RESA Recommendation Regarding New/Mover and Customer Referral Program

1. Messaging, script language:

* RESA believes that the specific messaging for the new mover and customer referral program should present the customer with a clear supplier-selection decision that does not convey any implicit advantage for default service as an option.
* RESA recommends language similar to the following:

“Did you know that in PA you have the right to select your generation supplier?  Who would you like as your supplier?” (Note: This presents the customer with a clear decision to select their generation supplier at the start of the conversation).

If customer says yes, the EDC’s CSR would inform the customer that the supplier is participating in the New Mover/Customer Referral program, would explain the price and term details and would record the customer’s supplier selection. This information would be transmitted to the EGS along with customer name, account number and other necessary information (either via EDI or a separate reporting process) and the EGS would follow up with enrollment transaction.  (Note: if customer inquires about an EGS product offering that is different from the standard new/mover/customer referral offering, the EDC would perform a warm transfer to the EGSs call center).

If customer says no:

“No worries, we can help you make your supplier selection decision in just a few moments.  We can refer you to one of several suppliers participating in the New Customer/Customer Referral program.  The companies participating in the Program are licensed by the Public Utility Commission.  If you choose to participate [EDC] will randomly refer you to one of the participating suppliers.  You will pay a rate of [insert description of standard offer product].  If you do not participate, PECO will provide your generation service at a rate of [insert current PTC] which will change every three months.  Would you like to participate in the New Customer program?”

1. Structure of a Standard Product

* RESA supports a standard product modeled closely after the NY customer referral programs. Many RESA members participate in this program and it is widely viewed as a successful way to introduce customers to the concept of receiving service from an EGS.
* The introductory discount rate would be 7 percent off of the Price to Compare and would be valid for the first 3 months, instead of 2. This allows for additional time to send the two mandatory notices required by PA regulations.
* Value-added products through the customer referral program: RESA recommends that only a standard product be implemented under a customer referral program at this time. However, after one year of experience with the program, RESA recommends that the Commission and stakeholders consider developing a second, value added product that could be offered through the referral program (such as a green product, dynamic pricing product, or other standardized value-added offering)
* Customers permitted to select an EGS by name or could be randomly referred to a participating supplier
* Customer class eligibility would include residential and small business customers. Until such time that a uniform definition of small business could be implemented (i.e., 25 kW), the small business class would be defined according to the EDC’s smallest non-residential general service rate schedule: Duquesne, GS-Small under 25 kW; Met-Ed & Penelec, GS-Small under 1500 kWh per month, PPL GS1, etc.
* Only default service customers are eligible
* As with the NY programs (with the exception of Central Hudson), customers would automatically renew onto a month-to-month product with the EGS with no early termination fees.
* The EGS would be responsible for handling the enrollment and providing the terms and conditions to the customer. For example, when the customer agrees to participate in the program during a conversation with the EDC’s CSR, the EDC would record the customers name, account number and other relevant information and would transmit this information to the EGS (via EDI preferably, but could also be a manual report generation process if easier to implement). EGS generates EDI 814 enrollment transaction and delivers the required disclosure statement to the customer.

1. Timeline for Implementation

* Commission Order in December directing EDCs to file plans implementing new-mover and customer referral programs
* 45 day period for stakeholder meetings to develop EDC plans
* EDC’s submit individual plans by March 1
* Commission approves plans by May 1
* EDC implementation 3 to 6 months following final PUC order