

CHARGE Conference Call

June 10, 2010 – 9:30 a.m.

Call-in number: 1-866-618-6746 and Access Code: 6060145

Recap of Discussion

1. EGS Marketing Activities

- Group further discussed provisions K.1 and K.2 concerning Distribution Company and Commission Involvement; staff will consider changing “shall” to “should” in these sections and adding language to make it clear that utility customer service representatives should give only factual information about the utility’s price and service and refer questions about suppliers’ offers to suppliers
- Staff will issue a redlined version incorporating changes discussed at June 7, 2010 meeting by June 11, 2010 for comments on redlined language by June 21, 2010 to ra-ocmo@state.pa.us and for final discussion during June 24, 2010 CHARGE call; staff targets July 15, 2010 Public Meeting for consideration by PUC

2. Supplier Consolidated Billing Implementation

- EDEWG planned to have a document ready to submit to CHARGE around the end of June
 - *Editor’s note: after the call, EDEWG advised that this document is now targeted for the end of July*
- PPL is struggling with legal aspects of supplier consolidated billing and plans to file a revised supplier tariff addressing this and other issues
- FirstEnergy’s supplier tariff is pending before the PUC and is available at the following link: <http://www.puc.state.pa.us//pcdocs/1073538.pdf> (Docket No. P-2009-2093053, filed March 31, 2010)
 - Staff is reviewing FE’s supplier tariff to determine whether supplier consolidated billing is an issue currently pending before the PUC, which would limit our ability to discuss

3. Eligible Customer List

- Staff is finalizing a recommendation for the PUC to address various ECL issues relating to uniformity and availability of customer information needed by EGSs (target: July 15 PM)
 - Question raised about whether an indicator for net metering would be included; it was noted that this indicator has not been previously slated for inclusion on the ECL but that the recommendation would set forth minimum requirements

- Staff envisions issuance of a tentative order for comments

4. **Default Service Bid Information**

- Staff seeking feedback on the approach followed by FirstEnergy as a starting point for standardizing release of default service auction results and formulation of price to compare
- Link to the PTC calculator and default service procurement schedule - [http://www.firstenergycorp.com/supplierservices/Pennsylvania/Met-Ed and Penelec/Met-Ed and Penelec Default Service Information.html](http://www.firstenergycorp.com/supplierservices/Pennsylvania/Met-Ed_and_Penelec/Met-Ed_and_Penelec_Default_Service_Information.html)
- Link to the results for the May auctions - <http://www.firstenergycorp.com/utilitypowerprocurements/pa/mepn/index.html>
- General link to navigate to either site - <http://www.firstenergycorp.com/corporate/Suppliers.html>

5. **Estimated State Tax Amount on Bills**

- Question has arisen about whether the presentation of “estimated total state taxes” on residential bills is required for generation charges of EGS as there is no standard treatment among EGSs
- Staff has determined that EDC tax components are Capital Stock, Property Tax-Local and PURTA, State Unemployment Compensation, PA State Income Tax, and Gross Receipts Tax.
- Staff is conducting further review of statute and regulations to offer guidance to EGSs on this issue; interested in feedback from group on value of having information on bills about taxes (other than GRT) paid by EGSs

6. **Gross Receipts Tax**

- Group discussed proper way to calculate GRT owed to the Commonwealth, and it was noted that to collect the amount that is owed, a company (EGS or EDC) needs to gross up the 5.9% rate to 6.27%
 - From PPL’s FAQs on the website is the following calculation:

The amount of the Gross Receipts Tax (GRT) is 5.9%, as specified in the Pennsylvania Department of Revenue's 2007-2008 Estimate Documentation (available at http://www.revenue.state.pa.us/revenue/lib/revenue/2007_08_Est_Doc.pdf), and it is applied as follows: $Price = (Taxable\ Amount)/(1 - GRT)$
- Staff emphasized that EGSs should ensure that they are being consistent in communications with customers and in presentation on bills; for instance, EGSs should not be using the 5.9% in quotes or marketing materials but then charging customer 6.27%

- Staff will explore having FAQ added to PAPowerSwitch.com that explains the gross-up factor to consumers

7. Historical Usage Requests

- PUC's order adopted on June 3, 2010 in Petition of PECO Energy for Approval of Smart Meter Technology Procurement and Installment Plan clarified PECO's obligation to provide historical usage information in response to EDI request when a customer has previously restricted release of this information but has given the EGS a letter of authorization
 - Link to the order:
<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2009-2123944>
- Staff expects Secretarial Letter to be issued clarifying this obligation for all EDCs

8. Last-In Enrollments

- Spreadsheet was previously circulated to show how EDCs handle multiple enrollments for the same customer before the 16-day cut-off date
- Issue of whether to standardize these processes going forward should be discussed

9. Mixed Meter – EGS Authority

- Questions have been raised about whether EGSs must have authority to serve residential customers when a residential customer is served as part of a mixed meter situation
 - Staff's prior guidance was that if the customer is served under a Residential rate schedule, the EGS should have authority under the license to serve residential customers (and that residential consumer protections would apply)
- During the April 29 call, EGSs expressed concerns about needing a license to serve residential customers if they are contracting with a commercial entity, such as a military base, due to marketing, reporting and compliance differences
- Based on concerns raised during April 29 call, staff has revisited this issue and now believes that it may not be necessary for an EGS to obtain a license to serve residential customers or to afford residential consumer protections when the EGS contracts with and bills the commercial customer
- Staff is drafting document to explain issue and different interpretations in order to obtain guidance from the Commission

10. AEPS Summit

- AEPS Summit will be held on June 17 in Hearing Room 1, Keystone Building, 1:00-4:00 p.m.
- Link to Secretarial Letter - http://www.puc.state.pa.us/electric/pdf/AEPS/SL-AEPS_Credit_Comp_Summit060110.pdf

11. Rate Ready Billing Platforms

- Staff noted that the Retail Markets Working Group is working on rate ready billing issue and will be polling the EGSs for level of interest/need for this feature
- Poll, along with meeting information for June 18, 2010 at 9:30 a.m. will be sent to CHARGE, as well as RMWG
- Anyone who is interested in participating on RMWG should send an email to ra-RMWG@state.pa.us

12. CHARGE Contact List

- Contact list is on website at the following link:

http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx

- Please send contact information or updates to ra-ocmo@state.pa.us; purpose of this list is to enable stakeholders to contact one another directly to resolve issues and is separate from email distribution list

13. Meeting Schedule for Remainder of 2010

- June 24, 9:30 a.m.
- July 8, 9:30 a.m.
- July 22, 9:30 a.m.
- August 5, 9:30 a.m.
- August 26, 9:30 a.m.
- September 9, 9:30 a.m.
- September 30, 9:30 a.m.
- October 14, 9:30 a.m.
- October 28, 9:30 a.m.

- November 18, 1:30 p.m. (Note: different time)
- December 9, 9:30 a.m.
- December 23, 9:30 a.m.