

STEVENS & LEE
LAWYERS & CONSULTANTS

17 North Second Street
16th Floor
Harrisburg, PA 17101
(717) 234-1090 Fax (717) 234-1099
www.stevenslee.com

Direct Dial: (717) 255-7365
Email: mag@stevenslee.com
Direct Fax: (610) 988-0852

January 23, 2017

VIA ELECTRONIC FILING

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

**RE: *In the Matter of Petition of NRG Energy, Inc. for Implementation of Electric
Generation Supplier Consolidated Billing***
Docket No. P-2016-2579249

Dear Secretary Chiavetta:

Enclosed for filing please find the Comments of WGL Energy Services, Inc. in the above-referenced matter. Kindly add WGL Energy Services, Inc. to the service list in this matter and provide all future notices, correspondence and filings to WGL Energy Services, Inc.'s counsel of record for this proceeding:

Michael A. Gruin, Esq.
Stevens & Lee
17 N. 2nd St., 16th Floor
Harrisburg, PA 17101
717-255-7365
mag@stevenslee.com

With copies to:

Bernice K. McIntyre
Regulatory Strategy Director
WGL Business Development and Non-utility Operations
8614 Westwood Center Drive
Vienna, VA 22182
Bernice.Mcintyre@wglenergy.com

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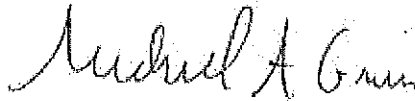
And

Cassandra McFadden
Senior Regulatory Analyst
WGL Business Development and
Non-utility Operations
8614 Westwood Center Drive
Vienna, VA 22182A
Cassandra.Mcfadden@wglenergy.com

If you have any questions, please feel free to contact me.

Best Regards,

STEVENS & LEE



Michael A. Gruin

Enclosure

cc: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In the Matter of Petition of NRG	:	
Energy, Inc. for Implementation of	:	Docket No. P-2016-2579249
Electric Generation Supplier	:	
Consolidated Billing	:	

COMMENTS OF WGL ENERGY SERVICES, INC.

WGL Energy Services, Inc. (“WGL Energy”) hereby files these Comments in response to the Notice published in the Pennsylvania Bulletin on December 24, 2016 regarding the NRG Energy, Inc. (“NRG”) Petition to the Pennsylvania Public Utility Commission (“Commission”) for implementation of electric generation supplier consolidated billing (“SCB”).

WGL Energy supports NRG’s proposal for implementation of SCB as a billing option available to customers of electric generation suppliers (“EGSs”) in Pennsylvania, and respectfully urges the Commission to approve NRG’s Petition and make SCB available as an option for EGS customers by the second quarter of 2018.

The Commission Has Already Concluded that SCB Will Be Beneficial

WGL submits that the threshold question of the *whether* SCB should be implemented has already been resolved, and the Commission should focus on the details of *how* SCB should be implemented. As explained in NRG’s Petition, the Commission has examined the issue of SCB on numerous occasions over the past decade, and definitively concluded that it should be available as a billing option in Pennsylvania. The Commission launched an investigation of Pennsylvania’s retail electricity market in April 2011 (“Electric RMI”) in order to “explore what changes need to be made to allow customers to best realize the benefits of competition,”

emphasizing the importance of customers' ability to choose electricity products and services.¹

After reviewing comments filed in response to the *RMI Launch Order*, the Commission issued the *RMI Launch Order II*, concluding the need to make improvements to the competitive landscape.² In the *RMI Launch Order II*, the Commission directed the Office of Competitive Market Oversight ("OCMO") to produce two work plans: one for intermediate steps involving changes to the existing market model and the second for the long range steps involving structural changes to the default service model.³ SCB was specifically addressed in the second work plan, which was referred to as the vision for the "End-State" for Pennsylvania's competitive market.

In the *End State Tentative Order*, the Commission noted its belief "that SCM should be made available as a billing option as part of a vibrant, competitive market."⁴ The Commission observed that SCB would help establish the supplier's identity with the customer, and the Commission directed OCMO to provide a recommendation to the Commission as to how to move forward in making SCB available as a billing option for EGSs and third parties.

The Commission reiterated the benefits of SCB in the *End State Final Order*, noting that SCB will facilitate the offering of innovative new products and services and help suppliers establish brand identify with customers. With the *End State Final Order*, the Commission embarked upon a series of initiatives to foster a more level playing field for EGSs, but implementation of SCB was deferred to focus on other priorities.⁵ Instead of moving forward with SCB, the Commission directed OCMO to explore making the EDC consolidated bill more

¹ *Investigation of Pennsylvania's Retail Electricity Market*, Docket No. I-2011-2237952 (Order entered April 29, 2011) ("*RMI Launch Order*").

² *Investigation of Pennsylvania's Retail Electricity Market*, Docket No. I-2011-2237952 (Order entered July 28, 2011) ("*RMI Launch Order IP*").

³ *Id.*

⁴ *End State Tentative Order*, Docket No. I-2011-2237952 (Order entered November 8, 2012).

⁵ *End State Final Order*, Docket No. I-2011-2237952 (Order entered February 15, 2013).

supplier-oriented. The Commission directive resulted in the implementation of “joint bills” pursuant to the Order in the matter of *Joint Electric Distribution Company-Electric Generation Supplier Bill*, Docket No. M-2014-2401345 (Order entered May 23, 2014) (“Joint Bill Order”). While the “joint-bill” initiative has resulted in some improvements to EDCs bills, unfortunately, the initiative has fallen fall short of resulting in a true “joint-bill” that helps EGSs forge long-term relationships or engage in more effective communications with their customers. With the joint-bill initiative failing to make a large improvement in the competitive market, and with the benefits of SCB already established, the time has come for the Commission to take the next step towards implementing SCB as a billing option in Pennsylvania.

The Customer Benefits of Energy Choice Will Be Optimized With SCB

The lack of SCB has prevented Pennsylvania consumers from realizing the full benefits of electricity choice. SCB would enable EGSs to establish a more direct relationship with customers and offer a variety of other value added services such as appliance or service maintenance protection plans, security service, energy efficiency products, and improved analytical tools. The ability of EGSs to provide these services now is greatly restricted by the fact that charges for these services cannot be included on EDC bills. SCB would also enable regular communication between EGSs and their customers, facilitating greater trust and allowing EGSs to demonstrate their proficiency at meeting customers’ needs.

SCB would also provide a platform for alternative pricing and payment options such as flat billing or pre-pay discounts, which are becoming popular in states (such as Texas) that facilitate such options. Flat bill products allow customers to enjoy budget certainty for the

entirety of their energy contract, and prepaid plans provide credit-troubled customers with an option to obtain electricity service that otherwise may not be available to them due to EDC requirements for posting deposits. Customers are very familiar with alternative pricing and payments options through the wide availability of such options from mobile telephone providers. These benefits and options can be brought more widely to the electricity market if SCB is implemented.

SCB, especially if done electronically or via email, would also support improved data presentation for customers through online tools. Frequent, regular communication between EGSs and customers enables EGSs to obtain feedback to better understand customer needs and concerns (for example, with customer service issues, desired products and services, budget issues, and payment issues). Direct billing by EGSs will also improve customers' understanding of the competitive market and the options available to them, and SCB will provide a platform to deliver tools that can be tailored to help customers manage their energy consumption and reduce their electricity costs.

Timeline for Implementation of SCB in Pennsylvania

WGL Energy supports the timeline proposed in NRG's Petition to enable SCB to be implemented by the second quarter of 2018. NRG proposed that the Commission issue an Order that would, among other things, establish a SCB Stakeholder Work Group ("Work Group") led by OCMO. If the Commission forms the Work Group, WGL Energy plans to participate to address, with other stakeholders, policy and operational issues and other pertinent matters impacting SCB.

Conclusion

WGL Energy supports NRG's Petition for Implementation of Supplier Consolidated Billing and believes NRG's proposed timeline and steps before implementation are workable. SCB implementation is critical to enhancing Pennsylvania's competitive retail market and allowing customers to realize the full benefits of electricity choice. WGL Energy looks forward to continued engagement with the Commission and other stakeholders on this matter.

January 23, 2017

Respectfully submitted,

Bernice K. McIntyre

Bernice K. McIntyre
Regulatory Strategy Director,
WGL Business Development and
Non-utility Operations
(703) 287-9447

CERTIFICATE OF SERVICE

And now, this 23rd day of January, 2017, I do hereby certify that I have served a true and correct copy of the foregoing Comments upon the persons listed below at their respective address, via first-class mail, postage prepaid:

Karen Moury, Esq.
Eckert Seamans Cherin & Mellott
213 Market St.
8th Floor
Harrisburg, PA 17101

John R. Evans, Esq.
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

✓Tanya McCloskey, Esq.
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923

Richard Kanaskie, Esq.
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
P.O. Box 3265
Harrisburg, PA 17105-3265

Robert W. Ballenger, Esq.
Josie B. Pickens, Esq.
Community Legal Services, Inc.
1424 Chestnut St.
Philadelphia PA 19102

Charis Mincavage, Esq.
Adeolu Bakare, Esq.
McNees, Wallace & Nurick, LLC
100 Pine St.
PO Box 1166
Harrisburg, PA 17108-1166

Deanne O'Dell, Esq.
Eckert Seamans Cherin & Mellott
213 Market ST., 8th Fl.
Harrisburg, PA 17101

Craig Goodman, Esq.
Stacey Rantala
National Energy Marketers Association
333 K Street, NW, Suite 110
Washington, DC 20007

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

PPL
ATTN: Kimberly Klock, Esq.
Two North Ninth St.
Allentown, PA 18101

Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

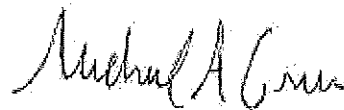
UGI Utilities, Inc.
Attn.: Rates Dept. – Choice Coordinator
2525 N. 12th ST., Suite 360
PO Box 12677
Reading, PA 19612-2677

Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977

Wellsboro Electric Company
Attn: EGS Coordination
33 Austin St.
PO Box 138
Wellsboro, PA 16901

Patrick Cicero, Esq.
Elizabeth Marx, Esq.
Pennsylvania Public Utility Law Project
118 Locust St.
Harrisburg, PA 17101

Citizens Electric Co.
Attn: EGS Coordination
1775 Industrial Blvd.
Lewisburg, PA 17837



Date: January 23, 2017

Michael A. Gruin, Esquire
Stevens & Lee
17 N. 2nd St.
16th Floor
Harrisburg, PA 17101
Tel.: (717) 255-7365
Fax: (610) 988-0852
mag@stevenslee.com
Counsel for WGL Energy Services, Inc.