

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Natural Gas Distribution Company Customer
Account Number Access Mechanism for
Natural Gas Suppliers

Docket No. M-2015-2468991

**COMPLIANCE PLAN OF
PHILADELPHIA GAS WORKS
REGARDING THE DEVELOPMENT OF
AN ACCOUNT NUMBER ACCESS MECHANISM**

I. INTRODUCTION

On July 8, 2015, the Pennsylvania Public Utility Commission (“Commission”) issued its Final Order (“Order”) setting forth procedures to facilitate natural gas suppliers’ (“NGS”) access to natural gas distribution company (“NGDC”) customer account numbers when the account number is not available from either the customer or an existing Eligible Customer List (“ECL”). In its July 8, 2015 Order, the Commission directed all NGDCs to submit, within six (6) months of the entry date of the Final Order, compliance plans outlining the NGDC’s account number access mechanism. Philadelphia Gas Works (“PGW”) respectfully submits the Compliance Plan below pursuant to the Commission’s July 8, 2015 Order.

II. COMPLIANCE PLAN

A. Website Portal

In its Order, the Commission directed NGDCs to develop an account number access mechanism within their existing web portals which require the input of a username and password to be accessed by an NGS. Order at 9.

In compliance, PGW will develop a secure account number and service point ID¹ (collectively “account number”) access mechanism (“mechanism”) as a part of its existing Choice Portal for account numbers of firm residential and small business customers.² Access to the Choice Portal requires NGSs and their representatives to undergo a username and password verification process.

B. Customer Information Inputs

The Commission ordered that NGDCs, in developing their account number access mechanisms, include fields for the input of a customer’s full name, service street address and postal code. Order at 11. The Commission did not require wildcard and/or drop-down boxes, but encouraged NGDCs to review these options while maintaining consumer privacy protections. Id. at 11-12.

PGW’s mechanism will contain the required input fields: the customer’s full name, the service street address, and the five-digit postal code. PGW expects to be able to add additional input field functionality, such as drop-down boxes or wildcards strictly for street type and/or postal codes. However, no other drop-downs or wildcards are being considered at this time due to concerns about the possible effects on customer privacy and protections. Including this functionality for a customer’s name or street address may increase the risk of false returns, or increase the likelihood that the mechanism would provide an account number for a different

¹ A customer’s service point ID is required for enrollment in PGW’s choice program.

² As used herein, small business customers will include Rate GS commercial and industrial customers eligible for PGW’s purchase of receivable and consolidated billing program (i.e. as currently approved, this includes such customers using no more than 5,000 Mcf per year). POR Settlement at 15, fn. 20 (approved by Commission Order dated Feb. 20, 2014 at Docket Nos. R-2008-2073938 and R-2009-2139884).

customer. Additionally, this functionality could lead to additional “multiple hits” errors by widening the field of potential customers that could meet the input data criteria.

Some input fields that may be utilized by other EDCs or NGDCs are not needed for PGW because of the design of PGW’s Choice Portal. A field for the NGS salesperson to enter initials is not needed because the PGW Choice Portal, within which the Account Number Access Mechanism will be housed, has established log-in security and access documentation protocols. In addition, PGW believes it is unnecessary to include a verification screen to summarize and display all customer data entered prior to launching the actual search since suppliers can re-enter information if a search does not produce a result.

C. Consumer Protections

In its Order, the Commission directed NGDCs to include an area in the mechanism in which an NGS can attest to the receipt of a signed Letter of Authorization (“LOA”). Order at 14. The Commission also required that the NGDC web portal provide for a field where NGSs can document that a valid form of identification was provided by the customer. Id. at 17. A drop-down box, check box or input field can be used to allow the NGS to specify the type of identification presented by the customer. Id. The Order requires NGDCs to include in their mechanisms an area where the NGS can attest that the enrollment occurred in a public venue. Id. at 20.

PGW’s proposed mechanism complies with the consumer protection provisions set forth in the Order. The mechanism will require that a box be checked to confirm the receipt of an LOA signed by the customer and that the customer has provided a government-issued photo identification or an alternative form of ID. A drop-down box will be used by the NGS to select

the type of identification presented by the customer. The options under the drop-down box will be “driver’s license or Commonwealth issued identification card,” “passport” and “other.” If “other” is selected, the NGS will be required to manually enter the alternate identification used by the customer. Finally, a checkbox will be used to allow the NGS to attest that the enrollment occurred in a public venue. These attestations will need to be made before the NGS representative has access to the account number. Once the information has been entered into the web portal, the NGS representative will click on a “submit” button to continue the account number access process.

D. Mechanism Outputs

The Commission’s Order requires a minimum of three (3) outputs from the account number access mechanism: the customer’s account number, “NO HIT” or “MULTIPLE HITS.” NGDCs have the option of including additional outputs in the mechanism. Order at 24.

The mechanism proposed by PGW will produce one of the three (3) required outputs: account number, “NO HIT” or “MULTIPLE HITS” depending upon the inputted data and matches with PGW records. If an NGS receives either “NO HITS” or “MULTIPLE HITS,” the NGS representative will be able to resubmit the request for the same customer with corrected information.

Input fields must be an exact one-to-one match with PGW data in order for the mechanism to provide a successful response. A “NO HIT” output will be returned in the event there are no accounts matching the inputs submitted by the NGS. A “MULTIPLE HITS” output will be returned in the event of multiple matching accounts for the submitted inputs. The

customer account number will be returned where all the required inputs are provided and a single matching account matches PGW data.

PGW expects to be able to include additional outputs to its account number access mechanism. In the event of a “NO HIT” or “MULTIPLE HITS” output, PGW expects to return a message asking the NGS to consider the inclusion of an apartment number, or to review data inputs for spelling errors. PGW does not intend to identify the fields that may be causing the failures because the Company may not be able to identify who might be the correct customer without correct and complete customer information. In addition, PGW expects to be able to include additional outputs such as, “MISSING DATA” in the event of missing input fields, and “INVALID REQUEST” in the event of incorrect formatting or a request associated with an ineligible customer (not a residential or small commercial customer). Lastly, PGW expects to be able to include the output “ON ECL” to alert NGSs that the customer information requested is on the Eligible Customer List maintained by PGW for use by NGSs. For the “ON ECL” customers, the supplier will still be provided with the account number even though the customer is included in the ECL.

E. Record Retention

In its Order, the Commission requires NGDCs to retain, for a period of at least three (3) years, the following information: (1) when the mechanism was accessed, (2) the entity accessing the system; (3) the output of the access attempt, and (4) the data provided. Order at 21.

PGW’s account number access mechanism will have a record-keeping component that is fully compliant with the Commission’s Order. The mechanism will be designed to maintain information such as when the mechanism was accessed, the entity accessing the system and the

output of any access attempt, including the data provided. This information will be retained by PGW for a minimum period of three (3) years from date of entry, as required by the Commission's Order.

F. Cost Recovery

The Commission's Order directs NGDCs to provide updated cost estimates for the implementation of the account number access mechanism, as well as an estimate of ongoing operation and maintenance ("O&M") costs. Order at 28-29. In addition, the Commission required that NGDCs include in their compliance plans a proposed cost recovery mechanism along with an explanation for the chosen recovery mechanism. Order at 29.

PGW's updated cost estimate for the design and implementation of its account number access mechanism is approximately \$60,000. The costs associated with ongoing operation and maintenance, including the updating and storage of ongoing data, are estimated to be \$12,500 per year.

In terms of a cost recovery mechanism, PGW proposes to implement a cost-sharing methodology that would divide the costs between PGW ratepayers and NGSs. PGW proposes that 70% of costs be recovered through an administrative discount on the Purchase of Receivables ("POR") since such a percentage would encourage NGSs that participate in PGW's POR program to use the mechanism and to recognize the fact that the mechanism is intended to help suppliers in enrolling residential and small commercial customers. As noted in the Final Order, the Commission believes that a mechanism would prove beneficial in the gas market by increasing competition.³ Given that PGW's POR is just beginning, encouraging NGSs to use the

³ Final Order, at 6.

mechanism could assist in increasing gas competition in Philadelphia. The remaining 30% of costs would be recovered through the existing Restructuring and Consumer Education Surcharge funded by all PGW firm ratepayers.

G. Timeline

Pursuant to the Commission's Order, NGDCs are required to design and implement the account number access mechanism to be in place and operational no later than August 31, 2016. Order at 30.

PGW's current expectation is that the mechanism will be available for supplier use by August 31, 2016. However, that date could be impacted by the timing of the Commission's Order on this Compliance Plan (or if the Plan is approved with significant modification). The Final Order allows for a 30 day comment period after the date of this Plan filing (comments due February 8, 2016), with a resulting Order thereafter. In order to meet the August 31st deadline, PGW will need approximately five and a half (5 ½) months from the Final Order to implement the mechanism as proposed herein.

III. CONCLUSION

PGW respectfully submits the Compliance Plan outlined above pursuant to the Commission's Final Order of July 8, 2015. PGW request that the Commission review and approve the Company's Compliance Plan with regard to the development of an account number access mechanism as it is fully consistent with the terms and directives of the Commission's Final Order.

Respectfully submitted,



Counsel:

Edward G. Lanza, Esq.
THE LANZA FIRM, LLC
P.O. Box 61336
Harrisburg, PA 17106-1336
(717) 576-2696
(717) 798-9897 (fax)
ed@lanzafirm.com

Denise Adamucci
Vice President Regulatory Compliance &
Customer Programs
Philadelphia Gas Works
800 West Montgomery Avenue
Philadelphia, PA 19122
(215) 684-6745
Denise.Adamucci@pgworks.com

Date: January 8, 2016