

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

Docket No. M-2015-2468991

**REPLY COMMENTS OF  
PHILADELPHIA GAS WORKS  
REGARDING THE DEVELOPMENT OF  
AN ACCOUNT NUMBER ACCESS MECHANISM**

**I. INTRODUCTION**

On March 15, 2016, the Pennsylvania Public Utility Commission (“Commission”) issued a Secretarial Letter (“Secretarial Letter”) granting interested parties in the instant proceeding an opportunity to submit Reply Comments addressing issues raised in the Comments of the Retail Energy Supply Association (“RESA”) and the Compliance Plans of the Natural Gas Distribution Companies (“NGDCs”). Philadelphia Gas Works (“PGW”) respectfully submits the Reply Comments below pursuant to the Commission’s March 15, 2016 Secretarial Letter.

**II. BACKGROUND**

On July 8, 2015, the Commission issued a Final Order directing eligible NGDCs to submit Compliance Plans regarding the development of account number access mechanisms within six (6) months of the entry date of the Final Order. Under the Order, other interested stakeholder were given the opportunity to file Comments regarding the NGDCs Compliance Plans.

On January 8, 2016, PGW filed its Compliance Plan in accordance with the Commission’s July 8, 2015 Order. In its Compliance Plan, PGW set forth how the Company’s

Customer Account Number Mechanism is designed to comply with the Commission's requirements. Pursuant to the Commission's Order, PGW committed to implement the mechanism no later than August 31, 2016, subject to a timing limitation. In its Compliance Plan, PGW explicitly stated that in order to meet the August 31, 2016 deadline, PGW would need approximately five and a half months from the Final Order to implement the mechanism. PGW Compliance Plan at 7.

On February 8, 2016, RESA submitted its comments on the NGDCs' Compliance Plans. In its comments, RESA did not specifically object to any feature of PGW's Compliance Plan, but instead, seemed to offer general suggestions for modifications suppliers might find helpful, even though there is already a final PUC Order on this mechanism.

### **III. REPLY COMMENTS**

As a general comment, as long as companies' plans are compliant with the PUC's Final Order, there is nothing in the Final Order to suggest that all Compliance Plans must all be identical. Every utility has its own systems, and should be allowed to develop solutions in cost-effective manners to best address the requirements of the Final Order. RESA's insinuations that NGDCs need to clean up their data bases is especially concerning in this regard. PGW would note that it has made updates to its project requirements to include: drop down features for street type, street direction, and zip code. Any further drop-downs would increase the likelihood of the Mechanism generating incorrect account number responses thus increasing the chances of compromising customer confidentiality.

#### **A. Cost Recovery**

PGW's cost recovery proposal includes 70% of costs to be recovered through an administrative discount on the Purchase of Receivables ("POR"). A POR cost recovery would

encourage NGSs participating in PGW's POR program to use the Mechanism and to recognize that the Mechanism is available to help suppliers enrolling residential and small commercial customers. The remaining 30% of costs would be recovered through the existing Restructuring and Consumer Education Surcharge funded by all PGW firm ratepayers. PGW's proposed recovery methods would not create any additional administrative burden, as they include existing recovery methods. PGW maintains that a cost sharing recovery mechanism is best as both NGSs and customers benefit from the program.

B. Timing of Implementation of PGW's Plan

As PGW stated in its Compliance Plan, the Company respectfully submits that its plan is fully consistent with the Commission's requirements for the customer account number access mechanism. Further, in its comments, RESA did not raise any significant or specific objections to PGW's planned mechanism. As such, the Commission should approve PGW's Compliance Plan without modification. Given that this proceeding has taken longer than original foreseen and may include changes to PGW's Plan, PGW expects it may require additional time in order to implement the mechanism if changes are made.

In the event the Commission decides to make any modifications to PGW's Compliance Plan, it should extend the deadline for implementation of the customer account number access mechanism. PGW is currently planning to have its mechanism in place and fully operational – as described in its Compliance Plan - by the August 31, 2016 deadline. However, this commitment is dependent on approval of the Compliance Plan as submitted. Any change to PGW's plan may entail adjustments and modifications that would take time to implement. Therefore, PGW requests that, if any modifications are ordered by the Commission, an appropriate extension of time be granted.

#### **IV. CONCLUSION**

PGW respectfully submits these Reply Comments pursuant to the Commission's March 15, 2016 Secretarial Letter. PGW request that the Commission approve the Company's Compliance Plan with regard to the development of an account number access mechanism without modification, as it is fully consistent with the terms and directives of the Commission's July 8, 2015 Final Order. In the alternative, and to the extent the Commission approves any modifications to PGW's Compliance Plan, the deadline for implementation of PGW's customer account access mechanism should be extended for a period of at least six (6) months from the date of a final approved Compliance Plan to allow the Company sufficient time to adopt any necessary changes or modifications to the plan.

Respectfully submitted,



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