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April 3, 2015

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: *Joint Petition off Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Temporary Waiver of Technical Requirements of 52 Pa. Code § 57.174; Docket Nos. P-2014-2449010, P-2014-2449015, P-2014-2449017 and P-2014-2449027*

Dear Secretary Chiavetta:

On December 4, 2014, the Pennsylvania Public Utility Commission (“Commission”) entered an Order (“December 4 Order”) granting, with modifications, waivers of certain provisions of Chapter 57 of the Commission’s regulations to Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”), Pennsylvania Power Company (“Penn Power”), and West Penn Power Company (“West Penn”) (collectively, the “Companies”) at the above-referenced consolidated dockets. In their Petitions, the Companies sought a waiver of Section 57.174 of the Commission’s regulations through December 31, 2015 for both metered and unmetered accounts to operate under a multiple switch environment. The Commission’s December 4 Order granted the requested waiver until June 15, 2015 for implementation of multiple switches on all metered accounts, and until December 31, 2015 for implementation of multiple switches on all unmetered accounts. In granting the Companies’ waiver requests, the Commission required that a status report be filed within 120 days of the entry of the December 4 Order detailing the Companies’ progress towards full compliance with 52 Pa. Code § 57.174 for all metered accounts. This letter is being filed in compliance with that provision, outlined in ordering paragraph 2 of the December 4 Order.

The Companies’ implementation strategy involves two phases, Phase I having been projected for completion for roll out in advance of December 15, 2014, followed by the more complicated Phase II projected for completion no later than year-end 2015. The Companies were successful in meeting the timeline on Phase I of their plan, with full functionality having

been implemented over the weekend of December 12, 2014.¹ Effective December 15, 2014, initial customer or supplier enrollments or drops in a single billing period are processed within three business days.

In designing this new functionality, the Companies' paramount priority has always been to ensure that the customer experience is as positive and transparent as possible. Following roll out of Phase I, the Companies have actively monitored the new process in an effort to proactively identify for improvement any unanticipated issues and to ensure that Phase II implementation can progress as planned. This has included:

- Monitoring enrollments and drops to ensure that the correct switching dates were provided under the new set of rules.
- Reviewing affected billing functions from multiple perspectives, including assuring that calculations are accurate, that information on the invoices is printing as expected, and tracking error counts and types in nightly batch billing processing.
- Maintaining a strong focus on contact center support, which has been critical to making sure that any customer concerns associated with this implementation are appropriately handled.

While implementation has proceeded as planned, the Companies completed a stabilization and monitoring period that identified needed corrections during the transition from Phase I to Phase II. These corrections centered on software defects that required manual intervention to avoid customer impact. A number of the defects were coded, tested, and deployed to production by February 20, 2015. Meanwhile, one particular substantial defect required the vendor to propose technical solutions that need significant end user testing. Therefore, this defect along with several others identified still need to be coded, tested and deployed to production. Without these defects being repaired prior to Phase II implementation, the Companies cannot support the volumes anticipated to be generated by Phase II.

Other work in progressing onward through Phase II implementation has the Companies now in the process of completing a number of critical steps before programming on the advanced functionality can begin:

- Reviewing data collected from the use of Phase I functionality from December 15, 2014 to date in order to inform the final design of Phase II programming.
- Completing corrections to any remaining defects identified following Phase I implementation (as described above).
- Coordinating with SAP Public Services Incorporated for assistance in completing necessary high-level system programming changes that the Companies do not have access within the software to make themselves.

¹ As part of their Phase I implementation, the Companies addressed all of the items listed on pp. 5-6 of their Joint Petition, among other activities.

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The Companies continue to work towards a Phase II implementation date of June 15, 2015 – the date set by the Commission in its December 4 Order. However, there are many challenges the Companies must overcome and work to be accomplished between today and June 15, including several broad system changes that must be made by the software developer itself. Furthermore, as referenced in the Companies' Petitions, an SAP freeze is taking place between the end of February and the end of May as the result of a technical maintenance release.²

Despite the significant volume of work remaining, the progress that the Companies have made in implementing the new switching process to this point has yielded positive impacts to customers. Data indicates that the bulk of the Companies' customers have been able to accomplish switching requests without delay, even without the ability to make multiple off-cycle switches. For instance, two or more switches within the same thirty day period were requested for only 0.3% of meters on the Companies' systems in aggregate during the first quarter of 2015.³ Meanwhile, the Companies' informal and formal Commission complaints related to shopping are a mere 10% of the level they were during the winter of 2013-2014 over the same timeframe for the winter of 2014-2015, none of which have been related to the new process itself. Call volume related to issues surrounding switching is similarly very low. The Companies believe that the careful attention they have paid to changes in bill presentation and programming has helped to minimize customer confusion and maximize satisfaction surrounding this new process.

Very truly yours,



Tori L. Giesler

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² Technical maintenance releases, performed every other year, provide strategically planned upgrades at staged intervals. These planned upgrades are required under the Companies' SAP license contract with the software creator. The system freeze on transports during this time is required to allow the Companies' functional and technical teams time to test the system before implementation of the maintenance release into the production systems to ensure the integrity of the production systems is not compromised.

³ The percentage that would actually constitute a "multiple switch" within the same billing cycle is projected to be even lower, given that the thirty days represented here may span two separate billing cycles.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition of Metropolitan Edison	:	
Company, Pennsylvania Electric Company,	:	Docket Nos. P-2014-2449010
Pennsylvania Power Company and West	:	P-2014-2449015
Penn Power Company for Temporary	:	P-2014-2449017
Waiver of Technical Requirements of 52	:	P-2014-2449027
Pa. Code § 57.174	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by first class mail, as follows:

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Harrisburg, PA 17101

Tanya McCloskey
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Dated: April 3, 2015



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