



Eckert Seamans Cherin & Mellott, LLC
213 Market Street
8th Floor
Harrisburg, PA 17101

TEL 717 237 6000
FAX 717 237 6019
www.eckertseamans.com

Deanne M. O'Dell
717.255.3744
dodell@eckertseamans.com

October 22, 2014

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Re: Petition of PECO Energy Company For Temporary Waiver of Regulations Related to the Required Dates in a Billing Period – Docket No. P-2014-2446292

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Retail Energy Supply Association's ("RESA") Answer to PECO's Petition for Temporary Waiver of Billing Regulations with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

A handwritten signature in cursive script that reads "Deanne M. O'Dell".

Deanne M. O'Dell

DMO/lww
Enclosure

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of RESA's Answer to PECO's Petition upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa.

Code Section 1.54.

Via E-mail and/or First Class Mail

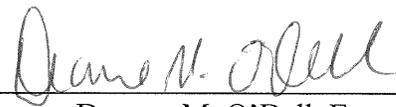
Ward L. Smith, Esq.
Craig Williams, Esq.
Exelon business Services Company
2301 Market Street/S23-1
Philadelphia, PA 19103
ward.smith@exeloncorp.com
craig.williams@exeloncorp.com

John R. Evans
Office of Small Business Advocate
Commerce Building, Suite 202
300 North Second St.,
Harrisburg, PA 17101
jorevan@pa.gov

Kristin E. Robinson, Esq.
Aron J. Beatty, Esq.
Office of Consumer Advocate
555 Walnut St.,
5th Floor, Forum Place
Harrisburg, PA 17101-1923
krobinson@paoca.org
abeatty@paoca.org

Johnnie Simms, Esq.
Bureau of Investigation & Enforcement
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265
josimms@pa.gov

Date: Oct. 22, 2014



Deanne M. O'Dell, Esq.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company For :
Temporary Waiver of Regulations : Docket No. P-2014-2446292
Related to the Required Days In A :
Billing Period :

**ANSWER OF RETAIL ENERGY SUPPLY ASSOCIATION
TO PECO PETITION FOR TEMPORARY WAIVER OF BILLING REGULATIONS**

Pursuant to 52 Pa. Code §§ 5.61(a) and 1.56(b)¹, the Retail Energy Supply Association (“RESA”)² submits this Answer in response to the Petition filed by PECO Energy Company (“PECO”) seeking a four year waiver of the Commission’s regulations related to billing requirements at 52 Pa Code §§ 56.2 and 56.11. PECO seeks the waiver so that it can issue additional bills (referred to as the “Bill On Supplier Switch” or “BOSS” approach) to electric customers switching to a competitive electric generation supplier (“EGS”) as a way to implement the Commission’s recently enacted regulations requiring electric distribution companies (“EDCs”), like PECO, to switch a customer’s generation supplier within three business days.³ This new “accelerated switching” timeframe must be implemented by December 15, 2014.⁴

¹ Although RESA was not served with a copy of the petition, the certificate of service to other entities notes that it was effectuated by US Mail on October 1, 2014. Thus, pursuant to 52 Pa. Code § 1.56(b), answers from parties who were served are due October 24, 2014.

² RESA’s members include: AEP Energy, Inc.; Champion Energy Services, LLC; Consolidated Edison Solutions, Inc.; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; GDF SUEZ Energy Resources NA, Inc.; Homefield Energy; IDT Energy, Inc.; Integrys Energy Services, Inc.; Interstate Gas Supply, Inc. dba IGS Energy; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; NRG Energy, Inc.; PPL EnergyPlus, LLC; Stream Energy; TransCanada Power Marketing Ltd. and TriEagle Energy, L.P. The comments expressed in this filing represent only those of RESA as an organization and not necessarily the views of each particular RESA member.

³ 52 Pa. Code § 174(a).

⁴ 52 Pa. Code § 57.180

RESA is a strong proponent of accelerated switching and appreciates the efforts of PECO (and other EDCs) to implement internal processes to comply with the implementation deadline required by 52 Pa. Code § 57.180. Although this proceeding is limited to PECO's requested waiver, RESA must first express its concern regarding the lack of any real opportunity provided to EGSs to offer any input during the development phase of all of the EDC's accelerated switching plans. Importantly, RESA is concerned about all of the EDCs' decision to not retain the on-cycle switch process or to allow use of the electronic data interchange ("EDI") enrollment request to include an effective date for the enrollment. However, given RESA's support of accelerated switching, RESA is cautious about raising any concerns or objections to the individual EDC implementation plans. On the one hand, RESA is eager for accelerated switching to become a reality in Pennsylvania – the first retail market outside of Texas to boldly adopt this customer-oriented vision. On the other hand, accelerated switching has significant operational, business process, contractual and hedging practice impacts for EGSs and RESA is particularly concerned about the potential negative and unintended consequences that may flow from all of the EDC's chosen implementation methods.

Given the importance of this issue and its direct impact on EGSs and their customers, RESA's members expected a much more inclusive and collaborative process to implement accelerated switching. Although very high level updates were provided on occasional CHARGE and EDEWG calls, RESA is unaware of any structured opportunity for EGSs to provide input into the EGSs accelerated switching plans. If this opportunity to provide input had been provided, the concerns regarding PECO's BOSS approach as well as RESA's overall concern about how not retaining the on-cycle switch process nor using EDI process to include an

enrollment effective date might have been reasonably addressed without impacting the implementation deadline.

Nevertheless, regarding PECO's Petition, RESA is concerned that PECO's proposal to issue customers a "short-period bill" each time the customer switches will result in more technical and operational complexity and confusion for customers as customers begin receiving multiple bills each time they switch suppliers. Most significantly, RESA is concerned that the requirement of customers to make a payment each time they receive a BOSS bill (which could be multiple times during the billing period depending on how often the customer switches generation suppliers) will create the misimpression that customers who want to shop are required to pay for the ability to do so. Thus, to the extent the Commission approves PECO's BOSS approach, RESA strongly urges the Commission to direct PECO to modify this one element of its proposal so that customers are not required to make a payment with each BOSS bill but rather the BOSS bill will serve as informational just as PECO suggests for budget billing customers.

In addition to this program modification, RESA urges the Commission to require PECO to schedule regular meetings with suppliers (at least weekly from the date of the Commission's order through the December 15, 2014 implementation date and monthly thereafter until June 15, 2015) to discuss and coordinate general issues related to PECO's implementation of accelerated switching, the corresponding requirements of EGS, and the messaging that will be provided to customers about the process. While RESA recognizes that the Commission did not direct the EDCs to coordinate with the EGSs regarding development of the optimal operational protocols, effectuating viable and successful accelerated switching for customers involves the technical and operational cooperation of the EDCs and the EGSs and RESA is concerned about the lack of opportunity for EGSs to participate in a discussion about the design before now. Thus, directing

PECO to engage in those discussions going-forward is a reasonable approach to encouraging stakeholders to work collaboratively to address technical issues and concerns in an effort to forestall future problems for consumers.

Finally, while RESA does not prefer the BOSS approach selected by PECO, RESA urges the Commission to require a serious evaluation of PECO's accelerated switching process one year after implementation. To accomplish this, RESA recommends that PECO be directed to convene a stakeholder collaborative no later than January 31, 2016 to evaluate the BOSS approach implementation based on the experiences of all the stakeholders as well as customers. The goal of this collaborative would be to identify potential operational changes going forward to improve the accelerated switching process with the goal of providing a more optimal switching experience for customers including, for example, retaining on-cycle switching as an option or allowing the new EGS to define the switch effective date in the EDI transaction. Following the collaborative, PECO should be directed to file a plan for Commission approval (after a comment period) addressing any changes or modifications to its accelerated switching process resulting from the collaborative. In fact, RESA would support the Commission adopting this approach for all the EDCs because RESA is concerned that the apparent decision of all the EDCs to rely on accelerated switching as the only enrollment option may increase customer exposure to early termination fees or liquidated damages.

Again, while RESA does not prefer PECO's BOSS approach, conditioning any approval of PECO's waiver request on all three of these suggestions: (1) may at least lessen the negative impact of one of the more problematic aspects of the proposal; (2) will provide a real-time forum for collaboration among the stakeholders prior to and immediately after implementation to optimize coordination and discuss problems; and, (3) will establish a process to seriously

evaluate the BOSS approach after one year to determine how the accelerated switching process could be improved going forward.

I. RESA'S INTEREST IN THIS PROCEEDING

RESA is a trade association of power marketers, independent power producers, and a broad range of companies within the Mid-Atlantic marketplace, each of whom support the electric services industry and seek to develop a more competitive power industry. RESA members are licensed to sell electric energy in the markets of Pennsylvania's major EDCs, including the service territory of PECO. RESA members will be substantially affected by the outcome of this proceeding in the following significant ways.

First, the Commission has made clear to EGSs that they must "review their internal procedures to ensure that they are in compliance with the accelerated switching regulations by December 15, 2014."⁵ EGSs' ability to comply with this requirement is directly dependent on ensuring that their internal systems are capable of accommodating an EDC's selected method for effectuating an accelerated switch. In other words, EGSs need to know what information and in what format an EDC needs to effectuate an off-cycle switch. Therefore, the Commission's decision here will have a substantial impact on the ability of EGSs to fulfill their own obligations with respect to accelerated switching.

Second, EGSs have an interest in ensuring that they understand the implementation process selected by each EDC so that they can accurately communicate the process to the customer at the time the customer chooses to select the EGS. Thus, for example, if each switch is going to trigger a communication from the EDC (as PECO proposes), the EGS needs to know

⁵ *Accelerated Switching Regulations at 52 Pa. Code §§ 57.171-57, 180*, Docket Number L-2014-2409383, Secretarial Letter dated September 8, 2014.

that so it can appropriately forewarn the customer about what to expect. Moreover, as explained further below in Section II.B, requiring all switches to be processed through the accelerated switch methodology may increase the exposure of customers to early termination fees or liquidated damages clauses; and, therefore educating customers about these risks is important. For these reasons, ensuring adequate education of the EGS about an EDC's process will enable the EGS to address any subsequent customer issues or questions that may occur as a result of the process.

Third, as competitive suppliers, EGSs have a general interest in ensuring that the competitive marketplace is reasonably functioning from the viewpoint of a customer. If a customer is confused about the switching process or thinks that he/she is being required to pay more to shop, such confusion could lead to dissatisfaction with the shopping experience and create barriers to entry for EGSs.

For all these reasons, RESA has an interest in this proceeding and respectfully requests that the Commission consider its input in addressing PECO's Petition.

II. RESA'S CONCERNS REGARDING PECO'S PROPOSED APPROACH

RESA is fully supportive of accelerating the switching time in order to facilitate a more customer-oriented shopping experience. As RESA has previously advocated, the current switching process is grossly out of line with standards for service in other industries, such as mobile phone service or cable television, where service can be initiated or changed in some cases instantaneously.⁶ To address this, the Commission's recently enacted accelerated switching regulations require an EDC to change a customer's EGS within three business days of the receipt

⁶ See, e.g., *Interim Guidelines Regarding Standards For Changing a Customer's Electricity Generation Supplier*, Docket Number M-2011-2270442, RESA Comments to Tentative Order dated December 14, 2011 at Tentative Comments at 2.

by the EDC of the electronic enrollment transaction.⁷ These regulations became effective on June 14, 2014 and require the new switching timeframe to be implemented by December 15, 2014.⁸

RESA recognizes that the Commission did not provide specific technical guidance to the EDCs about how to implement the new accelerated switching regulatory requirements. A result of this is that PECO is proposing a different approach than other EDCs; although, all EDCs appear to be relying on the accelerated switching methodology as the only enrollment option for customers and EGSs while not also permitting EGSs to define the switching effective date in the EDI transaction.⁹

PPL Electric Utilities Corporation (“PPL”), for example, recently explained that its long-term accelerated switching approach will modify its current billing system to implement a fully automated approach so that all customers will be able to avail themselves of the unlimited ability to switch suppliers within three business days within a single billing period.¹⁰ Because PPL projects that it will implement its long-term approach for metered customers on or before August 1, 2015 and for non-metered customers on or before October 1, 2015, it is seeking a temporary waiver of: (1) 52 Pa Code § 57.180 which requires accelerated switching to be implemented by December 15, 2014; and, (2) 52 Pa Code § 57.179 regarding record retention. Similarly, Duquesne Light Company (“DLC”) recently filed a Petition for Waiver of the December 15, 2014 accelerated switching implementation deadline noting that it could be fully compliant by

⁷ 52 Pa Code § 57.174(a).

⁸ 52 Pa Code § 57.180

⁹ As explained further in Section II.B, RESA is concerned that this may lead to increased exposure to early termination fees and liquidated damages.

¹⁰ *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, Petition of PPL Electric Utilities Corporation, dated September 25, 2014.

July 31, 2015.¹¹ Neither PPL nor DLC are seeking any waivers of the Commission’s billing regulations to support either their interim or long-term solutions. Similarly, during a recent webinar conducted by the FirstEnergy EDCs, they indicated that they have the capability to process one off-cycle switch without prompting a mid-month payment that could be misconstrued as a switching fee. In FirstEnergy’s presentation to suppliers, a sample bill was shared that would occur on the typical billing cycle which simply displays the two separate suppliers on the same bill. RESA generally supports the approaches set forth by PPL, DLC and FirstEnergy since none of them will not result in the issuance of additional bills to customers (though as explained further in Section II.B, RESA is concerned about the use of accelerated switching as the only enrollment option for customers and EGSs coupled with the lack of an EDI enrollment process permitting EGSs the ability to define the switching effective date).

In contrast to these EDCs, PECO’s Petition states that it will be able to meet the December 15, 2014 implementation timeframe required by 52 Pa. Code § 57.180 but, to do this, PECO proposes to issue customers a “short-period bill” each time the customer switches. According to PECO, the BOSS approach “leverages PECO’s current billing system’s capabilities with minimal impact to those systems.” Petition at ¶ 4. However, to implement the BOSS approach – which will result in customers who switch suppliers receiving at least one (and maybe more) off-cycle bills in addition to their on-cycle bill – PECO is requesting a waiver of the Commission’s billing regulations at 52 Pa. Code §§ 56.2 and 56.11. These billing regulations require 26 days in a billing period and restrict the number of bills to one per billing period. Petition at ¶¶ 11-12. While PECO is requesting the waiver for a period of four years,

¹¹ *Petition of Duquesne Light Company for a Waiver of the Three Business Day Switching Requirements Under 52 Pa. Code § 57.174*, Docket No. P-2014-2448863, Petition of Duquesne Light Company filed October 21, 2014.

PECO makes clear that its BOSS approach would be the permanent method through which PECO would satisfy the Commission's accelerated switching regulations. Petition at ¶ 22.

As explained further below, RESA has significant concerns about PECO's BOSS approach and, as a result, urges the Commission to condition any approval of its Petition on the following:

- (1) all BOSS bills should be informational for all switches with no customer payment required until the on-cycle bill is rendered;
- (2) PECO must schedule regular meetings with suppliers through June 15, 2015 to coordinate technical implementation issues as well as customer messaging; and,
- (3) PECO must convene a stakeholder collaborative no later than January 31, 2016 to identify (and submit a plan for Commission approval) potential operational changes going forward to improve the accelerated switching process with the goal of providing a more optimal switching experience for customers.

A. **RESA is concerned about the confusion and potential negative impression about shopping that may result from PECO's accelerated switching proposal**

PECO explains that its BOSS approach to accelerated switching will result in a customer receiving a short-period BOSS bill each time the customer switches suppliers off-cycle. Petition at ¶¶5,9. This will occur when any of the following scenarios occurs during the billing cycle:

- when a default service customer enrolls with an EGS during the billing cycle
- when an EGS customer switches to another EGS during the billing cycle; or,
- when an EGS customer returns to EDC default service during the billing cycle.

Unless the customer is a budget billing customer, he/she will be required to remit a payment for each short-period BOSS bill received as the customer switches suppliers. The short-period BOSS bill will include the following:

- electric service charges (the usage period for the BOSS bill will be from the prior billed reading date to the date of enrollment, switch or drop from an EGS, and the calculation of the due date for the BOSS bills will follow the same rules as regular bill due date calculations);
- prorated non-usage-based electric service charges including the customer charge; and

- demand charges;
- a listing of prior payments not shown on a prior bill;
- a listing of excess credits not shown on a prior bill;
- a listing of new miscellaneous debits/credits not shown on a prior bill;
- a listing of late payment charges ('LPCs') not shown on a prior bill;
- a listing of the previous outstanding balance from prior bills; and,
- a message explaining the BOSS bill to differentiate it from the normal, on-cycle bill. Petition at ¶¶6-8

The short-period BOSS bill will not replace a customer's regularly scheduled on-cycle bill which will contain all the information normally associated with PECO's current bills as well as billing for the usage period from the prior short-period BOSS bill to the date of the on-cycle bill. Petition at ¶7.

1. All BOSS bills should be informational for all switches with no customer payment required until the on-cycle bill is rendered

RESA is concerned about the confusion and potential negative impression about shopping that may result from PECO's proposal. Most significantly, asking customers to pay something each time they switch (even though related to that customer's direct usage and not an additional fee) is invariably likely to mislead customers into thinking that they are being required to pay to shop. This is clearly the wrong message to be sending to customers. While PECO does explain that along with each short-period BOSS bill a customer will receive a letter confirming the switch with an explanation about why the customer is receiving the short-period BOSS bill, PECO does not provide any of the proposed materials that will be sent to customers including the explanation or the short-period BOSS bill. Therefore, there is no real way to assess whether the messaging that PECO will be providing is sufficient.

While RESA does not prefer PECO's BOSS approach, if the Commission approves it, then RESA recommends that the Commission require PECO to revise it so that customers are not required to make a payment with the short-period BOSS bill. By doing this, the customer would receive notice about the switch as well as the short-term usage with the BOSS informational bill

but since the customer is not required to remit any payment, concerns about creating a negative opinion about the consequences of shopping may be lessened. According to PECO's Petition, it is already planning to use a short-period BOSS informational bill for customers who utilize budget billing. Petition at ¶ 16. Therefore, requiring PECO to implement a similar process for all customers should not involve additional effort on the part of PECO and, to the extent the Commission chooses to approve PECO's BOSS approach, RESA urges the Commission to direct PECO to make this one change.

2. PECO should be directed to schedule regular meetings with suppliers for a period of six months to coordinate technical implementation issues

In addition to requiring PECO to utilize a short-period BOSS informational bill that does not require payment, RESA recommends that the Commission require PECO to engage in regular, on-going operational coordination with EGSs for a period of six months. RESA recommends that PECO offer EGSs the opportunity to discuss these issues at least weekly prior to the implementation date of December 15, 2014. After implementation, a more appropriate frequency for these meetings would be at least once a month (unless PECO or the EGSs choose to meet more regularly). RESA recommends that these meetings occur for at least six months after implementation or until June 15, 2015 (again unless PECO or the EGSs choose to continue them) so as to provide a forum to discuss on-going issues and concerns.

The purpose of these regular meetings – particularly prior to the implementation date – would be to ensure that EGSs are aware of the operational requirements necessary for EGSs to accommodate PECO's BOSS approach. The ability of the EGSs to coordinate with PECO from an operational standpoint is a critical component of effectively implementing accelerated switching. These meetings will enable EGSs to better understand PECO's BOSS approach so that they revise their own internal systems as may be necessary. In addition, these meetings will

provide EGSs necessary educational information about the BOSS approach so that EGSs can better inform customers who are selecting their service about what to expect and to address any subsequent questions or problems that may arise after the customer is switched.

Also as a part of these meetings, EGSs should be provided an opportunity to review and provide input regarding the materials that PECO proposes to send to customers. As discussed above, PECO has not provided any details about the messaging it is planning to provide customers with the BOSS approach. As competitive suppliers, EGSs have significant experience with marketing and messaging related to choice. As such, EGSs can provide valuable input about messaging that would be helpful in ensuring that PECO is not creating a negative impression about this process and shopping. Requiring PECO to solicit this input and incorporate it as appropriate is, therefore, in the best interest of consumers.

Again, while PECO's proposed BOSS approach is not RESA's preferred option for implementing accelerated switching, if the Commission chooses to move forward, requiring these meetings is necessary to facilitate as smoother implementation through the cooperative efforts of the stakeholders involved.

B. PECO should be directed to convene a stakeholder collaborative no later than January 31, 2016 to identify potential operational changes going forward

For all the reasons explained above, RESA does not believe PECO's BOSS approach is the appropriate way to implement accelerated switching. If, however, the Commission chooses to permit PECO to go forward with its proposal (with RESA's recommended changes), then RESA urges the Commission to require that the approach be seriously evaluated one year after it is implemented. PECO's Petition contemplates an evaluation of this process toward the end of a four year period to determine whether additional waivers of the Commission's billing regulations would be needed. Petition at ¶ 22. RESA respectfully submits that waiting four years to review

this process is simply too long as any damage that occurs as a result of the BOSS approach creating negative feelings in customers towards shopping will likely be irreversible at that point.

A more reasonable approach would be for the Commission to direct PECO to convene a stakeholder collaborative no later than January 31, 2016 – which would be one year after implementation. The purpose of this collaborative would be to evaluate the accelerated switching process based on the experiences of all the stakeholders (PECO and the EGSs) as well as feedback from customers. The goal of directing PECO to convene this collaborative would be to identify potential operational changes going forward to improve the accelerated switching process with the goal of providing a more optimal switching experience for customers including, for example, retaining on-cycle switching as an option or allowing the new EGSs to define the switch effective date in the EDI transaction. Following the collaborative, PECO should be directed to file a plan for Commission approval (after a comment period) addressing any changes or modifications to the accelerated switching process resulting from the collaborative. By doing this, the Commission will ensure that a process is in place to timely evaluate the BOSS approach based on real world experience as well as feedback from market participants so that the Commission can better assess whether the approach should be continued or modified going forward.

RESA would also support the Commission adopting this approach for all the EDCs based on RESA's concerns about the apparent decision of all the EDCs (including PECO) to rely on accelerated switching as the only enrollment option. Although RESA is fully supportive of accelerated switching, immediately moving to a model where all switches are processed as off-cycle switches, presents issues that may be problematic for EGSs and customers. If all enrollment transactions are processed as off-cycle switches, some customers will likely be

exposed to more frequent early termination fees. Similarly, in the case of larger commercial accounts, they could be more frequently exposed to liquidated damages provisions. This is because a customer who selects a new EGS during the ending month of their current contract, is much more likely to switch before their current contractual end date, which for most customers would currently be defined as the regularly scheduled meter read date. The following example illustrates this point:

- A customer originally signed up under a fixed price contract in January 2014 for a 12 month term. The customer's meter read date is January 29th. Currently, most EGSs define contract terms based on the regular meter read date. So, this customer would have a term extending through January 29th, 2015.
- If the customer shops and selects a new EGS during January 2015, they are likely to believe that if they switch in January, they will be honoring their existing contract. However, consistent with the way that all the EDCs have chosen to implement accelerated switching, if the customer's new EGS initiates the EDI enrollment transaction at any time before January 26th, the switch will happen before the customer's contracted end date.
- This may expose the customer to early termination fees or liquidated damages provisions for commercial contracts. In the case of large commercial customers, the mark to market loss associated with liquidating a partial month's worth of supplies can be substantial.

To address these concerns, customers who wish to avoid such fees should be permitted to define their switch effective date. Doing so is consistent with 52 Pa. Code § 57.173(2) which expressly requires the EDCs and EGSs to allow a customer to indicate an enrollment date in the future. This can be accomplished two ways. First, the existing on-cycle switch could be retained as an option that the new EGS can select based on instructions from the customer. Alternatively, the EDI enrollment transaction could be modified to permit the new EGS to specify the switch effective date. Under this option a customer can advise their new EGS of their existing contract end date and the new EGS can use this information to implement the enrollment in a way that avoids any termination fees for the customer. Because the none of the EDC plans retain the on-

cycle switching process nor include a modified EDI enrollment request to include an effective date for the enrollment, EGSs will have little ability to control the switch effective date.

Therefore, as the accelerated switching moves forward in Pennsylvania, it is important to ensure that there are established processes in place for continued evaluation and improvement based on actual experience. Directing PECO (and the other EDCs) to convene stakeholder processes by January 31, 2016 is a reasonable approach that would benefit stakeholders and consumers alike.

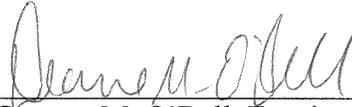
III. CONCLUSION

Based on a balancing RESA's concerns related to PECO's proposed BOSS approach and the benefit of implementing accelerated switching within the December 15, 2014 timeframe, RESA recommends that any approval of PECO's Petition include the following conditions:

- Rather than require a customer payment with each short-period BOSS bill, the BOSS bill should be informational for all switches as PECO suggests for budget billing customers;
- PECO should be directed to schedule regular meetings with suppliers (at least weekly from the date of the Commission's order through the December 15, 2014 implementation date and monthly thereafter until June 15, 2015) to discuss and coordinate general issues related to PECO's implementation of accelerated switching, the corresponding requirements of EGSs, and the messaging that will be provided to customers; and,
- No later than January 31, 2016, PECO should be directed to convene a stakeholder collaborative to evaluate its implementation of accelerated switching based on its own experiences as well as feedback from EGSs and customers. The goal of this collaborative would be to identify potential operational changes going forward to improve the accelerated switching process with the goal of providing a more optimal switching experience for customers including, for example, retaining on-cycle switching as an option or allowing the new EGSs to define the switch effective date in the EDI transaction. Following the collaborative, PECO should be directed to file a plan for Commission approval (after a comment period) addressing any changes or modifications resulting from the collaborative. (Note that RESA would also support the Commission adopting this approach for

all the EDCs based RESA's concerns about the apparent decision of all the EDCs to rely on accelerated switching as the only enrollment option.)

Respectfully submitted,



Deanne M. O'Dell, Esquire
Attorney ID #81064
Daniel Clearfield, Esquire
Attorney ID #26183
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
(717) 237-6000 (phone)
(717) 237-6019 (fax)

Date: October 22, 2014

Attorneys for Retail Energy Supply Association