

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Proposed Rulemaking on Marketing and Sales)
Practices for the Retail Residential Energy Market) Docket No. L-2010-2208332

**SUPPLEMENTAL COMMENTS OF
INTERSTATE GAS SUPPLY, INC., dba IGS Energy**

INTRODUCTION

Pursuant to Docket No. L-2010-2208332, the Pennsylvania Public Utility Commission (“PUC,” or “Commission”) seeks comments on a Proposed Rulemaking Order on marketing and sales practices for the retail residential energy market (“Proposed Rulemaking”), which is based on the interim guidelines issued by the Commission on November 5, 2010.¹ The interim guidelines were developed during 2010 through the ongoing dialogue and discussion emanating from a series of collaborative meetings conducted by the Office of Competitive Market Oversight (“OCMO”) and as part of two primary industry working groups – The Committee Handling Activities for Retail Growth in Electricity (“CHARGE”), and Stakeholders Exploring Avenues to Remove Competitive Hurdles (“SEARCH”).

Interstate Gas Supply, Inc., dba IGS Energy (“IGS”) appreciates the opportunity to comment on these proposed regulations. These Comments are provided as a separate supplement to those Comments being filed by the Pennsylvania Energy Marketers Coalition (“PEMC”), to which IGS fully associates itself as a member and supports.

For purposes of these Supplemental Comments, IGS would like to focus on two specific issues which we believe should be addressed to further provide the maximum level of consumer protection and supplier integrity:

¹ See Docket No. M-2010-2185981.

AGENTS SHOULD BE SEPARATELY LICENSED FOR EACH SUPPLIER REPRESENTED

§ 111.3 considers the liability incurred by suppliers for the agents they hire to conduct sales and marketing activities on their behalf in the Commonwealth. IGS strongly supports mechanisms which are vigorously but fairly enforced by the Commission and Staff to ensure that consumers are protected from deceptive and dishonest activity, should it occur, and that the parties responsible for such actions are held to account. Currently, some agents represent more than one supplier. If an agent representing multiple suppliers, within an Electric Distribution territory, violated these guidelines or other regulations and statutes of the Commonwealth while marketing on behalf of one supplier (or at the direction of that supplier), the other suppliers represented by that agent might be unfairly held accountable for the misbehavior of the agent in question. In addition, it would be significantly more difficult to ascertain which supplier was directly related to the activity. To that end, IGS recommends a new sub-paragraph (c) be inserted between the existing sub-paragraphs (b) and (c) in § 111.3, stating: "If an agent represents more than one supplier in a given utility territory, the agent must be separately licensed for each supplier it represents. During a customer interaction, the agent must display and provide, as required, the specific license number associated with the supplier being marketed for during that interaction." This should allow Commission Staff to be able to trace which supplier should be held accountable for the misbehavior of an agent, should an investigation demonstrate such misbehavior took place.

**FURTHER DISCLOSURE NEEDED FROM SUPPLIERS WITH SIMILAR NAME
AS DISTRIBUTION COMPANIES**

§ 111.8 provides guidelines for the representation of agents working on behalf of retail energy suppliers. We believe these guidelines will ensure transparency and minimize confusion on the part of consumers. To further advance these objectives, we recommend the addition of a new subparagraph (f), stating, "Any company, regardless of affiliation, using a similar name as the distribution company must provide appropriate disclosures regarding the nature of the relationship which would include at least (i) disclosure that the non-affiliated company is not the utility and not affiliated with the utility; and, (ii) disclosure of the full legal name of the entity providing services

under the name and/or logo which may appear similar to the utility." IGS believes these requirements will help ensure that agents provide as much clarity as needed so that consumers do not mistake who the agent represents, and the specific entity with whom they may be entering into a contractual relationship.

CONCLUSION

IGS believes that the development of this Proposed Rulemaking is a very important step in the continuing development of the competitive natural gas and electricity marketplace in the Commonwealth of Pennsylvania. More than any other component of energy choice, it is critical that these regulations are approached with a continued commitment to empowering consumers so that they have the ability to take control of their energy purchases with products that they believe best fit their individual needs. If implemented properly with a strong commitment by all parties, consumers will have access to more choices for natural gas and electricity supply – and more control over their energy future.

We recognize that more work remains to be done on this topic and others related to competition, and we pledge to the Commission our continued support to help with these efforts.

December 21, 2011

Respectfully submitted,

INTERSTATE GAS SUPPLY, INC.

A handwritten signature in blue ink that reads "Anthony Cusati III". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

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