

Minutes of the Pennsylvania Public Utility Commission's Consumer Advisory Council

Meeting of July 26, 2011

P.O. Box 3265
Harrisburg, PA 17105-3265

www.puc.state.pa.us

Call to Order and Introductions

Chairman Rick Hicks called the meeting to order at 10 a.m. in the Executive Chambers of the Public Utility Commission.

The Council approved the June 28, 2011, minutes.

Attendance

The following members of the Council were present:

Rick Hicks, Outgoing Chairman	Cindy Datig (telephone)
Tim Hennessey, Incoming Chairman	Harry Geller
Robert Christianson, Vice Chairman (telephone)	Tom LeCrone (telephone)
Pedro Anes	Tina Serafini (telephone)
Michael Bannon	George Silvestri
Lillian Carpenter (telephone)	Joe Toner (telephone)

The following members of the Council were unable to be present:

John Detman	Lee Tolbert
-------------	-------------

Public Utility Commission Staff present:

April Ballou, Chairman Powelson's Office
Matt Totino, Vice Chairman Coleman's Office
Tom Charles, Office of Communications
Lori Shumberger, Office of Communications
Cyndi Page, Office of Communications
Heidi Wushinske, Law Bureau
Dan Mumford, Bureau of Consumer Services

Guests Present:

Heather Yoder, Office of Consumer Advocate
Bernadette Foisy, PECO
Karen Markey, Energy Association of PA
Alexandra Fabian, Greenlee Partners
Brian Lowe, FirstEnergy
Karen McFeaters, FirstEnergy
Sandra Levine, with George Silvestri

Council Appointments

Tom Charles said Michael Bannon is Lieutenant Governor Cawley's appointee. He is the only new Council member at this time. There may be two or three more to be appointed. We still need the Governor's and Sen. Tomlinson's appointments to be made.

Rick Hicks mentioned the amount of members on the phone. Normally, there is more members attending than on the phone.

Council Election for New Chairman and Vice Chairman

Rick Hicks said at the last meeting he asked for anyone that would like to be nominated for the Chairman and Vice Chairman positions. At that time, Robert Christianson said he would like to run for the Chairman's position.

Rick Hicks asked if there were any other nominations. Tom LeCrone said he would like to nominate Tim Hennessey for the Chairman position.

Tim Hennessey and Robert Christianson were asked to leave the meeting to allow everyone to voice their votes.

A vote was taken, and Tim Hennessey received the most votes for Chairman.

Rick Hicks nominated Robert Christianson for the Vice Chairman position. A vote was taken, and Robert Christianson was elected to the Vice Chairman position.

Both were brought back into the meeting and agreed to serve as elected.

Rick Hicks passed the duties onto Tim Hennessey for the rest of the meeting.

Harry Geller thanked Rick Hicks for his guidance as the Chairman over the last two terms.

PA PowerSwitch Update and Walkthrough

Cyndi Page, from the PUC's Office of Communications, was invited to give an update on the PA PowerSwitch website and walk everyone through the website.

Cyndi Page said the PA PowerSwitch home page was on the screen and anyone on the phone could also go to the website at www.PAPowerSwitch.com. A copy of the pamphlet is in your folders.

The shopping number on the home page is updated weekly. Under the shopping number is a link to view the detail shopping numbers for each utility company.

Across the top and bottom of the home page, there are tabs to help consumers answer questions on shopping for the generation portion of their bill.

If you go into the “About Switching Power” tab and click on “Understanding Your Bill,” you will see a sample of every utility company’s bill. The bills are color coded so consumers can see what they are shopping for.

When you click on the “Shop for your Electricity” tab, the consumer will be able to pick their electric company or enter their zip code to find their electric company.

Once in your electric company page, there will be the current price to compare rate and next quarter’s prices to compare. There is an estimated usage number that can be updated with the consumer’s monthly use of kilowatts. This will allow you a closer estimate of price for all suppliers.

The suppliers can be sorted by price per kilowatt, company name, price plan, renewable energy or discounts availability.

Tim Hennessey asked what the PUC is doing to market the website? Cyndi Page said the PUC has partnered with TV stations and done events in Philadelphia, Hershey, Harrisburg, and Lancaster and just did an event in Pittsburgh on July 21. At each of the events, we had suppliers there to answer consumers’ questions. Partnering with a TV station, we received advertising prior to the event and live coverage on the day of the event. At the King of Prussia mall event, we had over 2,000 consumers attended the event.

Tim Hennessey asked what the PUC has done to educate seniors. Cyndi Page said the consumer educators go out and do senior events, legislative events and workshops at senior centers. At these events, the educators will print out the list of suppliers for the area.

Consumers can sign up for weekly email alerts. This is on the left-hand side of the website. An email will be sent with all price to compare rate updates for that week.

Suppliers are in charge of updating their own prices and information. The suppliers can update daily, if they want to. This takes the PUC out of being the middleman.

Michael Bannon said with, using your zip code, does this show only the suppliers in your area. Cyndi Page said that is correct.

Michael Bannon asked if someone wanted to be trained on this, who they would call. Cyndi Page said to call the Office of Communications and we would get a consumer educator to help you.

Harry Geller asked, if the rates are updated, how is it emailed to consumers? Cyndi Page said the system will pick all updated information for that week and send it out once a week.

Rick Hicks questioned if anyone can view the consumer's information entered on the PA PowerSwitch website. Cyndi Page said the PUC will not sell this information. If an email gets bounced back, the system will remove it from the list.

Cyndi Page said businesses can shop for suppliers. This covers small and large businesses. There are many variables for businesses, so there is no price to compare. Each company could receive a different offer depending on their usage.

Each supplier listed has their phone number and a link to their website available to consumers.

Pedro Anes asked if there is any way to see how many from each zip code has switched. Cyndi Page said we receive our numbers from each electric company. The companies don't send numbers by zip code breakdown. The electric company may have the information, if someone wants to call them. Pedro Anes stated he would like to see this information available, so low switching areas can be educated better.

Bernadette Foisy stated the low-income customers are not shopping yet. Harry Geller said low-income customers that are on CAP programs may have to go off the program to be able to shop. Most CAP customers receive better rates than what most suppliers can offer.

Pedro Anes said if consumers are not shopping and prices go up, there will be a greater number of consumers needing LIHEAP help. Bernadette Foisy said those on public assistance receive a lower rate for their electric bill.

Rick Hicks asked if all the suppliers are registered with the PUC. Cyndi Page said yes, they must be licensed and ask to be added to the PA PowerSwitch website.

Michael Bannon asked if there is a problem with unlicensed suppliers. Cyndi Page said not that she knew. All license suppliers are listed on the PUC's website.

Cyndi Page said on the PUC's website, there is a natural gas shopping page. A copy of the natural gas shopping page and link is in your packets. We have OCA's link on our website.

Commission Update

Tom Charles said Jan Freeman was appointed as Executive Director for the PUC. There is a copy of the press release in your packets.

Tom Charles said he is working on getting the Commissioners and Executive Director to future meetings.

Terminations/Reconnections/Chapter 56 Revision Update/Marketing Rulemaking Update/Eligible Customer List/Statewide Investigation on State's Competitive Electricity Retail Market

Dan Mumford from the PUC Bureau of Consumer Services (BCS) was asked to provide an update on Chapter 56 revisions, marketing rulemaking, eligible customer lists, statewide investigation on state's competitive electricity retail market, and termination and reconnection numbers.

The terminations for the month of June are up 20 percent since June 2010. The numbers would be higher except for Peoples Natural Gas Company. They terminated only two households. The reason for no terminations is Peoples is installing a new computer system. Once the new system is up and running, they will start terminating customers again.

There are three companies that have increased their terminations by 100 percent or more. They are Met-Ed, Penelec and Penn Power, all FirstEnergy companies. When questioned, the companies stated they are back to their normal termination procedures.

The terminations regulations are governed by Chapter 56. The Commission has decided to revisit some of the previous issues. The independent Regulatory Review Commission reviewed the revised Chapter 56 and approved it. The Commission is waiting for it to be published in the PA Bulletin. The revised copy is 113 pages.

Michael Bannon asked about getting a copy of the updated Chapter 56. Dan Mumford said the updated Chapter 56 is on the PUC's website, under "Consumer Concerns."

Harry Geller asked if there will be a Chapter 56 working group for all the new procedures. Dan Mumford said what is new has been in law for years and was implemented already. There are new reporting requirements. There is a new way to report terminations numbers. The utility companies stated they need time to make the new changes.

For the Investigation of Retail Marketing, there is a site on the PUC's website that covers this investigation. All information is there. To find it, go under the electric tab, and on the left side is the "Investigation of Pennsylvania's Retail Electricity Market" tab. This has all the events, agendas, meeting recaps and comments.

The Commission is looking at our current market to see how many consumers have shopped for their electric supplier. Some look at these numbers and think its great while others want everyone to shop and switch. Is there an issue with our retail marketing that not everyone has switched suppliers?

Lillian Carpenter asked the timeframe for the investigation. Dan Mumford said the investigation will continue until 2012. There was an en banc hearing in June 2011.

At that hearing was the Chairman of the Texas PUC. All the testimonies and filed comments are on the website.

On Aug. 10, the PUC will hold a Retail Markets Investigation Technical Conference in the Keystone Building, Hearing Room 1. One issue is the timeframe for switching suppliers. It can take between 16 to 45 days to be switched to your new supplier.

Harry Geller asked Dan Mumford if there will be working groups. Dan Mumford said there may be a group that will participate in conference calls. but he is not sure.

A question was raised: How do suppliers get your personal phone numbers when your phone number is unlisted. A consumer received a call from a supplier and when asked how they got my information, they said the electric company gave them a list of their customers. Dan Mumford said the Commission has requested comments on the interim guidelines for eligible customer list for electric distribution companies. The comments were due on July 13, and the Commission received 17 parties that filed. The reply comments are due on July 28. All the comments and reply comments will be on the PUC website. Use the docket number M-2010-2183412 and do a search. After the Commission reviews all the comments, some sort of order will be coming.

Joe Toner said about 40 percent of consumers has changed. Is there a percentage that the PUC is looking for? Dan Mumford said that is a great question. The Commission has not decided on a number.

Joe Toner asked if all consumers shop, will this not take away from the utility companies? Dan Mumford said the utility companies don't make money on the generation part of the electric bill. They will still make money on transmission and distribution parts.

Dan Mumford said the last thing is the supplier marketing guidelines have not been published yet. It is still in the Attorney General's Office. There were concerns that our Law Bureau is working on. The comment period will be 60 days once published in the PA Bulletin. You still have plenty of time to prepare your comments.

Marketing Guidelines and Door-To-Door Subcommittee Report

Rick Hicks said the guidelines still have not been published. The Council had submitted comments on the interim guidelines. About half of what the Council submitted wasn't used. The Council should review the final guidelines and go from there.

There are three issues that are in both the Council's comments and the proposed guidelines: background checks or criminal record checks; verification of sales transactions without the agent being present; and the appearance and identification of the salesman.

The Council should continue with these three issues when we file. There should not be a solicitation list given without a consumer's consent. There should be an opt-in clause.

Harry Geller said he recently reviewed the regulations. These three concerns are in the regulations. The Council should still support these issues. The other issues the Council proposed should be addressed again with better arguments.

After some discussions, Rick Hicks asked Harry Geller if the Council should resubmit everything from the prior comments. Harry Geller said yes.

Rick Hicks said he would have a draft for the Council to review at the next meeting.

August Meeting/Frequency of Council Meetings

Tim Hennessey asked the Council if the meetings should continue to be monthly meetings or do bimonthly meetings.

Tom Charles said most members attend about 12 or 13 meeting in the two-year term. The by-laws state the Council must hold at least quarterly meetings. The Council will normally skip the August and December meetings.

Michael Bannon said he would like to continue with the monthly meetings. Harry Geller agreed due to most of the Commission activities have a short comment turnaround periods. Maybe the Council should stress the need of member attendance.

Rick Hicks agreed with Harry Geller and suggested continuing skipping the August meeting and one in the winter.

Tim Hennessey said the meetings will continue to be monthly, but all members need to make an effort to attend.

Future Agenda Items

Tim Hennessey went over the list with the members. The Council would like a visit from the Commissioners and Executive Director Jan Freeman. Tom Charles said he would work on getting dates.

Joe Toner wanted a discussion on smart meters and the off-peak meters. How are utility companies handling the installation of new meters and removal of old meters?

George Silvestri requested an update on Marcellus Shale and the Governor's Marcellus Shale Advisory Commission. Rick Hicks asked if the Chairman is on this Commission. Tom Charles said yes, and him will attend a meeting.

Tim Hennessey asked about the cost of removing the old meters. Bernadette Foisy said if a customer has an off-peak meter on their house, it will stay. If a customer is receiving a smart meter, you will still have two meters. If a customer wants the old off-peak meter removed, it will be at the cost of the customer.

Rick Hicks asked if PECO could attend a future meeting and update the Council on this issue. Bernadette Foisy said yes.

Harry Geller requested information on heat-wave issues and harmful to health and safety issues. Is there a hot weather protection policy?

Future Meeting Topics Include:

- Chapter 56 & Chapter 14 Updates
- Commissioner Visits
- Director of the Bureau of Consumer Services Visit
- Executive Director Visit
- LIHEAP Update
- Marcellus Shale Update
- Marketing Guidelines Update
- Smart Meters

The next meeting for the CAC will be held at 10 a.m. on Sept. 27, 2011, in the Executive Chambers of the Commonwealth Keystone Building.

###