

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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April 15, 2016

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

Re: Natural Gas Distribution Company
Customer Account Number Access
Mechanism for Natural Gas Suppliers
Docket No. M-2015-2468991

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Reply Comments in the above-referenced proceeding.

Respectfully submitted,

/s/ Amy E. Hirakis
Amy E. Hirakis
Assistant Consumer Advocate
PA Attorney I.D. #310094

Attachment

cc: Megan Good, OCMO (email only)
Dan Mumford, OCMO (email only)

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Natural Gas Distribution Company	:	
Customer Account Number Access	:	Docket No. M-2015-2468991
Mechanism for Natural Gas Suppliers	:	

REPLY COMMENTS OF THE
OFFICE OF CONSUMER ADVOCATE

On March 15, 2016, the Pennsylvania Public Utility Commission (Commission) issued a Secretarial Letter in this proceeding soliciting reply comments from interested parties addressing the Comments of the Retail Energy Supply Association (RESA) filed on February 8, 2016. The Office of Consumer Advocate (OCA) submits these Reply Comments pursuant to the Commission’s March 15, 2016 Secretarial Letter.

I. INTRODUCTION

On July 8, 2015, the Commission entered a Final Order establishing the standards for account number access mechanisms to be used in the natural gas industry by natural gas suppliers (NGSs) and directing natural gas distribution companies (NGDCs) to develop and implement such account number access mechanisms no later than August 31, 2016. Natural Gas Distribution Company Customer Account Number Access Mechanism for Natural Gas Suppliers, Docket No. M-2015-2468991 (Final Order entered July 8, 2015) (Final Order). The NGDCs were instructed to file their compliance plans outlining their account number access mechanisms with the Commission within six (6) months of the entry date of the Final Order, and interested parties were provided 30-days to submit comments to the compliance filings.

Pursuant to the Final Order, Columbia Gas of Pennsylvania, Inc., National Fuel Gas Distribution Corporation; PECO Energy Company; Peoples Natural Gas Company LLC; Peoples Natural Gas Company LLC – Equitable Division and Peoples TWP LLC; PGW; and UGI Utilities, Inc. – Gas Division, UGI Penn Natural Gas, Inc., and UGI Central Penn Gas, Inc. submitted their compliance plans on January 8, 2016. On February 8, 2016, RESA submitted Comments. No other party submitted Comments. On March 15, 2016, the Commission issued a Secretarial Letter soliciting reply comments to RESA’s Comments.

II. REPLY COMMENTS

RESA’s Comments address a number of issues relating to the compliance plans filed by the NGDCs, and makes specific recommendations to the designs of the account number access mechanisms proposed by the NGDCs. RESA ultimately requests that the Commission convene a stakeholder meeting to explore design changes and develop a set of best practices. The OCA agrees that it is important that the design of the account number access mechanisms produce accurate and useful results for the NGSs using the tools, but the OCA submits that the protection of customer information must remain paramount if any design changes are required by the Commission. The cost associated with any proposed changes should also be considered, as costs must be reasonable because these costs will be ultimately borne by the consumers, either directly or indirectly.¹

RESA’s Comments also ask the Commission to expand the use of account number access mechanisms to all types of sales. The OCA submits that the Commission’s decision to limit the

¹ The OCA provided a discussion on costs and its recommendation on cost recovery in its Comments to the Tentative Order, pages 4-5, filed with the Commission on May 26, 2015, at Docket No. M-2015-2468991. The OCA maintains that the costs incurred by the NGDCs to implement account number access mechanisms appropriately rest with the NGSs doing business in each NGDC’s territory. The need for account number access mechanism arises from the NGS’s specific in-person marketing strategies and the implementation of this procedure will save NGSs from having to take further steps to locate the consumer’s account number, saving NGSs money and potentially increasing sales. It would be unfair to impose these costs on all ratepayers when the benefits and cost savings associated with this mechanism are primarily to NGSs.

use of account access mechanisms to public venues only is a reasonable and necessary restriction that must remain in place. In these venues, it is the consumer initiating the sales contact at the time and place of the consumer's choosing and in a public setting. Because of the voluntary nature of these interactions, consumers may not feel the same pressure or intrusion that may be experienced with door-to-door or telephone marketing. Furthermore, other marketing methods, such as telemarketing and door to door marketing, or customer-initiated contacts via the NGS's website or by calling the NGS's toll free number are typically accomplished with the customer located at his or her residence. In such situations, the customer can locate their utility bill and provide their account number to the NGS if they wish to, making the need for the account access mechanism unnecessary to proceed with a sale.

Further, the Commission has already issued its decision regarding when the account number access mechanisms can be used, providing as follows:

We must ensure that customers feel safe and secure in potentially vulnerable situations while also facilitating an opportunity for customers to participate in the competitive marketplace. Therefore, NGSs will only be allowed to utilize these mechanisms during the enrollment of a customer in public venues, such as shopping malls, fairs, trade shows and other community events. We believe this provides customers with a more comfortable environment for shopping and a better means to foster the competitive energy market. Furthermore, we do not think it is appropriate to expand the mechanism at a time when door-to-door marketing is on the rise and complaints against energy suppliers are high in nearby jurisdictions.

Final Order at 19-20. (Fn. omitted).² The Commission's Final Order is directly on point and correct on this issue. As such, the OCA submits that the Commission should not address this portion of RESA's Comments in any order addressing the compliance plans.

² The OCA notes that RESA's comments regarding when the account number access mechanism can be used is outside the scope of the Comments permitted by the Final Order. The Final Order clearly limited the scope of Comments to addressing the compliance plans filed by the NGDCs. (Final Order at 33). RESA's comments regarding expanding the use of the account number access mechanisms is an improper attempt at having the Commission reconsider an issue upon which it has already rendered a decision.

III. CONCLUSION

The OCA appreciates the opportunity to submit these Reply Comments. The OCA looks forward to continuing to work with the Commission and the stakeholders to develop a retail choice market where consumers are fully informed, educated and fairly treated so that they can make informed choices in the best interest of themselves and their families.

Respectfully Submitted,

/s/ Amy E. Hirakis
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April 15, 2016

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CERTIFICATE OF SERVICE

Re: Natural Gas Distribution Company :
Customer Account Number Access :
Mechanism for Natural Gas Suppliers : Docket No. M-2015-2468991

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

Dated this 15th day of April 2016.

SERVICE BY E-MAIL ONLY

Public Utility Commission Office of Competitive Market Oversight

ra-ocmo@pa.gov

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