

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Interim Guidelines For Eligible
Customer List

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Docket No. M-2010-2183412

COMMENTS OF
CONSTELLATION NEWENERGY, INC.

I. INTRODUCTION

In accordance with the Pennsylvania Public Utility Commission's ("Commission") July 15, 2010 *Tentative Order*,¹ Constellation NewEnergy, Inc. ("CNE") submits its Comments in the above-docketed proceeding, dealing with the Commission's proposed draft guidelines regarding Eligible Customer Lists ("ECLs") which are made available to Electric Generation Suppliers ("EGSs").

In the event that the Commission or its Staff prepares a service list for this proceeding or otherwise requires additional information regarding the positions presented herein, CNE identifies the following individuals:

David Fein
Vice President, Energy Policy
Constellation Energy
550 West Washington Blvd., Suite 300
Chicago, IL 60661
(312) 704-8499
David.Fein@constellation.com

Divesh Gupta
Senior Counsel
Constellation Energy
111 Market Place, Suite 500
Baltimore, MD 21202
(410) 470-3158
Divesh.Gupta@constellation.com

¹ *Tentative Order Interim Guidelines For Eligible Customer Lists*; Commission Docket No. M-2010-2183412 (issued July 15, 2010) ("Tentative Order").

II. BACKGROUND ON CNE

CNE is an indirect, wholly-owned subsidiary of Constellation Energy Group, Inc., a FORTUNE 500 North American energy company with several merchant subsidiaries in addition to CNE, including a regulated utility subsidiary, Baltimore Gas and Electric Company. CNE has been granted market-based rate authority by the Federal Energy Regulatory Commission and is a buyer and seller of wholesale electricity and capacity. CNE is authorized to provide electricity and energy-related services to retail customers in Pennsylvania and thirteen other states, as well as the District of Columbia. CNE is a licensed EGS in the Commonwealth, pursuant to 66 Pa.C.S. § 2809, and is registered to serve customers in most of Pennsylvania's larger EDCs' territories.

As a potential supplier of retail power in the Commonwealth, the Tentative Order presents important issues which affect CNE's ability to compete in Pennsylvania. These Comments are based upon CNE's extensive experience in the Commonwealth and in other jurisdictions regarding the establishment of rules and policies for retail markets, and will ensure further development of the Commonwealth's competitive electric markets, providing enhanced benefits to consumers.

III. CNE COMMENTS

In well-functioning competitive markets, competitive retail suppliers have contracts with customers of all sizes, ranging from individual homeowners to major steel plants. These may be contracts of various duration, including month-to-month, three-month, six-month, one-year, 18-month, two-year, three-year, and even longer-term contracts. In addition, there exist an ever-increasing number of service options available from competitive suppliers to meet customers' needs, resources, budget requirements, environmental or sustainability initiatives, and price-

hedging strategies. These products can be individually customized to meet the business goals, risk appetite, and needs for each individual consumer.

If customers are interested in budget certainty and avoidance of market volatility, competitive suppliers can offer them fixed price contracts. For customers that are willing to accept some market volatility, competitive suppliers can fix a portion of their energy needs, and leave another portion variable based upon an index. For customers that want to follow a market index or pay rates that vary every hour, they can indeed select such a product. Other options include setting a strike price where a fixed price is set once the market price achieves a certain pre-determined price.

In addition, for customers that are interested in demand response and energy efficiency measures, desire to select renewable energy resources, or wish to support the building of new renewable energy power plants, for instance, competitive suppliers can offer green power products (e.g., wind, solar, biomass, hydro, tidal, geothermal), the purchase of alternative energy certificates, demand response programs, carbon offset products, and other varieties of products and services.

Competitive retail and wholesale markets are the best way to ensure that the Commonwealth's consumers receive reliable electric power and have access to innovative products and services such as these from a broad pool of suppliers that may best meet each customer's individual needs.

For all of the above reasons, the Commonwealth has adopted and should continue to support policies and practices that support competitive retail electric markets, including through retail market enhancements (such as those promoted in the Commission's Tentative Order) and active monitoring for and removal of barriers to the continued development of customer choice

and competition. Encouraging retail choice in this way will only serve to benefit consumers throughout the Commonwealth, especially at a time of constantly changing challenges affecting and rapidly evolving solutions addressing our energy future.

The Commission's Tentative Order does just that by directing the electric distribution companies ("EDCs") to provide a sufficient amount of detail to assist EGSs in the provision of products and services to benefit customers of all sizes. The Commission's Office of Competitive Market Oversight ("OCMO") and the Committee Handling Activities for Retail Growth in Electricity ("CHARGE") should be commended for their efforts in reaching consensus on a number of key items and fostering a process that included numerous stakeholders representing EGSs, EDCs, consumer representatives, and others.

Specifically, CNE supports adoption of all of the Tentative Order's Consensus Items as well as the following Non-consensus Items in a Final Order:

- Customer Telephone Numbers;
- Old Account Numbers;
- PPOLR Indicator;
- Interval Meter Indicator; and
- Capacity & Transmission Obligations.

By including this additional information, the Commission will further enable the efforts of EGSs to market to residential, commercial, industrial, and governmental customers.

At the same time, the Tentative Order recognizes that it is important to provide to customers the ability to restrict access to their information on the ECLs, and that there may be a heightened need to protect the disclosure of a residential customers' service address due to a

domestic violence situation. CNE supports efforts to provide sufficient protections in such an instance.

IV. CONCLUSION

CNE appreciates this opportunity to submit its Comments to the Commission. CNE is confident that adoption of the Tentative Order will promote continued development of the Commonwealth's competitive retail markets, for the ultimate benefit of Pennsylvania's consumers.

Respectfully submitted,



Divesh Gupta
Senior Counsel
Constellation Energy
111 Market Place, Suite 500
Baltimore, MD 21202
410-470-3158
divesh.gupta@constellation.com

On Behalf of Constellation NewEnergy, Inc.

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