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September 13, 2017

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

**RE: Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56 to Comply  
with the Amended Provisions of 66 Pa. C.S. Chapter 14  
Docket No.: L-2015-2508421**

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Dear Ms. Chiavetta:

Enclosed for filing with the Commission are the *Additional Comments of PECO Energy Company to Notice of Proposed Rulemaking Order*.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ward L. Smith".

Ward L. Smith  
Counsel for PECO Energy Company

WS/ab  
Enclosure

cc: Daniel Mumford, OCMO  
Matthew Hrivnak, BSC  
Patricia Wiedt, Law Bureau

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Rulemaking to Amend the Provisions of  
52 Pa. Code, Chapter 56 to Comply with the  
Amended Provisions of 66 Pa. C.S. Chapter 14

Docket No. L-2015-2508421

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**ADDITIONAL COMMENTS OF  
PECO ENERGY COMPANY**

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**I. INTRODUCTION**

In 2014, the General Assembly passed, and Governor Tom Corbett signed, Act 155, which renewed and revised Chapter 14 of the Public Utility Code (66 Pa. C.S. §§ 1401-1419). This docket is part of the Commission's efforts to revise its regulations to reflect the 2014 amendments to Chapter 14. PECO is pleased to provide these additional comments.

The Commission initiated this rulemaking on July 21, 2016, and stakeholders have already had several opportunities to provide comments. These additional comments are provided pursuant to the Commission's Order of July 12, 2017, in which the Commission sought additional comments on two issues that had been discussed in prior proceedings in this docket, and also sought comments on two new issues. The Energy Association of Pennsylvania ("EAP") is filing comments on behalf of the industry as a whole. PECO joins and supports those comments, but provides the following individual comments as well.

## **II. COMMENTS**

### **A. Privacy Guidelines at 66 Pa. C.S. 1406(b)(1)(ii)(D)**

The amendments to Chapter 14 made reference to the Commission's "privacy guidelines." The Commission does not currently have published privacy guidelines. In this most recent Order, the Commission states that it has decided to develop privacy guidelines in a separate proceeding. PECO will participate in that separate proceeding to assist the Commission and other stakeholders in developing guidelines on this important initiative regarding customer privacy.

### **B. Data on the Usage of Medical Certificates**

The Commission received comment to the NOPR from the Commonwealth's Independent Regulatory Review Commission ("IRRC") pursuant to the Regulatory Review Act (71 P.S. §§745.1-745.15). The IRRC asked the Commission to provide data on use of medical certificates. Utility companies submit data to the Commission on medical certificates pursuant to 66 Pa. C.S. §1410.1(4), and the Commission thus referred the IRRC to the 2016 data reported under that Section. The Commission also requested stakeholders to comment on their experience with fraudulent use of medical certificates.

It is difficult to answer this question because, if there is medical certificate fraud, the medical certificate process does not provide opportunities to discover such fraud. When a doctor states that a customer has a medical condition that requires the continuation of service, PECO accepts that medical judgment and issues a medical certificate. There is no systematic method for determining if the doctor is exaggerating the customer's health condition.

One might also look at an earlier stage in the medical certificate process. When a customer calls PECO and claims they have a medical condition, PECO stays termination for three days to give the customer the opportunity to go to their doctor and obtain a medical certificate which, when sent, will provide thirty days of protection from termination. Over the years, PECO has tended to receive about four such calls for every customer who finalizes the medical certificate process by having their medical service provider actually submit a signed medical certificate. PECO recognizes that there are many reasons that this occurs – for example, the customer might find resources to pay their bill and not need the medical certificate, or they might not be able to get to their doctor in a timely fashion. It is also possible that some of the customers who call to initiate the medical certificate process, but who do not complete it, do not meet the standards for seeking and receiving a medical certificate. However, PECO does not have data that differentiates the various reasons its customers initiate, but do not complete, the medical certificate process.

### **C. Third-Party Notification of Supplier Switching**

Under Commission regulations, a customer may designate a third-party to receive certain information about their account. The Commission has requested comment on a proposal to add supplier switching confirmation notices to the list of such notices that would be provided to a designated third party.

In its comments, EAP recognizes that this proposal may be useful to some who want or need additional assistance in navigating the energy marketplace, but that such a need should be balanced against the inevitable information technology costs associated with reprogramming a utility IT system to add this new functionality.

For PECO's part, it does not believe that the benefit would be sufficient to warrant the IT costs.

In order to estimate the scope of customers who might benefit from such a program, PECO first determined the number of PECO residential customers who both shop and subscribe to third party notification. Approximately 3,000 customers (2/10ths of 1% of the residential population) fit those criteria and thus would receive additional notices under this proposal. Of course, since the primary purpose of third-party notification is to provide notice of termination or payment difficulties, for many of this group the notices regarding shopping choice would be superfluous to their needs. PECO therefore concludes that, on its system, only a very small percentage of its residential customers – perhaps 1/10<sup>th</sup> of 1% of the customer base -- would have an affirmative need or desire for this additional service.

The IT change costs, on the other hand, would be system-wide and paid for by the entire customer base. While PECO has not performed a scope estimate for the IT costs of making such a change, its experience is that such changes can easily cost in the hundreds of thousands of dollars. (IT changes require design and architectural work; coding; implementation, and then extensive testing to ensure that the change did not inadvertently change the functionality of some other part of the many integrated IT systems.)

#### **D. Customer Retaining Utility Service Pending Formal Appeal**

PECO supports the EAP's comments on this issue and has no additional comments on this issue.

## CONCLUSION

PECO appreciates the opportunity to provide these comments and requests that the Commission fully consider them prior to issuing its final regulations in this docket.

Respectfully submitted,



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