August 22, 2017

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


Dear Secretary Chiavetta:

On July 8, 2017, the Public Utility Commission (“Commission” or “PUC”) published a request for comments about the resale or redistribution of utility electric service in the context of third-party electric vehicle (“EV”) charging. Specifically, the Commission framed the issues around existing electric distribution company (“EDC”) tariffs on the resale of electric service, the efficacy of specific tariffs permitting unrestricted resale/redistribution of electric power for the purpose of EV charging and whether common statewide tariffs or other regulatory tools may be useful. PECO Energy Company’s (“PECO” or the “Company”) comments on those issues follow.

At the outset, PECO agrees with the Commission that Section 1313 of the Public Utility Code on its face involves the resale of electric service to residential customers. “Whenever any person, corporation . . . purchases service from a public utility and resells it to consumers, the bill rendered by the reseller to any residential consumer shall not exceed the amount which the public utility would bill its own residential consumers for the same quantity of service under the residential rate of its tariff then currently in effect.” The statute protects residential customers from price-gouging, and violations of this provision are sanctioned with financial penalties upon conviction for a summary offense. 66 Pa.C.S. § 3313. Similarly, PECO’s Electric Service Tariff also ties directly to section 1313 to limit the resale of service to residential customers.

13.1 RESALE OF SERVICE. Pursuant to Section 1313 of the Public Utility Code, 66 Pa. C.S. § 1313, a customer may resell Energy and Capacity and/or service provided by PECO Energy under its default service plan if: (1) the

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1 66 Pa.C.S. § 1313 (emphasis added).
Company provides such service under a single contract at one application of an available Base Rate and for the total requirements of the premises served, and (2) the location and use of the service conforms to the available requirements of this Tariff for provision to the customer for the customer’s own account.

All residential units connected after May 10, 1980, except those dwelling units under construction or under written contract for construction as of that date must be individually metered by either the Company, the AMSP or the landlord for their basic electric service supply. Centrally supplied master metered heating, cooling or water heating service may be provided if such supply will result in energy conservation. The bill rendered by the reseller to any consumer shall not exceed the amount which PECO Energy would bill its own residential customers for the same quantity of service under the applicable tariffed residential rate.

The requirements for individually metered dwelling units in new construction may be waived at the sole discretion of the Company. Such waiver will only be granted when the owner can demonstrate to the Company that there are valid reasons for such waiver and that there will not be a significant impact on the consumption of an individual customer.\(^2\)

PECO agrees that when viewed in conjunction with the resale/redistribution of some EDC’s tariffs, it is unclear if the statute would impact the ability of EV charging stations to resell to “residential consumers”. PECO believes it would be advantageous to clarify the ability of third-party commercial customers to resell electric service, likely through EDC-specific tariff supplements similar to the one implemented by Duquesne Light Company.\(^3\) PECO is not prepared at this time to say that such resale of default electric service should be unrestricted for the purpose of third-party EV charging, as that issue involves a fuller discussion about the EDC’s role in facilitating EV-charging including the development of the related infrastructure. For example, PECO would like to understand why EV-charging developers should not be encouraged to shop for their electric supply like other commercial customers, thereby giving third-party resellers the benefit of competitive market pricing. PECO would be interested in a statewide collaborative to understand the advantages and disadvantages of “unrestricted resale/redistribution” of default electric service for third-party EV charging.

PECO agrees that it makes sense to encourage all EDCs across the Commonwealth to initiate tariffs addressing the resale/redistribution of electric power for third-party EV charging

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\(^3\) See Duquesne Light Schedule of Rates for Electric Service in Allegheny and Beaver Counties, Rule 18.1 (“Electric Vehicle Charging”).
similar to that of Duquesne Light Company. Such tariffs should remove uncertainty and any perceived barriers to the continued growth in EV charging stations in Pennsylvania.

As noted above, however, PECO prefers a statewide-collaborative approach to understanding and resolving issues about resale of default electric service for EV charging. The collaborative could be the right forum for answering the Commission’s question about other resale/redistribution tariff designs which might provide clear rules for third-party EV charging stations. Then with the benefit of statewide information and also understanding that EDCs face unique circumstances in their individual service territories, EDCs might offer tailored tariff amendments for Commission approval.

PECO appreciates the Commission’s effort to encourage EV expansion in the Commonwealth, and PECO looks forward to being helpful in that regard.

If you have any questions regarding this matter, please call me at 215-841-5777.

Sincerely,

[Signature]

Richard G. Webster, Jr.
Vice President
Regulatory Policy & Strategy