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August 16, 2010

**VIA ELECTRONIC MAIL**

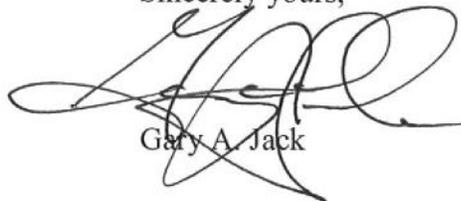
Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, Pennsylvania 17120-3265

Re: Interim Guidelines on Marketing and Sales Practices for  
Electric Generation Suppliers and Natural Gas Suppliers  
Docket No. M-2010-2185981

Dear Secretary Chiavetta:

Attached for filing is an electronic version of Duquesne Light Energy's Comments in the above-referenced proceeding.

Sincerely yours,



Gary A. Jack

Attachment

cc via E-mail:

Office of Competitive Market Oversight at ra-OCMO@state.pa.us

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Interim Guidelines on Marketing and Sales  
Practices for Electric Generation Suppliers  
and Natural Gas Suppliers

Docket No. M-2010-2185981

**COMMENTS OF  
DUQUESNE LIGHT ENERGY**

Duquesne Light Energy ("DLE" or "Company") is an Electric Generation Supplier licensed by the Public Utility Commission and provides retail electric services in western Pennsylvania. It is a direct subsidiary of Duquesne Light Holdings.

Duquesne Light Energy hereby submits these comments in response to the Pennsylvania Public Utility Commission (PUC or Commission) Order entered on July 16, 2010 requesting comments regarding the proposed Interim Guidelines on Marketing and Sales Practices for Electric Generation Suppliers and Natural Gas Suppliers at the above referenced docket number.

Introduction

Duquesne Light Energy believes that strong retail competition in this industry requires creating and growing an environment for the retail electricity marketplace to emerge and flourish. In DLE's opinion, a key element of growing that environment is to establish clearly stated expectations, enforceable by the Commission if needed, for those entities serving this Commonwealth's electric choice consumers.

Duquesne Light Energy commends the Commission and the Office of Competitive Market Oversight for the work they have done in establishing these guidelines. These guidelines will provide critical consumer protections against unfair or inappropriate Marketing and Sales practices by Electric Generation Suppliers (EGSs) and Natural Gas Suppliers (NGSs), and support a fair, competitive industry environment.

Duquesne Light Energy appreciates the opportunity to provide its comments in support of these guidelines, and offers comments on two sections of these guidelines as noted below. For ease of reference, DLE's comments below will be numbered below to reference the Proposed Guideline's Annex A subtitle section numbering.

#### Section A: General

In the Commission's Proposed Guidelines<sup>1</sup>, the Commission states, "These guidelines are intended to facilitate the effective operations of a vigorous, dynamic, yet fair, competitive residential energy market..." Duquesne Light Energy believes that, by this statement, the Commission makes it clear that they intended these proposed guidelines to apply to EGSs and NGSs marketing and sales activities for only residential customer segments. However, when considering other related existing regulations referenced within the guidelines, specifically those found at 52 Pa. Code § 54.4 through 56.9 which specifically cite applicability to residential and small business customers<sup>2</sup>, it

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<sup>1</sup> Page One, Paragraph 1 of Annex A

<sup>2</sup> As stated in § 54.1 (Purpose)

becomes unclear to DLE if the Commission has intended for these guidelines to be limited to only marketing and sales activity to residential customers.

Duquesne Light Energy would request the Commission clarify in this section of the proposed guidelines which customer segment the proposed marketing and sales guidelines should apply. Duquesne Light Energy respectfully suggests that these guidelines should apply to the residential customer segment only and not be applicable to the commercial or industrial segments. This would substantially coincide with existing Commission regulations and extend the guideline's protections to not only the vast majority of customers but to those customers often considered to be the most vulnerable customer group.

#### Section P: Complaints

Duquesne Light Energy generally supports each of the Proposed Guideline requirements found in Section P, Paragraphs #1, #2 and #3, which provides for a single point of contact and a list of designated escalation contacts to assist Commission staff to resolve consumer inquiries and complaints (paragraph 1), investigation of customer inquiries and complaints concerning marketing or sales practices (paragraph 2), and documented internal processes for timely resolution of consumer complaints (paragraph 3).

However, Duquesne Light Energy opposes and disagrees with the language provided in Paragraph #4 of section P, which requires strict compliance with the existing regulations found at 52 Pa. Code §§ 56.141, 56.151, and 56.152. Duquesne Light

Energy feels that majority of these regulations impose regulatory requirements either that are outside of DLE's control, or that they are not applicable to DLE.

As examples, the requirements found at 52 Pa. Code § 56.141(1) includes requirements to resolve issues related to the accuracy of utility metering or billing. These requirements do not involve Duquesne Light Energy. The responsibility for meter accuracy, and requirements establish the proper responsible customer-of-record, is solely that of the local distribution company. Similarly, 56.141(2) states that, once a complaint has been properly filed, "Termination of service shall be prohibited until resolution of the dispute or complaint". DLE does not (and cannot) terminate a customer's electric service, and DLE does not have control, or the ability to have control, over when the customer's local distribution company initiates or suspends termination action.

The requirements found at 52 Pa. Code § 56.151 generally impose requirements and define EDC actions to be taken upon initiation of a customer complaint, such as the prohibition of issuing a termination notice, a requirement to make a diligent attempt to negotiate a reasonable payment agreement, and to provide customers with information such as the results of meter tests. Again, DLE has no control over any of these EDC-initiated actions, and therefore, DLE would be unable to achieve strict compliance with these regulations.

Similarly, the regulatory requirements found at 52 Pa. Code § 56.152 impose very specific requirements on what must be contained in a utility company report, such as a statement that the customer's service would not be terminated pending completion

of the dispute process (56.152(3)), or information on where a customer may make a payment (56.152(5)). These regulations control and define a customer dispute process to be followed by electric distribution companies, and the majority of the requirements are not applicable to DLE.

Additionally, many of the local distribution companies have implemented Purchase of Receivable programs, whereby the EGS charges are paid to the supplier by the EDC. In such cases, the EDC assumes all risk associated with customer payment, and it is the EDC who is responsible for compliance with all regulations related to collection activity, not the EGS.

Duquesne Light Energy does not support the Commission issuing guidelines referencing existing regulatory requirements when the EGS is unable to achieve strict compliance due to the inapplicability of the regulatory requirement or when the requirements are outside of the EGSs control.

It is Duquesne Light Energy's position that references to 52 Pa. Code §§ 56.141, 56.151, and 56.152 should be deleted from Section P of these proposed guidelines.

### Conclusion

It is Duquesne Light Energy's position that the Commission's proposed Interim Guidelines on Marketing and Sales Practices for Electric Generation Suppliers and Natural Gas Suppliers will further strengthen the competitive electric industry environment in Pennsylvania.

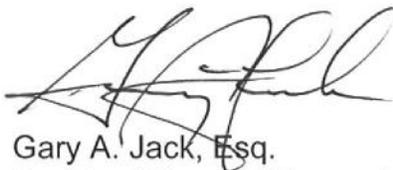
Duquesne Light Company generally supports these proposed guidelines, and offers comments on those sections in which it has concerns. Specifically, Duquesne Light Energy requests the Commission clarify in Section A of these guidelines, to which customer segment it intends these proposed guidelines to apply, and secondly, Duquesne Light Energy is requesting the Commission delete the references requiring strict compliance with the regulations found at 52 Pa. Code §§ 56.141, 56.151, and 56.152 due to them either being not applicable, or because the regulatory requirements are outside of DLE's control.

Duquesne thanks the Commission for their time and attention to this issue, and respectfully requests that the Commission consider and adopt as appropriate the above comments.

Respectfully Submitted,

Duquesne Light Energy

By Counsel:

A handwritten signature in black ink, appearing to read "Gary A. Jack", written over a horizontal line.

Gary A. Jack, Esq.  
Assistant General Counsel  
Duquesne Light Company

August 16, 2010