

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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October 15, 2014

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: Petition of PPL Electric Utilities
Corporation for Temporary Waivers from
Certain Technical Requirements of 52 Pa.
Code §§ 57.174 and 57.179
Docket No. P-2014-2445072

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Answer, in the above-referenced proceeding.

Copies have been served upon all parties of record as shown on the attached Certificate of Service.

Respectfully Submitted,

Kristine E Robinson

Kristine E. Robinson
Assistant Consumer Advocate
PA Attorney I.D. # 316479

Enclosures

cc: Office of Administrative Law Judge
Office of Special Assistants
Certificate of Service

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation :
for Temporary Waivers from Certain : Docket No. P-2014-2445072
Technical Requirements :
of 52 Pa. Code §§ 57.174 and 57.179 :

ANSWER OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 5.61 of the Regulations of the Pennsylvania Public Utility Commission (Commission), the Office of Consumer Advocate (OCA) hereby files this Answer to the Petition of PPL Electric Utilities Corporation (PPL or Company) for Temporary Waivers from Certain Technical Requirements of 52 Pa. Code Sections 57.174 and 57.179 (Petition). The OCA submits the following in support of its Answer:

I. Introduction

On September 25, 2014, PPL filed its Petition requesting the Commission to waive certain technical requirements of 52 Pa. Code Sections 57.174 and 57.179 as applied to the Company. In addition, PPL seeks approval of an alternative “Interim Metered Account Switching Proposal” to be utilized during the period of the requested waivers.

Section 57.174 provides as follows:

Time frame requirement.

(a) When a customer has provided the selected EGS or current EGS with oral confirmation or written authorization to select the new EGS or default service provider, consistent with electric data transfer and exchange standards, the EDC shall make the change within 3 business days of the receipt by the EDC of the electronic enrollment transaction.

(b) The EDC shall obtain a meter read to effectuate the switch of service within the time period provided for in subsection (a). In instances when the EDC does not have advanced or automated metering capability, the EDC shall obtain an actual meter read, use an estimated meter read or use a customer-provided meter read. When an estimated meter read is used, the estimated meter read shall be updated when an actual meter read is obtained.

52 Pa. Code § 57.174. The Commission has stated that multiple off cycle switches are permitted within a single billing period. Chapter 57 Regulations Regarding Standards for Changing a Customer's Electricity Generation Supplier, Final-Omitted Rulemaking Order, Docket No. L-2014-2409383, 27-28 (entered April 3, 2014).

Section 57.179 provides as follows:

Each EDC and each EGS shall preserve all records regarding unauthorized change of EGS and default service provider disputes for 3 years from the date the customers filed the dispute. These records shall be made available to the Commission or its staff upon request.

52 Pa. Code §§ 57.179.

Pursuant to the Commission's Order, EDCs are required to implement the amended regulations within six months of their effective date, absent good cause shown. In its Petition, PPL requests a temporary, limited waiver of the following: 1) the requirement for metered account multiple off-cycle switching for the period of December 15, 2014 through July 31, 2015; 2) the requirement for non-metered account multiple off-cycle switching for the period December 15, 2014 through September 30, 2015; and 3) the requirement to preserve all records regarding unauthorized switches for three years for the period December 15, 2014 through June 30, 2015.

PPL asserts that its current billing system lacks the technical capability needed to fully comply with the new accelerated switching requirements, because it cannot perform flexible off-

cycle billing switches. Petition at ¶ 17. PPL's outside billing system vendor, Accenture, has determined that it can design, install, program, and test all the modifications necessary to fully implement automated metered account multiple off-cycle, three business day switching within a single billing period by July 31, 2015. Petition at ¶ 24. Accenture has also determined that it can design, install, program, and test all the modifications necessary to fully implement automated non-metered account multiple off-cycle, three business day switching within a single billing period by September 30, 2015. Petition at ¶ 33. Thus, PPL requests temporary waivers of the provision regarding metered accounts from December 15, 2014 through July 31, 2015 and the provision regarding non-metered accounts from December 15, 2014 through September 30, 2015, unless PPL and Accenture are able to implement and test all necessary modifications sooner.

In its Petition, PPL also asserts that its current Interactive Voice Response (IVR) system is only able to store a recorded call for a period of 120 days. Petition at ¶ 40. PPL has also determined that it can design, install, program, and test all the modifications necessary to the IVR system to fully implement a three-year retention of all calls regarding unauthorized switching disputes by June 30, 2015. Petition at ¶ 42. Thus, PPL requests a waiver of the requirement to preserve all records regarding unauthorized switches for three years until June 30, 2015, unless PPL is able to implement and test all necessary modifications sooner.

In its Petition, PPL also proposes its plan to implement an interim metered account switching measure during the interim period of December 15, 2014 through July 2015. Under PPL's proposed interim switching measure, every metered shopping customer will be permitted to do the following: 1) make one off-cycle three business day switch within a single billing period to either a new EGS or default service; 2) after one off-cycle switch has been made for a

single billing period, make an on-cycle switch to either a new EGS or default service with service to become effective for the next billing period; and 3) make a verbal request for one additional manual off-cycle switch within a single billing period to be returned to default service within three business days. Petition at ¶¶ 45-47.

The OCA submits the following in response to PPL's Petition:

II. Answer

In general, the OCA supports PPL's efforts to thoroughly evaluate the system changes necessary to fully implement and comply with the new switching requirements. PPL has assessed the feasibility and practicality of enhancing its billing and IVR systems under various options. Importantly, the Company's Petition notes it has reviewed two primary options. Either it could replace its billing system over a three year period, or it could modify its billing system for full compliance with the Commission's regulations by the summer of 2015. Petition at ¶¶ 16-35. In either instance, the Company has claimed it is not feasible to fully comply with the Commission's switching and record retention regulations by December 15, 2014.

While the OCA acknowledges that lengthy switching delays can result in some customer frustration and a reduction in attained savings, the OCA submits that cost in achieving accelerated switching is also an important consideration. Accenture has determined that it can design, install, program, and test all the modifications necessary to fully implement automated metered account multiple off-cycle, three business day switching within a single billing period by July 31, 2015 and it can fully implement automated non-metered account multiple off-cycle, three business day switching within a single billing period by September 30, 2015. The Company has also determined that it can design, install, program, and test all the modifications necessary to the IVR system to fully implement a three-year retention of all calls regarding

unauthorized switching disputes by June 30, 2015. The OCA submits that PPL's request for a temporary waiver appears reasonable at this time.

The OCA is concerned, though, with PPL's plan to implement an interim metered account switching measure during the interim period of December 15, 2014 through July 2015. PPL has provided no cost information for this alternative. The OCA supports approval of the requested temporary modifications insofar as they provide customers with two meaningful avenues to move off of potentially expensive EGS service on an off-cycle basis. PPL should be required to demonstrate that the costs are reasonable and justified if it seeks recovery of such costs.

WHEREFORE, the Office of Consumer Advocate respectfully submits that PPL's request for a temporary waiver appears reasonable subject to the above-stated condition.

Respectfully Submitted,

Kristine E. Robinson

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Dated: October 15, 2014

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CERTIFICATE OF SERVICE

Re: Petition of PPL Electric Utilities Corporation for Temporary Waivers from Certain
Technical Requirements of 52 Pa. Code §§ 57.174 and 57.179
Docket No. P-2014-2445072

I hereby certify that I have this day served a true copy of the foregoing document,
the Office of Consumer Advocate's Answer, upon parties of record in this proceeding in
accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a
participant), in the manner and upon the persons listed below:

Dated this 15th day of October 2014.

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