer Service (SOS) in Senate Bill 1, effective July 1, 2006. The obligation to provide SOS is extended indefinitely and the service must be structured to "obtain the best price for residential and small commercial customers in light of market conditions at the time of procurement and the need to protect these customers from excessive price increases." The contracts may include those acquired through a competitive process, as well as one or more bilateral contacts, all of which must be approved by the Commission. The contracts must result in a "portfolio of blended wholesale supply contracts of short, medium or long terms, and other appropriate electricity products and strategies, as needed to meet demand in a cost effective manner." In addition, the procurement may include "cost effective energy efficiency and conservation measures and services."	The Maryland commission has retained the RFP process with laddered full requirements contracts obtained through the wholesale market. BGE (the largest electric utility) conducts RFPs twice per year, seeking 25% of the residential load for a 24-month period. The contracts are fixed price for the contract term. The most recently approved RFP results state that 3 suppliers were selected from that 6 who submitted valid bids. See, http://www.bge.com/portal/site/bge/menuitem.1801cf82ff5a66e60e7c62f9016176a0/ .	As of March 31, 2011, residential customer migration for each MD utility: Allegheny Power: 6.5% BGE: 18.7% Delmarva: 7.9% Pepco: 15.2% http://webapp.psc.state.md.us/Intranet/CaseNum/NewIndex3_VOpenFile.cfm?filepath=\\Coldfusion\Electric%20Choice%20Reports\\2011%20Electric%20Choice%20Enrollment%20Reports\Electric%20Choice%20Enrollment%20-%2003%202011.xls The Maryland OPC publishes price charts that compare the SOS price with current supplier offers. The most current information indicates the many offers are higher than the weighted	BGE's pending filing for SOS prices shows a residential rate of 9.380 cents per kWh (summer) and 8.232 cents per kWh (winter) starting June 1, 2011. http://www.bge.com/vcmfiles/BGE/Files/Rates%20and%20Tariffs/Recent%20Rate%20Filings/Electric/Supp_478Filed.pdf	BGE is implementing a POR option for consolidated billing beginning April 2010. The conditions of this option require that that BGE only purchase commodity service receivables. BGE will collect undisputed supplier charges the same as regulated charges. Three billing options are offered: dual billing; consolidated billing by utility; consolidated billing by supplier. Supplier must transmit charges in Bill Ready mode. See, http://www.bge.com/vcmfiles/BGE/Files/Rates%20and%20Tariffs/Electric%20Supplier%20Tariff/Electricity_Supplier_Tariff.pdf

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
			average 2011 rate for BGE's SOS. See, http://www.opc.state.md.us/LinkClick.aspx?fileticket=-ffRvWxjhP0%3d&tabid=39		

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Pennsylvania	Pennsylvania adopted retail electric restructuring in 1998 and established rate caps for generation supply service until the stranded costs were eliminated from rates. Subsequently, extensions of rate caps were negotiated in a variety of merger and rate case proceedings so that the largest electric utilities operated with rate caps for default service until 2010. In 2008, prior to the expiration of rate caps for most utilities, Pennsylvania adopted reforms to its restructuring law: House Bill 2200 (Act 129, signed by Governor 10/15/08). This legislation established new policies to govern default service: The default service provider (distribution utility) must submit a plan to acquire generation supply by competitive means to obtain "generation supply at the least cost" and obtain a "prudent mix of contracts to obtain least cost on a long-term, short-term and spot market basis…" Long term is defined as between 4 and 20 years. The statute specifically allows bilateral contracts and long term contracts, as well as other short and medium contract terms. The original statutory obligation to acquire default service at "prevailing market prices" was repealed. The new law also endorses a variety of competitive acquisition approaches, including auctions, requests for proposals, and bilateral agreements. The default service must be unbundled and will change at least quarterly to reflect the underlying contracts.	The PA PUC adopted regulations and policy statements to govern the implementation of default service under the 2008 reform legislation. 52 Pa Code §54.181-189 establishes the incumbent electric distribution utility as the default service provider, but allows for the selection of an alternative provider under certain circumstances. The utility must submit a procurement plan. The regulations allow a great deal of flexibility, but most procurement plans have been negotiated for each utility that includes laddered fixed price full requirements wholesale market contracts and some purchase of spot market blocks of energy for a small portion of the load. The Price to Compare must be a fixed rate and appear on the customer's bill. The PTC must be adopted on a quarterly basis for residential customers (and monthly for larger C&I customers).	The Office of Consumer Advocate maintains a data base on its website that compares offers by alternative suppliers for residential customers with each utility's default service price. See, http://www.oca.state.pa.us/Industry/Electric/elecomp/ElectricGuides.htm In addition, the OCA publishes shopping or migration statistics which are updated at least quarterly. See, http://www.oca.state.pa.us/Industry/Electric/elecstats/Stats0111.pdf As of January 1, 2011, 35% of PPL's electric customers had selected an alternative provider, 15.5% of Penn Power's	The default price (called the Price to Compare) varies by utility and reflects their underlying wholesale market contracts: PPL: 9.27 cents per KWh through May 2011, 9.06 cents per kWh (June through August 2011) Duquesne Light: 8.89 cents per kWh (though May 2011) PECO: 9.99 cents per kWh. Met-Ed: 8.87 cents per kWh Penn Power: 8.17 cents per kWh (through May); 7.90 cents per kWh (June through August 2011).	The PA PUC has endorsed Purchase of Receivables programs which allow the utility to bill on behalf of the supplier and disconnect service for nonpayment for supplier charges.

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
			customers, and 21.3% of Duquesne Light’s customers. Other utilities indicate a negligible migration rate, but their rate caps are only just ending.		

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
District of Columbia	The District of Columbia adopted retail electric restructuring and retail competition in 2000. The sole electric utility, Pepco, was obligated to provide Standard Offer Service with rate caps that expired in 2005. In 2003, the following provision was adopted in the D.C. Code: "The Commission shall adopt regulations or issue orders establishing terms and conditions for standard offer service and for the selection of an electricity supplier or suppliers (retail, wholesale, or both) to provide standard offer service after February 7, 2005. The terms and conditions applicable to the selection of an electricity supplier or suppliers shall include: (1) Protection against a standard offer service provider's failure to provide service; (2) An appropriate rate design, subject to the restrictions in subsection (d) of this section; (3) The appropriate length of a standard offer service contract awarded under subsection (d) of this section; and (4) A contingency plan in the event of insufficient or inadequate bids; provided, that a contingency plan may award the standard offer service to the electric company or an affiliate of the electric company if it is in the public interest. (d)(1) After the regulations or orders mandated by subsection (c) of this section are issued, the Commission shall conduct competitive bid procedures for the selection of a retail electricity supplier or suppliers to provide standard offer service for the District of Columbia after February 7, 2005; authorize the electric company, as a wholesale electricity supplier, to conduct competitive bid procedures to obtain third-party contracts to provide standard offer service for the District of Columbia after	Pursuant to the statutory directive, the D.C. PSC conducted proceedings to adopt an SOS rule and issued orders concerning SOS procurement policy. The PSC declined to implement a process to select a retail competitive supplier to provide SOS and ordered Pepco to implement RFPs to acquire SOS from wholesale market bidders pursuant to full requirements fixed price contracts. The Commission ordered Pepco to solicit solicitations to serve 1/3 of the residential and small commercial load every year for a three-year term. As a result, the SOS prices change annually. In 2009, the final SOS rule was adopted to reflect this policy: Title 14, D.C. Municipal Regulations, Chapter 41, adopted 56 DCR 5404, 5406 (July 3, 2009).	As of April 2011, three suppliers were making offers to new residential customers with product offerings ranging from six months to two-year fixed prices. As of March 2011, 4.6% of residential customers were served by a competitive supplier. The commission publishes comparison charts between Pepco and suppliers making offers to residential customers: http://www.dcpsc.org/pdf_files/customerchoice/electric/Electric_Bill_Comparison.pdf	As of June 2011, Pepco;s SOS price is 9.3 cents per kWh (summer) and 8.8 cents per kWh (winter), resulting in an approximately 10% rate reduction compared to the higher priced contracts displaced by the most recent wholesale market contracts. http://www.dcpsc.org/pdf_files/pressreleases/NewElecGenRatesEffective_Jun12011.pdf	

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
	February 7, 2005; or both. If competitive bid procedures for the selection of a retail electricity supplier or suppliers to provide standard offer service are conducted by the Commission, the competitive selection of retail electricity supplier or suppliers to provide standard offer service shall occur before July 2, 2004. In conducting retail bid procedures or facilitating the wholesale bid process under this subsection, the Commission: (A) Shall ensure that the price for standard offer service will not hinder the development of a competitive electricity supply market in the District of Columbia; and (B) May, in its discretion, solicit the payment, by the retail electricity supplier or suppliers chosen to provide standard offer service, of a bid premium. (2) Any bid premium collected by the Commission under this section shall be deposited into the Reliable Energy Trust Fund established under § 34-1514." DC ST § 34-1509				

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Virginia	Virginia adopted retail electric restructuring in 1999. While the Virginia State Corporation Commission held numerous proceedings, adopted implementation policies and regulations, and approved several pilot programs, the result was similar to other states in that there was little or no actual customer shopping or marketer activity. During this period, Virginia electric utilities were integrated into the regional wholesale market. Rate caps were implemented and then extended until 2010, but with some fuel cost adjustments. Led by proposals submitted by Dominion Virginia Power, Virginia repealed retail competition and re-instated cost of service regulation in 2007. Virginia's repeal of retail competition: http://leg1.state.va.us/cgi-bin/legp504.exe?071+ful+CHAP0888	Customers are served by a regulated rate for electric service.	N/A	N/A`	RETAIL COMPETITION REPEALED

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Midwest States					

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
MidWest					
Michigan	Michigan adopted retail restructuring/competition in 2000. (Act 141, the Customer Choice and Electricity Reliability Act). This statute requires the incumbent electric utility to provide service to its customers pursuant to a regulated cost-of-service rate. In 2008, the restructuring act was amended to limit the amount of electricity that can be obtained from alternative suppliers to 10% of a utility's average weather adjusted retail sales for the preceding calendar year. See, Public Act 286 of 2008 (October 6, 2008), which amended PA 141. As a result, the competitive suppliers have focused primarily on non-residential customers.	Each utility has a "customer choice" program that has been approved by the Public Service Commission, but only the two largest utilities, Consumers Energy and Detroit Edison, have any choice activity actually being implemented. The prices for bundled electricity service are set by the commission in the context of a regular base rate case. For a description of the status of retail competition in Michigan, see the Commission's 2010 Status of electric Competition Report, available at: http://www.dleg.state.mi.us/mpsc/electric/restruct/reports/comprereport2010.pdf	None.	N/A	

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Illinois	The Illinois Electric Service Customer Choice and Rate Relief Law of 1997 restructured the state's electric service industry to allow retail competition for generation supply service. Rate caps for residential customers were in effect for the early years until 2007. At that time the Illinois regulators adopted the auction model promoted by New Jersey and conducted the auction in 2006 for prices that would go into effect on January 1, 2007. The results of the auction resulted in a 40%-55% average total bill increase for residential customers of Ameren in southern Illinois, and increases of over 100% for Ameren's residential electric heat customers who had relied on a very low price for electric space heating that had previously been promoted by the utility. Commonwealth Edison residential customers in the Chicago area saw an average of a 25% total bill increase. These increases were widely criticized and the Legislature adopted restructuring reform legislation on August 28, 2007. This legislation approves a settlement reached between the Illinois Attorney General, the utilities, and the wholesale market generators that provided $1 billion in short-term rate relief to Illinois customers. The funding for this settlement was provided by utility shareholders and the owners of the power plants that were sold by the utilities to their affiliates or other non-utility owners. The legislation also adopted significant reforms to the Illinois restructuring law, particularly with respect to the future planning and acquisition of electricity for Default Supply. The foremost reform is to eliminate the reliance on the auction that the Illinois Commission had adopted previously. Rather, Default	According to a plan developed by the Illinois Power Authority, and approved by the ICC, Ameren and ComEd purchase the electric supply for customers who have not chosen to receive supply from a Retail Electric Supplier (RES). The current utility electric supply prices are in effect until May 31, 2011and reflect the IPA's approved plan for a three-year procurement of a variety of contracts and hedging instruments (e.g., fixed price swap contracts) in the wholesale market, with purchases on the spot market as needed. In addition, the IPA recommended and the Commission approved a series of longer term contracts for the purchase of renewable energy. As described by the Commission in its order approving the 2010 procurement plan, "The IPA asserts that its greatest challenge is to achieve low and stable prices when acquiring electricity in a market where prices change constantly and sometimes dramatically, particularly when the load to be served is also subject to constant flux. The IPA states that designing the portfolio requires understanding the variables that drive price and load fluctuation, and assessing how those variables affect price risk. After completing its portfolio design	The commission publishes migration statistics for each utility at http://www.icc.illinois.gov/electricity/switchingstatistics.aspx According to the May 2011 report filed by ComEd, 0.03% of its residential customers are served by an alternative supplier. Even fewer Ameren customers have migrated to an alternative supplier.	ComEd's Price to Compare is 7.782 cents per KWh (summer) and 7.60 cents per kWh (winter). http://www.pluginillinois.org/FixedRateBreakdownComEd.aspx	Illinois has adopted a POR program by statute.

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
	Service must now be provided under a procurement plan that must assure "adequate, reliable, affordable, efficient and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability…." The procurement plan must be developed and submitted for public review and comment in an open and transparent process and the plan must rely on competitive procurement that is monitored by neutral parties and personnel. The bill creates a new state entity, the Illinois Power Authority, which is given a wide range of authority to consider various types of wholesale market contracts for default supply and prepare future procurement plans that the Commission must review and then order the utilities to implement. The new Power Authority appears to have the authority to build or acquire new generation, but can only sell that power to public authorities, municipally-owned utilities, or municipal aggregators.	exercise and examining the 2008 and 2009 procurement plans approved for ComEd and AIU, the IPA proposes a series of standard electricity products to be acquired to meet the needs of eligible customers that would be augmented by market purchases if and when necessary." Illinois Power Authority Petition for Initial Approval of Procurement Plan, Docket No. 09-0373 (December 28, 2009), Order at 5. Available at: http://www.icc.illinois.gov/e-docket/reports/view_file.asp?intIdFile=258425&strC=bd Prices are fixed for one year, but under the legislation, the ICC has the flexibility to approve a plan that would purchase electricity at multiple times during the year.			

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Ohio	Ohio also adopted retail electric restructuring in 1999, with an implementation date of January 1, 2001. Amended Substitute Senate Bill No 3, 123rd General Assembly, eff. October 5, 1999. This legislation retains the utility as the Default Service provider and established rate caps for the market development period through 2005. Except for certain energy efficiency and universal service riders and the effect of taxation changes, the unbundled rates could not exceed the total bundled rates in effect in 1999. The utilities were not required to divest their generation resources. During this period the utility remains obligated to provide Default Service. Beginning in 2006, the restructuring legislation requires the distribution utilities to offer a market-based price for this service obtained through competitive bidding. Senate Bill 221 was enacted in 2009 to require the PUCO to establish rules for standard service procurement and to establish a means to moderate any sudden move to market based pricing. Under SB 221 a utility can submit either an Electric Security Plan (ESP) or a Market Rate Offer (MRO). An ESP is basically a utility's proposal to use its own generation or its affiliated generation to provide standard service. An MRO is a utility's proposal to acquire standard service via wholesale market contracts. Most utilities submitted an ESP.	The Commission adopted rules governing the utility's obligation to provide Standard Service Offer. Ohio Admin. Code 4901:1-35 (eff. 5/7/2009). On July 31, 2008, Duke Energy Ohio (Duke) filed an application at the PUCO to establish an electric security plan (ESP) to comply with Senate Bill 221. The company's ESP is its plan for the supply and pricing of electric generation service over the next three years. The plan requested the recovery of costs for fuel used to generate electricity, electricity purchased wholesale, emission allowances and federally mandated carbon taxes. The goals of the plan include price stability, ensuring an adequate supply of electricity, promoting economic development, job retention, energy efficiency and conservation. On Dec. 17, 2008, the Commission approved Duke's ESP. The plan will be in effect through Dec. 31 2011. This plan sets forth specific rate changes during the three year period. FirstEnergy's plan was approved in 2009. It includes the competitive acquisition of standard service capacity and energy, as well as a distribution rate freeze, and other initiatives,	The Commission publishes migration charts: http://www.puco.ohio.gov/puco/index.cfm/industry-information/statistical-reports/electric-customer-choice-switch-rates/ The switch rates reflect the municipal aggregation sales and thus do not provide a true picture of the individual residential customer switch rate. As of December 31, 2010: Ohio Edison: 60.17% Ohio Power Co.: 0% Toledo Edison: 61.28% Cleveland Illuminating: 71.507%	The Public Utility Commission publishes "apples to apples" charts that compares the utility's "price to compare" with current supplier offers. http://www.puco.ohio.gov/puco/index.cfm/apples-to-apples/electric-apples-to-apples-chart/ This chart does not contain the utility's Price to Compare; the customer must consult the utility's website for this information. Duke Energy Price to Compare: 8.24 cents per kWh Neither Dayton Power nor the FirstEnergy websites actually provide the Price to Compare, but refer customers to their current bill.	Ohio is one of only two states (the other is MA) that has a statutory endorsement of municipally sponsored customer aggregation. Municipalities may adopt an ordinance that aggregates all residents within its boundaries. This aggregation program, if adopted by an ordinance, may use the Aopt out@ method. Under this method, all residents are automatically included in the aggregated group unless they choose not to participate. Residential customers may opt out of the aggregated group every two years without paying a switching fee. A municipality may also use the opt in method in which the town negotiates a price with a supplier and residents must then sign up with the local government, permitting it to purchase electricity on their behalf. Those who do not provide affirmative permission will remain with the local utility in Default Service or may select another competitive supplier. Ordinances which specify the opt out method were adopted by hundreds of Ohio communities in the fall of 2000. Subsequently, a consortium of northern Ohio municipalities formed to serve nearly 400,000 customers in the area surrounding Cleveland negotiated a contract with Green Mountain Energy Co.

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
		such as smart meter deployment.	Duke Energy: 27.06% Columbia Southern Power: 0% Dayton Power & Light: 0.01% As of December 2010, 70.14% of all residential customers served by an alternative supplier do so through the Municipal Aggregation Program.	According to this chart, there are only a few suppliers making offers to residential customers for Dayton Power & Light (the utility's retail sales affiliate plus one other), Duke Energy (the utility's retail sales affiliate and five others), and FirstEnergy (the utility's retail sales affiliate).	(no longer in business) for a six-year supply contract to serve customers in FirstEnergy=s service territory. Such contracts were possible in part due to the restructuring settlement reached for the FirstEnergy proceeding that was approved by the Ohio PUC in which 20% of the utility's generation was made available to competitors in the early years of competition. As of December 2010, municipally sponsored aggregation in Ohio serves 918,240 residential customers, 93,512 commercial customers, and 17 industrial customers. http://www.puco.ohio.gov/puco/index.cfm/industry-information/statistical-reports/aggregation-activity-in-ohio/

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
West and Southwest States					

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Montana	Montana was one of the earliest states to enact electric restructuring. In 2003, House Bill 509 (HB 509) was enacted to include limits on the amount of load served by alternate suppliers such that no more than 10,000 kW could be served to small customers and no more than 20,000 kW could be served to medium customers. This bill also defined NorthWestern Energy as the primary default power supplier for the State of Montana and extended the transition period until 2027. Source: Montana State Legislature http://data.opi.mt.gov/bills/2003/billhtml/HB0509.htm The reform legislation and PSC regulations concerning Default Electricity Supply required the local distribution utility to plan and manage its resource portfolio in order to provide adequate, reliable and efficient annual and long-term default electricity supply services at the "long term lowest total cost." The default supplier is obligated to acquire its portfolio based on an analysis of long-term needs and reflect an analysis of the risks associated with various options considered in the procurement planning process. The term "long term" was defined as the longer of the term of any existing contract in the current portfolio, the longest term of any contract under consideration for acquisition, or a minimum of 10 years. The guidelines also made clear that demand-side management products and services must be considered as part of the portfolio. Default Service was broadly defined to reflect all electricity supply costs, including capacity, energy, ancillary services, fuel, demand side management and efficiency costs, transmission, billing, planning and administrative costs, and other costs directly associated with purchase and provision of	The 2009 IRP filed by NorthwesternEnergy is available at: http://www.northwesternenergy.com/display.aspx?Page=Default_Supply_Electric&item=16	None	As of may 1, 2011, Northwestern Energy's residential supply rate is 6.1003 cents per kWh. http://rates.northwesternenergy.com/residentialelectricrates.aspx	RETAIL COMPETITION REPEALED

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
	Default Service. In 2007, Montana repealed electric restructuring and required the electric utility to provide service pursuant to Integrated Resource Planning, including the option of purchasing or constructing new generation facilities. See, http://data.opi.mt.gov/bills/2007/billpdf/HB0025.pdf				

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Oregon	A 2002 report issued by the Oregon Public Utilities Commission stated that residential customers would not benefit from retail competition at this time. Source: Oregon Public Utilities Commission http://www.puc.state.or.us/PUC/news/2002/2002_036.shtml A 2002 bill established "direct access." This form of retail competition requires the two-investor owned electric utilities to offer residential customers a Commission supervised "portfolio" of rate options. Non-residential customers can shop for generation from a licensed supplier. 57 Oregon Code §757.600, et seq. Utilities remain fully regulated for distribution and generation/supply and base rates are established to reflect traditional cost of service principles.	The Commission approves the portfolio of rate options offered by regulated utilities. Alternative suppliers cannot sell directly to residential customers.	None	N/A	NO RETAIL COMPETITION FOR RESIDENTIAL CUSTOMERS

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
California	In 2002, in accordance with Assembly Bill 57, the California Public Utilities Commission (CPUC) approved an interim order that allows the Pacific Gas and Electric Company, Southern California Edison, and San Diego Gas and Electric to buy their own power starting January 1, 2003. The utilities were responsible for submitting their short-term procurement plans by November 12, 2002 and their long-term plans by April 1, 2003.	In 2004, the California Public Utilities Commission assured that California will have the resources to prevent electricity shortages by unanimously adopting a framework under which the state's three investor-owned utilities will plan for and obtain the energy resources investments and demand-side investments necessary with the intent to ensure that their customers receive reliable service at low and stable prices. Source: California Public Utilities Commission http://www.cpuc.ca.gov/PUBLISHED/NEWS_RELEASE/33555.htm	None	5-Tier Inclining Block Rates that Vary by Climate Zone: Bills are unbundled by Generation, Transmission, Distribution and a variety of Surcharges PG&E: 1000 kWh = $120.00 or 12 cents/kWh (Generation and Transmission is about 50% of total)	Retail Competition for residential and small commercial customers SUSPENDED

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Arizona	No retail activity reported since 2004. Restructuring in Arizona was essentially placed on hold due to a variety of regulatory orders. The Arizona Court of Appeals ruled that the Arizona Corporation Commission's decision to require electric utilities to divest their generation assets was unconstitutional. The Arizona Court of Appeals stated that it is the Commission's duty to attempt to control retail rates, not to specifically control and manage electric utilities' operations. Furthermore, the ACC did not provide an explanation of how requiring electric utilities to divest their generation assets would help to control rates, thus providing the basis for the Arizona Court of Appeals to rule that this ACC statute was unconstitutional. Source: Arizona Court of Appeals http://www.cofad1.state.az.us/opinionfiles/CV/CV010068.pdf		None	N/A	RETAIL COMPETITION SUSPENDED

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Nevada	In 2001 Assembly Bill 661 was enacted, revising and repealing certain provisions of Nevada's restructuring law. The law allowed eligible large customers, those using 1MW and above, to choose an alternative supplier for power with permission from the State PUC. The law also contained provisions to fund low-income energy assistance with a universal energy charge and to revise and repeal various provisions concerning the regulation of public utilities and the process of establishing and changing rates.		None		RETAIL COMPETITION REPEALED

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
New Mexico	In 2003, then-Governor Bill Richardson signed Senate Bill 718 (SB 718) which repealed the Electric Utility Industry Restructuring Act of 1999. The legislation was scheduled to go into effect on July 2003 and could allow utilities to recover transition cost that were incurred during the restructuring process. http://legis.state.nm.us/Sessions/03%20Regular/FinalVersions/senate/SB0718.pdf				RETAIL COMPETITION REPEALED

State	Statutory Default Service Policy	Regulatory Actions	Residential Migration (%)	Residential Default Service Price (Range)	Comments : Supplier Activity; POR; Consolidated Billing
Texas	The Texas electric restructuring statute was enacted in 1999 (Senate Bill 7, amending the Public Utility Regulatory Act (PURA), §39.101, et seq.) and called for the implementation of retail electric competition for all customers of investor owned utilities within ERCOT beginning January 1, 2002. The Texas model is unique compared to other states that have adopted electric restructuring. As part of the restructuring legislation, the former electric utilities agreed to a structural separation in which their generation assets were either sold or transferred to a separate corporation. The distribution service function is performed by a regulated entity that is affiliated with the incumbent utility, but performs no direct retail services. Rather, the distribution utility operates the poles and wires, maintains reliability of service, and handles meter and field (i.e., disconnect/connection) operations. These services are provided to Retail Electric Providers or REPs under rates regulated by the Public Utility Commission. Under the Texas approach, customers obtain retail electricity service from a REP. A REP has the sole retail relationship with its customers and will obtain the necessary distribution services from the former public utilities. The REP is responsible for all of the necessary interactions with customers, including application for service, customer service, call centers, billing, and collection (although the REP uses the distribution utility to perform field operations). REPs are licensed. As a transition mechanism, the former utilities had to create an "affiliate" REP to interact with their customers. As of January	As of January 2002, the affiliate REP was obligated to provide service to all customers who are transferred to this service under the Price to Beat rate, which was initially established pursuant to statutory directive at least 6% less than the rates in effect in 1999. The Price to Beat had to remain in effect until January 1, 2007 (five years) or until at least 40% of the residential load served by the former electric utility was served by a non-affiliate REP. The Public Utility Commission of Texas interpreted the Price to Beat rate adjustment statute to allow for adjustments based solely on the price of natural gas futures. In fact, the Price to Beat increased significantly after 2002 during this period due the rising price for natural gas in the wholesale market. Since January 1, 2007, there has been no "default service" as that term is used in other restructuring states. Under the Commission's regulations POLR is a short term service that is provided by a REP selected by the Commission and who agrees to provide this service at a premium of 130% to 135% over monthly wholesale market prices. POLR service is available for mass transitions of customers when a REP ceases operations and fails to sell its customer base to another REP.	According to the PUC's 2011 Scope of Competition Report, most residential customers may choose from over 35 REPs offering as many as 226 different rate packages. ERCOT reports that 26 new REPs entered the market in 2009. As of March 2011, slightly more than half of the residential customers in the competitive areas of ERCOT had chosen a non-incumbent provider.	There is no default service. Provider of Last Resort service is priced by regulation at 130-135% above prevailing wholesale market prices and is the most expensive option in the Texas market.	The Texas PUC has frequently amended the consumer protection rules that REPs must adhere to and conducts investigations and assesses penalties for violations of these rules. The Commission received 28,500 electric complaints from September 2008 through August 2009. During the period from January 2009 through December 2010, the Commission assessed over $9.8 million in penalties to electric market participants, of which $.5 million was for retail marketing activity, $1.7 million for service quality violations, and $3.6 million for wholesale market violations. In total during 2009 and 2010, Commission Staff opened 136 investigations for the electric industry and closed 99 investigations. 2011 Scope of Competition Report at 30. One of the most significant changes to the original consumer protection rules was the adoption in 2007 that allows REPs to order disconnection of service for their charges. Under the prior rule, customers could only be disconnected after being transferred to the affiliate REP. In 2010 the Commission adopted some reforms again to its consumer protection rules to establish more protections from disconnection for customer with medical needs.

	1, 2002, affiliate REP assumed the retail electric service obligations of the former utility under the *Price to Beat*, a default service. As of January 1, 2007, the Price to Beat obligation ended. Customers could remain on the Price to Beat, but no new customers had access to that rate. It should be noted that at no time were residential customers transferred to a REP other than their former utility acting as the "affiliate" REP and that other REPs have been required to obtain new customers through marketing and solicitation on a one-to-one basis. Another aspect of the Texas restructuring model that is unique is the role played by the Electric Reliability Council of Texas or ERCOT. The wholesale power market in most of Texas is under the control of the Texas PUC and not subject to the jurisdiction of the FERC. ERCOT plays a key role in retail competition, as well as its paramount role in overseeing the Texas wholesale market. ERCOT provides the retail customer (meter) database for all REPs and supplants the role typically played by the local distribution utility in other states to implement customer access to competitive providers. A customer selects a REP who then submits a switch order to ERCOT. ERCOT electronically informs the new REP of the customer's premise, usage and meter information which ERCOT obtains from the distribution company. Finally, ERCOT informs the old REP of the customer's "drop" of service. The costs to operate ERCOT are paid for by customers in the ERCOT service area and currently consists of a system administration fee of $0.4171 per MWh (2011) and a surcharge of $0.375 MWh will also remain in effect in 2011 to pay for the move to nodal pricing in the wholesale market.	POLR is also available to customers, but customers are not informed of the availability of the service, nor would most choose it based on its very high price. Customers can be disconnected from POLR service. When customers get disconnected for non-payment, they either reconnect with a new REP or go without service. Reconnecting with a new REP is contingent on the customer meeting conditions of service (security deposit, etc.) and not being prevented by a "switch hold" placed on their meter from their prior REP. A switch hold may be placed on a customer's meter if the customer does not meet the obligation of a flexible payment arrangement.			