

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Direct Energy Services, LLC to)
Expand Retail Market Enhancements)**

Docket No. P-2016-2535033

**Comments of the
National Energy Marketers Association**

The National Energy Marketers Association (NEM)¹ hereby submits comments on the Petition of Direct Energy Services, LLC to Restart the Retail Opt In Retail Market Enhancement, dated March 18, 2016. In a letter decision dated April 14, 2016, the Secretary granted an extension for Answers to the Petition to be filed to May 9, 2016. NEM submits these comments to support the recommendation in the Petition that the Commission reinstate the process for examining a Retail Opt-In (ROI) Market Enhancement.

In the Commission's statewide investigation of the retail electricity market, one of the measures identified to encourage consumer participation in competitive market, was the ROI program.² The Commission adopted a recommended design and guidelines for the ROI program³ and directed that the utilities include a ROI program in their then upcoming default service plans.⁴ The Commission directed that the ROI program be available to residential and small commercial and industrial customers and provide participating customers with a four-month discount from

¹ The National Energy Marketers Association (NEM) is a non-profit trade association representing both leading suppliers and major consumers of natural gas and electricity as well as energy-related products, services, information and advanced technologies throughout the United States, Canada and the European Union. NEM's membership includes independent power producers, suppliers of distributed generation, energy brokers, power traders, global commodity exchanges and clearing solutions, demand side and load management firms, direct marketing organizations, billing, back office, customer service and related information technology providers. NEM members also include inventors, patent holders, systems integrators, and developers of advanced metering, solar, fuel cell, lighting and power line technologies.

² Docket No. I-2011-2237952, Tentative Order (Default Service Plans), entered October 14, 2011, at 5-6.

³ Docket No. I-2011-2237952, Final Order (Intermediate Work Plan), entered March 1, 2012, at 33-85.

⁴ Docket I-2011-2237952, Final Order (Default Service Plans), entered December 16, 2011, at 21-33.

the utility's price to compare followed by an eight month fixed price offer from participating electric generation suppliers. Customers that stayed in the ROI program for the first four months would receive a fifty dollar bonus. Customers would be able to leave the program at any time without penalty. The utilities were directed to implement ROI programs consistent with the guidelines in their default service plan proceedings.

Subsequently, the Commission became concerned about the potential for consumer confusion that may have resulted from the near simultaneous introduction of the ROI program and the Standard Offer Referral Program.⁵ The Commission ultimately decided that the utilities should postpone implementation of the ROI programs and that the Standard Offer Referral Programs should proceed forward.⁶ The ROI programs have thus been on hold since April 2013.

Direct Energy submitted a Petition in the instant case suggesting that, "it is time to 'restart'" the ROI program. Direct Energy requests that the Commission proceed with a modified version of the ROI program that the Commission previously postponed in 2013. Under Direct Energy's proposal a two utility pilot would be initiated, under which participating EGSs offer consumers, on an opt-in basis, a 24-month discounted energy product as well as a value-added product or service offering.

NEM agrees with Direct Energy that the time is ripe for the Commission to reinstate the process for examining a ROI program. In the intervening years since the postponement of the ROI program, consumers have gained experience with the Standard Offer Referral Program and with energy shopping in general. Having gained that experience, the potential likelihood of consumer

⁵ Docket Nos. P-2012-2283641, P-2011-2273650, P-2012-2302074 and P-2012-2301664, Tentative Order on Reconsideration, entered March 14, 2013, at 3.

⁶ Docket Nos. P-2012-2283641, P-2011-2273650, P-2012-2302074 and P-2012-2301664, Final Order on Reconsideration, entered April 4, 2013, at 6-7.

confusion that prompted the postponement of the ROI program should no longer be a concern. Indeed, re-initiation of the ROI program should prompt heightened awareness of competitive energy shopping options and increased consumer participation in the marketplace in general.

Accordingly, NEM supports the request of the Petition to reinitiate the process for examining a ROI program.

Sincerely,

Craig G. Goodman, Esq.
President
Stacey Rantala
Director, Regulatory Services
National Energy Marketers Association
3333 K Street, NW, Suite 110
Washington, DC 20007
Tel: (202) 333-3288
Fax: (202) 333-3266
Email: cgoodman@energymarketers.com;
srantala@energymarketers.com

Dated: May 9, 2016.