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July 29, 2014

VIA HAND DELIVERY

Honorable Rosemary Chiavetta
Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Establishing A Uniform Definition and
Metrics For Unaccounted-For Gas
Docket Number L-2012-2294746**

Dear Secretary Chiavetta:

Enclosed please find an original copy of Pike County Light and Power Company's Comments in the above-captioned matter.

Should you have any questions concerning this filing, please contact me at your convenience.

Sincerely,



John J. Gallagher

*Counsel for Pike County Light and
Power Company*

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Enclosure

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Petition of Pike County Light & Power Company :
For Waiver of Regulations Regarding Standards : Docket No.: P-_____
For Changing a Customer's Generation Supplier :

**PETITION OF
PIKE COUNTY LIGHT & POWER COMPANY
FOR WAIVER OF REGULATIONS REGARDING STANDARDS
FOR CHANGING A CUSTOMER'S GENERATION SUPPLIER**

I. INTRODUCTION

By Final-Omitted Rulemaking Order entered on April 3, 2014, the Pennsylvania Public Utility Commission ("Commission") adopted amended regulations at 52 Pa. Code §§57.171-57.180.¹ These amended regulations direct electric distribution companies ("EDCs") to accelerate switching time frames through off-cycle meter reads that will permit Pennsylvania retail electric customers to switch suppliers within three business days or less. EDCs are required to implement the amended regulations within six months of their effective date, absent good cause shown. On June 14, 2014, the Final-Omitted Rulemaking Order, together with the amended regulations, were published in the *Pennsylvania Bulletin*.

Pike County Light & Power Company ("PCL&P" or the "Company") submits this Petition for a waiver of regulations regarding standards for changing a customer's generation supplier ("Petition") pursuant to Section 2807(e) of the Public Utility Code 66 PA C.S. §

¹ Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 57 Regulations Regarding Standards For Changing a Customer's Electricity Generation Supplier, *Final-Omitted Rulemaking Order*, Docket L-2014-2409383 (entered April 3, 2014).

2807(c) and in accordance with Commission Regulations at 52 PA Code §5.43 and the Commission's Order L-2014-2409383.

In support of this Petition, PCL&P sets forth the following.

II. BACKGROUND

The Commission has consistently recognized that PCL&P is unique among Pennsylvania utilities.² PCL&P is an EDC serving approximately 4,700 residential and commercial customers in Pike County, Pennsylvania. PCL&P is a wholly-owned subsidiary of Orange and Rockland Utilities, Inc. ("O&R"). O&R provides electric service to approximately 225,000 customers in Orange, Rockland and Sullivan counties in the State of New York. Another subsidiary of O&R, Rockland Electric Company ("RECO"), serves approximately 72,000 customers in the State of New Jersey. PCL&P, O&R and RECO operate a fully integrated electric system serving parts of Pennsylvania, New York and New Jersey (collectively referred to as the "System").³ PCL&P receives all of its electricity through two 34.5 kV radial circuits that cross the Delaware River from Port Jervis, New York.

In addition to operating as part of a fully integrated electric system, PCL&P, O&R and RECO also share an integrated computer system to manage their operations. These computer systems include the Customer Information Management System ("CIMS") billing system, Electric Data Interchange ("EDI") system and Retail Access Information System ("RAIS").

² *Petition of Pike County Light & Power Company for Approval of Its Default Service Implementation Plan*, Docket No. P-2013-2371666 (Order entered March 20, 2014). In support of its decision respecting PCL&P's supply procurement, the Commission noted "the unique nature of this particular company." *Id.*, at p. 13. *See also, Petition of Pike County Light & Power Company for Approval of Its Default Service Implementation Plan*, Docket No. P-2010-2194652 (Order entered February 25, 2011); *Petition of Pike County Light & Power Company for Expedited Approval of Its Default Service Implementation Plan*, Docket No. P-2008-2044561 (Opinion and Order entered March 23, 2009); *Petition of Pike County Light & Power Company for Expedited Approval of Its Default Service Implementation Plan*, Docket No. P-00072245 (Opinion and Order entered August 16, 2007).

³ Unlike the other utilities in the Commonwealth, PCL&P, by virtue of being part of the System, operates in the New York Control Area that is administered by the New York Independent System Operator ("NYISO"). In contrast, the other Pennsylvania electric utilities are members of the PJM Interconnection, LLC ("PJM").

Currently, all three companies largely follow the same retail access rules, including the process for customer switching, albeit with slightly different timeframes. PCL&P must receive an enrollment request at least 11 days prior to the next meter read date in order for the switch to be effective on that meter read date, whereas the time is 15 days for O&R and 20 days for RECO to complete the same process.

VI. REQUEST FOR WAIVER

After an examination of the changes that would be necessary to implement three-day customer switching, PCL&P respectfully requests a waiver from the changes to 52 Pa. Code, Sections 57.173 and 57.174. Among other issues, PCL&P will need to determine the impact on the batch process for enrollment and switches; what process to follow in the event of marketer delays in sending enrollment data; and the impact, if any, that the changes will have on the accounts receivable and EGS payment processes. Moreover, testing will be required for the billing and cancel/re-bill processes. These changes will also require extensive regression test planning and scenario set-up. Due to the complexities and base logic of the CIMS changes required, implementation would take approximately 18 months.

Furthermore, these changes cannot be implemented for any unmetered accounts, including lighting customers. Because bills for such accounts are based upon a flat rate rather than actual usage, it is not possible to implement rate changes for such customers unless changes are performed on an on-cycle bill date.

PCL&P's initial cost estimates for implementing the proposed changes are \$619,000. This estimate may increase once a more in-depth analysis is completed. The following is a breakdown of the estimated costs:

\$562,000 - CIMS changes
\$ 50,000 - RAIS/EDI changes
\$ 7,000 - Other Information Resources changes

\$619,000 - TOTAL

Based upon the foregoing, PCL&P respectfully requests a waiver from the changes to 52 Pa. Code, Sections 57.173 and 57.174. PCL&P is a small part of a much larger system. However, since the proposed changes would only be necessary in PCL&P's service territory, PCL&P's customers would have to bear all of the associated costs. While PCL&P recognizes the importance that the Commission has placed on implementing customer switching in three days off-cycle, given PCL&P's small customer base, the impact of these costs on PCL&P's customers will be significant. Furthermore, the total number of customer switches in 2013 was 74 and year-to-date through June 2014 was 91, which is less than 4% of the total number of customers on an annual basis.

As an alternative to reducing customer switching to three business days off-cycle, PCL&P would propose reducing its current eleven-day switching process to nine days prior to the meter read date with the effective date of the switch on the meter read date. This alternative advances the Commission's goal of facilitating accelerated switching while mitigating the cost impact on customers and can be accomplished with changes to the RAIS and EDI systems at relatively little cost.

VII. CONCLUSION

For the reasons set forth above, PCL&P respectfully requests that the Commission waive the requirements of 52 Pa. Code, Sections 57.173 and 57.174, as they would apply to PCL&P.

As an alternative, PCL&P would propose reducing customer switching to nine days prior to the meter read date with the switch effective on that meter read date.

Respectfully submitted,



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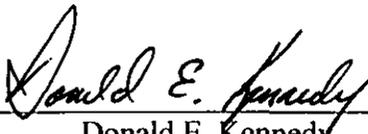
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VERIFICATION

I, Donald E. Kennedy, Director – Customer Energy Services of Pike County Light & Power Company, hereby state that the facts set forth in the foregoing Petition are true and correct to the best of my knowledge, information and belief.

I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to sworn falsification to authorities).



Donald E. Kennedy
Director – Customer Energy Services
Pike County Light & Power Company

Date: July 28, 2014

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