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|  | Pennsylvania Public Utility Commission |
| Office of Competitive Market Oversight |
| CHARGE  |
| Re-Cap |
| Thursday November 20, 2014 9:30 am  |

**1. PAPowerSwitch.com UPDATE:**

Reminder: PaPowerSwitch.com now has a “SIGN UP FOR THIS OFFER” feature now available:



“Sign Up for This Offer” is designed for PAPowerSwitch shoppers who have already reviewed and evaluated supplier offers (on PAPowerSwitch) and are ready to enroll with a preferred product.  The Commission’s intent is for the electric shopper to click on “Sign Up for This Offer” and be linked to the supplier’s online enrollment page in the fewest number of steps possible.  The Commission does not want the shopper directed to the supplier’s home page – which is the same as clicking on the supplier’s name on PAPowerSwitch – or to a webpage where all the supplier’s offers are listed again – which is the same as clicking on the “View All Offers” link on PAPowerSwitch.

The Commission appreciates that a supplier may wish to screen a prospective shopper by having them first enter their zip code or electric distribution company.  That is fine.  However, after that initial screening process is completed, the shopper should be directed immediately to a page where *only* the preferred product is displayed and customer enrollment (for the preferred product) occurs.  We want to avoid forcing a shopper – who has already made their decision on a preferred product - to sort through yet another list of other offerings – a process previously completed on PAPowerSwitch.

Suppliers listing product offers on PAPowerSwitch are not required to populate their offerings with the “Sign Up for This Offer” link – it is optional.  However, should you decide to do so, please take the necessary steps to ensure we can direct the shopping customer to your online enrollment page as quickly and efficiently as possible.

Questions about PAPowerSwitch.com can be directed to Cyndi Page at CYPAGE@pa.gov.

**2. NEW SUPPLIER PRODUCTS OFFERINGS: OBSTACLES?**

In September, the Office of Competitive Market Oversight asked for informal comments regarding ways in which PaPowerSwitch.com presented obstacles to suppliers interested in presenting new and innovative products to customers. We also noted that comments could address additional obstacles beyond those found in PaPowerSwitch. We received several comments in response.

The issues raised by the commenters include the following:

REGARDING PaPowerSwitch:

* Expand character space in general information section.
* Make space available for “incentives.”
* Make the renewable energy field more flexible – to include things like the purchase of renewable energy credits, carbon offsets, various levels of renewable energy, etc.
* “Term End Date” is possibly confusing – especially since “Term Length” is already provided for.
* Usage default of 700 kWh is possibly misleading. Require customers to enter their own usage level.
* More flexibility for non-traditional products (flat rate, fixed-variable hybrids, etc.).
* More flexibility re: cancellation fee.
* More information for suppliers re: customer usage, click-rates, etc.
* Ability to list the same offer with different/optional term lengths – instead of having to list those as different products/offers.
* Create a place in the supplier product description, where the supplier can list all attributes of the product, in addition to the commodity, that adds value to customers.
* Add a link labeled “Additional products and services” that will allow suppliers to show other services by linking back to the supplier’s website. However, it’s important to note that these additional products and services might include products and services from a supplier’s affiliates, subsidiaries, parent companies, etc. rather than the licensed supplier itself.
* Create a filter function where consumers can choose to search for commodity products only but also have the option to search for products that have additional value added services.
* When the PA Power Switch website sorts products from highest to lowest, it appears to only take price per kWh into consideration and not the monthly estimate. We believe price should be sorted based on the monthly estimate, which takes into consideration monthly service fees.

Other market issues/limitations:

* Utility inability to bill for flat-rate products; or to display them properly without confusing the customer.
* Increased flexibility in POR: allow for additional products, charges.
* On-bill financing.
* Allow suppliers to bill for non-commodity energy related products and services through the utility consolidated bill.  The non-commodity services need to be excluded from the utility purchase of receivables program and non-payment of these charges should not trigger customer termination.
* Another option would be to simply allow for supplier consolidated billing (SCB), where the alternative supplier is the billing agent for both generation and distribution charges, and the utility is no longer the billing agent.  Transitioning to SCB may take some time, so in the interim, competitive suppliers should be allowed to utilize the UCB to bill for non-commodity energy related charges.

Staff is currently reviewing the comments to determine priority items, feasibility and actions needed to move forward. We will provide updates as the circumstances warrant.

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| **RE-CAP:** Anyone who wants to submit additional comments and suggestions are invited to do so. Please email to the OCMO inbox : ra-ocmo@pa.gov  |

 **3. ACCELERATING SWITCHING (IMPLEMENTING THE 3-DAY SWITCH):**

The new supplier switching regulations, including the 3-day switch, went into effect on publication, June 14, 2014. The implementation deadline for 3-business day switching is December 15, 2014. Both EDCs and EGSs have critical roles in complying with the new regulations to ensure that customer switches are not delayed unnecessarily.

All of the major EDCs have filed petitions seeking limited waivers of various provisions related to accelerating switching. The Commission has addressed a part of PPL’s Petition and the final Order on Pike County’s Petition is expected shortly. The remaining Petitions are still pending. Docket numbers for these proceedings are:

* **PECO**: P-2014-2446292 (waiver of Chapter 56 billing frequency regulations).
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2446292>
* **PPL**: P-2014-2445072
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2445072>
* **FIRSTENERGY:**
	+ **Met Ed:**  P-2014-2449010:
	<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2449010>
	+ **Penelec**: P-2014-2449015:
	<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2449015>
	+ **Penn Power**: P-2014-2449017:
	<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2449017>
	+ **West Penn Power**: P-2014-2449027
	<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2449027>
* **DUQUESNE LIGHT:** P-2014-2448863
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2448863>
* **UGI**: P-2014-2449397
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2449397>
* **PIKE COUNTY:** P-2014-2437967
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2437967>

The switching procedures and capabilities of each of the EDCs will vary significantly. EGSs are urged to follow the outcome of the above-mentioned waiver proceedings – and to stay in contact with each EDC – and participate in any EDC outreach efforts.

Questions about these matters can be directed to Dan Mumford at dmumford@pa.gov.

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| **RE-CAP:** Many of the above-mentioned waivers are still pending. Please follow these proceedings and specifically – the December 4 Public Meeting.Also: there appears to be some confusion with the 3-day rescission period and 3-day switching timeframes. The 3-day rescission period is not new – it has been in the disclosure regulations since the 1990’s (see 52 Pa Code § 54.5(d)). What has changed is that the new switching regulations do include a reference to this regulation. (See 52 Pa. Code § 57.173).Per § 57.173(1), a supplier is to notify the EDC of the customer’s choice “at the end of the 3 business day rescission period.” Once the EDC has been notified (via EDI), the EDC’s 3-business-day clock to make the switch starts ticking. This same regulation provides for 2 exceptions to the above – **both require the knowledge/consent of the customer:*** The enrollment can be transmitted immediately to the EDC - no waiting for the end of the 3-day rescission period. (Note that this does **NOT** constitute a waiver by the customer of their 3-day rescission right. Customers can NOT waive this right – per § 54.5(d)(4)).
* The enrollment can be delayed until a distant, future date. The EGS would hold the enrollment until the appropriate time – and then submit it to the EDC once the “future date” approaches.

Any questions about this – please contact OCMO ra-ocmo@pa.gov or Dan Mumford at dmumford@pa.gov.   |

**4. Processing by EDCs of Customer/EGS Disputes.**

Background (raised by a participant at the July CHARGE call): The pricing events of early 2014 resulted in customers disputing EGS charges for a variety of reasons (e.g., inconsistency with contract terms, misleading marketing, etc.). When a customer's contract with the EGS permits the customer to withhold disputed amounts, there does not appear to be clear direction to the customer regarding any necessary interaction with the EDC to provide notice of the dispute. Also, there does not appear to be a mechanism for the customer to ensure that the EGS does not send a drop notice to the EDC while the dispute is pending. A review of some of the supplier tariffs and POR programs, it isn't clear that the EDC can obtain reimbursement from the EGS if the dispute is resolved in the customer's favor.

 A working group has been formed to discuss and develop a proposal to resolve this issue. The group is chaired by Pam Polacek, Esq. Pam intends to get the working group started after Thanksgiving. Anyone interested in participating that has not yet indicated their interest can email Pam at PPolacek@mwn.com.

**5.** **UPDATES ON CURRENT PROCEEDINGS:**

* [**Final Order on Interim Guidelines for Eligible Customer Lists**](http://www.puc.pa.gov/pcdocs/1321204.docx)**:** Docket No. M-2010-2183412. Final Order at October 23, 2014 Public Meeting.
* [**Final Order on Request for Clarification on Notice Requirements for Combined Electricity & Natural Gas Disclosure Statements**](http://www.puc.pa.gov/pcdocs/1296329.docx) - Public Meeting of October 2, 2014. Docket No. L-2014-2409385. Clarification on 52 Pa. Code, Sections 54.5, 54.10 and 62.75.:
* **Investigation of Pennsylvania’s Retail Natural Gas Supply Market**, Public Meeting of September 12, 2013. I-2013-2381742:

[**Tentative Order on the Investigation of Pennsylvania's Retail Natural Gas Supply Market**](http://www.puc.pa.gov/pcdocs/1306421.docx) - Public Meeting of August 21, 2104. Docket No. I-2013-2381742.

Look for a Final Order detailing the topics of the investigation and procedural issues – possibly in December.

There is a now a webpage for this investigation at:
<http://www.puc.pa.gov/utility_industry/natural_gas/natrual_gas_rmi.aspx>

* **Seamless Moves and Instant Connects:**

[**Secretarial Letter**](http://www.puc.pa.gov/pcdocs/1303767.docx) - Letter regarding the EDC plan filings for Seamless Moves and Instant Connects. Dated August 13, 2014. Docket Numbers:

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| Duquesne Light: M-2014-2401127 | PECO: M-2014-2401085 | PPL: M-2014-2401103 |
| Pike County: M-2014-2401119 | UGI: M-2014-2401126 | Met-Ed: M-2014-2401130 |
| Penelec: M-2014-2401151 | Penn Power: M-2014-2401151 | West Penn Power: M-2014-2401148 |

“The Commission, by means of this Secretarial Letter, will allow EDCs to delay the development of *instant connects* and *seamless moves* if an EDC determines that developing these processes at this time could hinder or delay the development of 3-business day supplier switching. This delay is at the option of the EDC; the EDCs are encouraged to proceed with the development of *instant connects* and *seamless moves* if doing so does not impede the development of 3-business day switching. The previously stated June 2015 deadline is no longer in effect.”

“Notably, while we are allowing a delay in the creation of these two market enhancements, those two mechanisms have merit to enhance Pennsylvania’s retail electric market. Accordingly, we will direct the OCMO to submit a recommendation to the Commission no later than December 31, 2014, with a proposed implementation timeframe for *seamless moves* and *instant connects*.”

EDCs have delayed implementation per this Secretarial Letter. New timeframes will be considered and announced as soon as possible.

* **COMMISSION STATEMENTS MADE AT THE NOVEMBER 13 PUBLIC MEETING ADDRESSING THE COMMISSION’S AUTHORITY OVER EGS CONTRACTUAL, DISCLOSURE, BILLING AND MARKETING ISSUES:**
* P-2014-2421556 : JOHN R EVANS SMALL BUSINESS ADVOCATE VS FIRSTENERGY SOLUTIONS CORPORATION: <http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2014-2421556>
* C-2014-2425989 : FES INDUSTRIAL & COMMERCIAL CUSTOMER COALITION VS FIRSTENERGY SOLUTIONS CORP:
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=C-2014-2425989>
* C-2014-2427655 : ATTORNEY GENERAL PA & OFFICE OF CONSUMER ADVOCATE VS BLUE PILOT ENERGY LLC:
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=C-2014-2427655>
* C-2014-2429159 : JOSEPH NADAV VS RESPOND POWER LLC:
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=C-2014-2429159>
* M-2013-2320112 : Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. ResCom Energy LLC:
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=M-2013-2320112>

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| **RE-CAP:** Re: the five proceedings mentioned just above: While statements and motions are available at this time at the above weblinks, orders may not yet be available for all of these proceedings. OCMO will notify CHARGE participants when these orders are available. Please review these motions/orders for they include important Commission statements regarding the Commission’s authority over EGS billing, pricing, contractual and marketing practices.  |

**6. PROCEDURES FOR REQUESTING A REDUCTION IN PUC BONDING AMOUNTS:**

[**Final Order on Requirements for Electric Generation Suppliers; Acceptable Security Instruments**](http://www.puc.pa.gov/pcdocs/1299164.docx) - Public Meeting of July 24, 2014. Docket Number M-2013-2393141.

A few suppliers have already submitted requests. Commission staff is evaluating the format and mechanisms – and is in consultation with the Department of Revenue. We will provide more definitive information as soon as possible via the OCMO/CHARGE distribution list.

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| **RE-CAP:** OCMO will communicate with CHARGE as soon as we have information concerning the procedures EGSs should follow to seek bond reductions.  |

**General Matters**

1. **New Issues**
* Any new issues or questions about issues previously discussed on CHARGE calls should be submitted to ra-ocmo@pa.gov
1. **Old Agendas/Recaps**

**NEW WEBPAGE:** All agendas and recaps are posted on the CHARGE page of the website along with various other documents that have been distributed or relied upon during CHARGE discussions, at the following link –
<http://www.puc.pa.gov/utility_industry/electricity/office_of_competitive_market_oversight/charge.aspx>

1. **CHARGE Distribution List**
* To be added to the CHARGE distribution list, please send an email to ra-ocmo@pa.gov
1. **CHARGE Contact List**
* Contact list is on website at the following link:

<http://www.puc.pa.gov/utility_industry/electricity/electric_competitive_market_oversight.aspx>

* Please send contact information or updates to ra-ocmo@pa.gov
1. **Next Meeting**
* TBA, 2015 at 9:30 am.