



2018 Supplier Workshop

January 31, 2018

OCMO UPDATE: PUC CURRENT PROCEEDINGS AND UPCOMING EVENTS

January 31, 2018



En Banc Hearing: Supplier Billing

- At the Commission's January 18, 2018 Public Meeting, the Commission adopted a Joint Motion of Chairman Brown and Commissioner Kennard re: *Petition of NRG Energy, Inc. for Implementation of Electric Generation Supplier Consolidated Billing.*
- P-2016-2579249
- "The NRG Petition for Implementation of Electric Generation Supplier Consolidated Billing is denied and that docket is closed."



En Banc Hearing: Supplier Billing

The Law Bureau and OCMO are to organize an en banc hearing, to occur on or before June 14, 2018, seeking comments on Supplier Consolidated Billing and other possible alternatives that would promote shopping and the inclusion of EGS value added services.



En Banc Hearing: Supplier Billing

As part of the *en banc* hearing, the Commission specifically seeks input from interested parties regarding, but not limited to, the following:

1. Is SCB legally permissible under Chapters 14 and 28 of the Public Utility Code? If so, what limits, if any, are imposed by the Public Utility Code?
2. Would giving an EGS the authority to request EDC termination of a customer's service comply with Chapter 14 of the Public Utility Code and Chapter 56 of the Commission's regulations?
3. How would EGS-implementation of SCB affect existing universal service billing procedures?



En Banc Hearing: Supplier Billing

4. Would an EGS with SCB have the customer service capabilities to answer and refer to the EDC questions regarding low-income programs in addition to educating customers on the options and programs available?
5. If an EGS purchases an EDC's receivables and the EDC is no longer owed any money, does the EDC (or EGS) have the power to terminate service for nonpayment of distribution charges?
6. Would a pilot program involving an EDC working with an individual EGS or group of EGSs to design a SCB platform be appropriate?



En Banc Hearing: Supplier Billing

In addition to these issues, the Commission seeks input on the legality, feasibility, and/or appropriateness of the following alternatives to SCB:

1. Changes to utility consolidated billing to allow for the addition of charges for EGS value added services.
2. Unbundling of billing services.



En Banc Hearing: Supplier Billing

3. Unbundling of other related and specified services.
4. Allowance of third party billing agents, such as EGSs, or an independent billing agent.
5. The role of mass market "dual billing," whereby a customer receives two separate bills for electric services — one from the EDC for its distribution charges and another from the EGS for its generation and transmission charges.



En Banc Hearing: Supplier Billing

We will send emails to the OCMO-CHARGE distribution list when:

- Order is served.
- Secretarial Letter is served.
- Date of *en banc* established.



Solar AEPS Requirements

- Act 40 of 2017
- Establishes geographical limits on solar photovoltaic (solar PV) systems that qualify for the solar PV share requirement of the Alternative Energy Portfolio Standards (AEPS) Act.
- December 21 Public Meeting.
- Tentative Implementation Order for comment.
- Docket M-2017-2631527
- Comments due February 5, 2018.



PPL CAP SHOPPING:

- P-2016-2526627
- CAP Standard Offer Program implementation issues : Look for an Order at an upcoming Public Meeting.
- Appeal at Commonwealth Court. Oral arguments in December 2017. Decision pending.
- PECO CAP shopping on “hold” pending the above-noted appeal.



FirstEnergy Default Service Plans 2019 - 2023

Filed in December 2017.

- Met Ed: P-2017-2637855
- Penelec: P-2017-2637857
- Penn Power: P-2017-2637858
- West Penn Power: P-2017-2637866

These are formal litigated proceedings – OALJ.

To influence these proceedings – must participate as a party.



Natural Gas Issues

ACCELERATING NGS SWITCHING:

- ANOPR adopted December 22, 2016.
- Initial and reply comments received.
- L-2016-2577413.



Natural Gas Issues

GAS OPERATIONAL ISSUES (CAPACITY ASSIGNMENT, BALANCING, PENALTIES, ETC.):

- ANOPR adopted August 31, 2017.
- Comments are in.
- L-2017-2619223.



Natural Gas Issues

NATURAL GAS TECHNICAL CONFERENCE.

MARCH 29, 2018

Look soon for a Secretarial Letter with details.



NATURAL GAS TECHNICAL CONFERENCE

Review comments filed by entering the docket number on the SEARCH FOR PUBLIC DOCUMENTS feature on the PUC website.

www.puc.pa.gov



EGS DISCLOSURE RULEMAKING



EGS DISCLOSURE RULEMAKING

- April 21, 2017 CHARGE conference call, we invited informal comments.
- December 7, 2017 Public Meeting.
- Rulemaking Regarding Electricity Generation Customer Choice, 52 Pa. Code Chapter 54.
- L-2017-2628991



EGS DISCLOSURE RULEMAKING

- We propose a new requirement at 52 Pa. Code § 54.3(2) that would in effect ban the imposition of early termination fees (ETFs) once a supplier has provided the initial contract expiration notice required by 52 Pa. Code § 54.10.
- We are proposing this requirement in response to consumers who object to having an ETF assessed upon them simply because they acted on the expiration notices sent by the supplier.



EGS DISCLOSURE RULEMAKING

- 52 Pa. Code § 54.5(c)(1):
- **“Generation charges shall be disclosed according to the actual prices per kilowatt-hour. Generation charges must include an estimate of all applicable taxes except for State sales tax and county tax.”**
- Intended to ensure that the prices presented to consumers are bundled appropriately to make “apples-to-apples” comparisons possible.



EGS DISCLOSURE RULEMAKING

We recognize that as we move forward to an electric market with advanced metering technology, new products and pricing structures are possible. We invite parties to comment on the need for this regulation to accommodate these possibilities; or at the least, not to obstruct or be an obstacle to future innovations.



EGS DISCLOSURE RULEMAKING

52 Pa. Code § 54.5(c)(2):

- “If the price is introductory, the pricing statement must include a statement that the price is an introductory price, the duration of the introductory period and the price for the first billing cycle after the introductory period.”
- Intended to provide for full price transparency when an EGS is offering an introductory price product.



EGS DISCLOSURE RULEMAKING

52 Pa. Code § 54.5(c)(3)(iv):

- “A description of when and how the customer will receive notification of price changes.”
- This requirement is intended to let the potential customer know when and how they will be informed of their variable-price changes.
- For example, if the customer will not be informed of the price until the time of billing – the EGS must disclose this.



EGS DISCLOSURE RULEMAKING

52 Pa. Code § 54.5(c)(4):

“If the unit price changes based on customer usage or if the product includes fees in addition to the unit price, the price per kWh shall factor in all costs associated with the rate charged to the customer and show the average price per kWh for usages of 500, 1,000 and 2,000 kWh of electricity in a table format.”



EGS DISCLOSURE RULEMAKING

- This requirement is intended to enable consumers to compare supplier offers on an “apples-to-apples” basis; especially when non-volumetric charges such as monthly fees or one-time fees are involved.

<u>Usage:</u>	<u>500 kWh</u>	<u>1,000 kWh</u>	<u>2,000 kWh</u>
<u>Price per kWh:</u>			



EGS DISCLOSURE RULEMAKING

52 Pa. Code § 54.5(c)(11):

- **“An explanation of limits on price variability, penalties, fees or exceptions, printed in type size larger than the type size appearing in the terms of service. Penalties and fees shall be disclosed in actual dollars or a specific method for determining the actual dollars shall be disclosed.”**
- This is intended to provide full transparency concerning the potential customer’s exposure to penalties and fees.



EGS DISCLOSURE RULEMAKING

(j) If the contract is assignable, the EGS shall inform the customer at the time the parties enter into the contract. Prior to a contract assignment, the EGS shall provide notice to the affected customer, the affected EDC and the Commission. The customer notice must include the name of the new EGS, the contact information for the new EGS and language informing the customer that contract terms and conditions remain unchanged.



EGS DISCLOSURE RULEMAKING

52 Pa. Code § 54.5(k):

“If the EGS intends on obtaining customer account information from the EDC, the EGS shall inform the customer what type of information may be obtained, the purpose for obtaining this information and inform the customer that they are consenting by entering into this contract. The EGS shall also inform the customer that the EGS will maintain the confidentiality of a customer’s personal information including their name, address, telephone number, electric usage and historic payment information as required by applicable Commission regulations and federal and State laws.”



EGS DISCLOSURE RULEMAKING : CONTRACT SUMMARY

- Proposing changes to align with proposed changes to the disclosure statement.
- Remove EDC information?
- We remind parties to please keep in mind that the contract summary, to be effective, must be just that – a “summary.” We urge all parties to keep conciseness paramount when they consider the contract summary.



EGS DISCLOSURE RULEMAKING : FILING COMMENTS:

See ordering paragraph # 5:

That interested parties may submit written comments referencing Docket Number L-2017-2628991 within 60 days from the date the notice is published in the *Pennsylvania Bulletin* to the Pennsylvania Public Utility Commission,
Attn: Secretary, P.O. Box 3265, Harrisburg, PA
17105-3265.

Comments may also be filed electronically through the Commission's e-File System.



EGS DISCLOSURE RULEMAKING : QUESTIONS:

The contact persons for this matter are:

- Daniel Mumford in the Office of Competitive Market Oversight (717) 783-1957, dmumford@pa.gov;
- Matthew Hrivnak in Bureau of Consumer Services (717) 783-1678, mhrivnak@pa.gov.
- Kriss Brown in the Law Bureau (717) 787-4518, kribrown@pa.gov.



Keep Informed

If you are not on the OCMO-
CHARGE email distribution
list...

Send an email to:

RA-OCMO@pa.gov



Questions?