

## Consumer Education Challenges as the Transition Continues

### **Background:**

The passage of the Electricity Generation Customer Choice and Competition Act of 1996 brought unique consumer education challenges for those involved in deregulation including regulators, utility companies, marketers and consumer groups.

The early years of state-wide Choice Education efforts were shaped by collaborative efforts of a number of interested parties to help customers understand Choice and deregulation. Successful campaigns were developed and used statewide. The energy issues in California then spurred extensive interest in reliability and demand-side response. That resulted in some lower key demand-side response communication efforts state-wide in 2001.

As the end to rate caps nears, new issues have surfaced and consumer education challenges continue.

### **Potential Topics:**

Following is a summary of some of those issues that are potential themes for future energy education initiatives. PPL Electric Utilities is aware of the issues from a variety of sources: feedback from customers, questions customers ask and what our employees speculate we will need to explain in the future.

We suggest that these issues, as well as others, be considered for consumer education campaigns as the transition to deregulation is completed. The primary issues are:

Customer Choice Education  
Wise Use of Energy and Managing Energy Costs  
Provider of Last Resort Service and Pricing

Possible topics for each issue could include:

#### Customer Choice Education

- How do I shop for an electricity supplier? (Basic shopping education)
- What are the components of the electric bill and what do they mean?
- How are electric rates set and how do they change?
- What happened to deregulation? Does it still exist?
- Where PA is in the transition to competitive markets?
- What happened to capped rates? I thought rates were supposed to drop.

#### Wise use of energy and managing energy costs

- How can I lower my energy costs and conserve energy?
- What is demand-side response?
- What is time-of-use pricing?

- What is peak demand?
- How do DSR programs influence peak demand and market price?
- How can shifting my demand influence my electric bill?
- If I want to control peak demand, what can I do?

#### Provider of Last Resort Service and Pricing

- What does Provider of Last Resort mean?
- How do supply and demand impact generation rates?
- Why do my electric prices keep changing?
- Why did rates go up in so many other states? Will that happen here in Pennsylvania?
- How do customers influence the cost and price of electricity?