

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

**Interim Guidelines on Marketing and Sales Practices for Electric Generation Suppliers and Natural Gas Suppliers** :  
: **Docket No. M-2010-2185981**  
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COMMENTS OF  
CONSTELLATION NEWENERGY, INC.

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I. INTRODUCTION

In accordance with the Pennsylvania Public Utility Commission's ("Commission") July 16, 2010 *Tentative Order*,<sup>1</sup> Constellation NewEnergy, Inc. ("CNE") submits its Comments in the above-docketed proceeding, dealing with the Commission's proposed Interim Guidelines regarding marketing and sales by Electric Generation Suppliers ("EGSs") and Natural Gas Suppliers.

In the event that the Commission or its Staff prepares a service list for this proceeding or otherwise requires additional information regarding the positions presented herein, CNE identifies the following individuals:

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<sup>1</sup> *Tentative Order in re: Interim Guidelines on Marketing and Sales Practices for Electric Generation Suppliers and Natural Gas Suppliers*; Commission Docket No. M-2010-2185981 (issued July 16, 2010) ("Tentative Order").

## **II. BACKGROUND ON CNE**

CNE is an indirect, wholly-owned subsidiary of Constellation Energy Group, Inc., a FORTUNE 500 North American energy company with several merchant subsidiaries in addition to CNE, including a regulated utility subsidiary, Baltimore Gas and Electric Company. CNE is a licensed EGS in Pennsylvania that serves commercial, industrial and governmental customers, and assists those customers in achieving savings in competitive markets throughout North America. CNE's experience in the competitive energy markets, outstanding customer service, customized products and solutions and the strong values behind its business make it one of North America's leading competitive energy suppliers. CNE was originally formed in 1995 to serve customers in the then-emerging competitive electricity market, has been in the business since the advent of electric industry restructuring, and today has teams of energy experts for each of its local markets.

CNE has actively participated in regulatory proceedings and other matters before the Commission involving electric industry restructuring, including those overseen by the Commission's Office of Competitive Market Oversight ("OCMO") and the Committee Handling Activities for Retail Growth in Electricity ("CHARGE"), and has served as an advocate for fair and competitive open markets that are designed to provide customers with an array of competitive options. The OCMO and the CHARGE should be commended for their efforts in reaching consensus on a number of key items and fostering a process that included numerous stakeholders representing EGSs, electric distribution companies, consumer representatives, and others.

### **III. CNE COMMENTS**

The Commonwealth has adopted and should continue to support policies and practices that promote competitive retail electric markets, and active monitoring for and removal of barriers to the continued development of customer choice and competition. Encouraging retail choice in this way will only serve to benefit consumers throughout the Commonwealth, especially at a time of constantly changing challenges affecting, and rapidly evolving solutions addressing, Pennsylvania's energy future.

At the same time, great care must be taken to ensure appropriate and balanced consumer protections related to competitive electricity sales and marketing. The Commission's Tentative Order does just that by adopting a set of Interim Guidelines that balances (a) allowing EGSs to develop their own business plans and processes, with (b) ensuring appropriate consumer protections.

While supportive of the Interim Guidelines, CNE recommends that the following limited clarification be included in the Final Guidelines: the Final Guidelines should include an "Applicability Section" or other such section that clearly sets forth that the Guidelines are applicable only to EGSs seeking to serve or serving residential and small commercial customers. Based upon CNE's participation in the various discussions within CHARGE, it seems that the intent in that regard is clear.

### **IV. CONCLUSION**

CNE appreciates this opportunity to submit its Comments to the Commission. CNE is confident that adoption of the Tentative Order, with CNE's limited addition, will promote continued development of the Commonwealth's competitive retail markets while providing necessary consumer protections, for the ultimate benefit of Pennsylvania's consumers.

Competitive retail and wholesale markets are the best way to ensure that the Commonwealth's consumers receive reliable electric power and have access to innovative products and services from a broad pool of suppliers that may best meet each customer's individual needs.

Respectfully submitted,



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*On Behalf of Constellation NewEnergy, Inc.*

DATED: August 16, 2010