

January 14, 2013

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Mari Jensen v. PECO Energy Company
PUC Docket No. F-2011-2270675

Dear Ms. Chiavetta:

This letter is my written response to PECO Energy's Petition for Reconsideration dated January 4, 2013. I have been out of town for the past week and returned late Sunday night (1/13/2013), so today (1/14/2013) was my first opportunity to review this Petition, which was received at my home (and picked up by my neighbor while I was away) either on January 7 or January 8. I am clarifying this because the PECO Notice to Plead which was addressed to me stated I had 10 days to file a written response.

The following is my response to the PECO Petition:

1. Regarding PECO request for Petition grant item #1 on page 2, "Additional time..."
 - I would request PECO justify the time they estimate to complete these calculations.
 - PECO claims on page 2 of the Petition "...because these calculations are highly labor intensive and time intensive."
 - I have been told by PECO that the calculations are done manually, but I assume they mean *some type of spreadsheet is used (and not pencil and paper)*. I sent to PECO dated May 31, 2012, requesting documentation on exactly how these calculations are performed. In response they sent me an Excel spreadsheet – which is why I assume this is the method they use.
 - If the calculations are performed on a spreadsheet – which includes the data on the months the excess generation took place and the quarterly PTC – it is a simple matter to modify the sheet to use the weighted-average PTC versus a simple-average PTC.
 - As further evidence of my assertion of the simplicity of this, I refer to my original complaint to the PUC submitted on October 9, 2011. In Section 4.B. of the complaint I refer to the phone conversation (on 10/20/2011) I had with Mr. Rick Schlesinger of PECO in my initial attempts to resolve this issue. During my several-minute conversation with Mr. Schlesinger he easily calculated the difference in reimbursement owed to me using the simple-average PTC versus weighted-average PTC. I agreed with his result since I had easily calculated the identical reimbursement on my own.
 - On page 7 of the Petition, under item III.10., PECO states there are 1,758 accounts which must be calculated manually, yet they provide no information on how much time is required for each calculation. It took Mr. Schlesinger less than 5 minutes to calculate my reimbursement. Even if there are 1,758 separate spreadsheets that must be updated I would like an explanation of why this would take longer than 10 minutes per account. By my math this totals 17,580 person-minutes, or less than 8 person-weeks. Unless they only assign one person to work on this part time I do not understand PECO's technical basis for stating on page 8 of the Petition that "...six months will be required...". PECO should be asked to explain this assertion and be held accountable for their request for this grant of additional time.

- I do agree with PECO's argument on page 2 of the Petition that customers will not be prejudiced by the request for more time, for the exact reasons they state in the Petition. My only contention is that they are greatly exaggerating the time and effort that is required to perform these calculations.
2. With regard to item III.14. on page 9 of the Petition, I would request that my reimbursement based on the weighted-average PTC be done at the same time as all other PECO similarly-affected customers. If the PUC grants a time extension based on PECO's request for grant #1, then I am satisfied to be reimbursed at this same extended time frame.
 - In my original complaint to the PUC submitted on October 9, 2011, in section 4.B., I stated that during my phone conversation with Mr. Schlesinger he offered to reimburse me for the difference of the simple-average PTC versus the weighted-average PTC. I refused, since my intent was simply to ask PECO to follow the regulations on performing the calculations for all similarly-affected customers. My requested resolution of this matter has never changed, with my primary desire is to hold PECO accountable to follow the Regulation.
 3. Regarding PECO request for Petition grant item #2 on page 2, "Recover of Information Technology ("IT") costs...":
 - Whether PECO is entitled to reimbursement of these costs is a question between PECO and the PUC. However, the amount PECO has estimated concerns me deeply as an electricity provider and PECO customer (who will be asked to bear my share of these costs).
 - On page 2 of the Petition PECO states these costs will be approximately \$500,000, "...so that future year-end reimbursements can be calculated automatically pursuant to the December 20 Order."
 - I have re-read the December 20 Order several times, and I do not see where the PUC required that future reimbursements must be automatic. Although I can agree that PECO should strive to automate their systems and improve the information provided to their customers, I do not see where this was part of the Order and therefore this expense would be PECO's discretion.
 - I would further challenge PECO to provide the details of what IT work is needed and why it will cost \$500,000. Based on my calculations in response to item #1 above, I estimate it will cost PECO less than \$20,000 to perform these calculations manually, or maybe a little more to include the cost to prepare the ~1,758 explanation letters to customers. PECO has not provided the detailed quantitative evidence for their generalized assertion that these calculations are "...highly labor intensive and time intensive...", so this estimate is based on my own calculations only.
 - Unless it will cost PECO far in excess of \$20,000 per year to perform these calculations "manually", then I would suggest there is no justification to approve a \$500,000 expenditure to automate the process. My request is that PECO provide the details to the PUC to justify their request for this excessive recovery of IT costs.
 4. I have additional comments with regards to the PECO request to reconsider the Order:
 - At the top of page 7 of the Petition, under item II.6., PECO has requested the PUC reconsider the Order, in whole or part, based on "...new and novel arguments, not previously heard, or considerations which appear to have been overlooked or not addressed by the Commission."
 - Based on my responses above to PECO's requests for grants #1 and #2, I hereby challenge the technical basis for the "new and novel arguments".
 - PECO has essentially argues that the PUC did not consider the cost or time required to comply with the Order, with the PECO assertion that these are excessively high. My argument is that

PECO has only generally stated excess hardship and cost to comply with the Order, but no real evidence or detailed justification is presented. Unless PECO provides additional details then I do not see a clear basis for reconsideration of the Order on the basis that the cost and effort was "...overlooked or not addressed by the Commission".

- In other words, PECO should be held accountable to provide real evidence for their "new and novel arguments", which are really just assertions on their part and not fact.

5. I have some final comments with regard to this process in general:

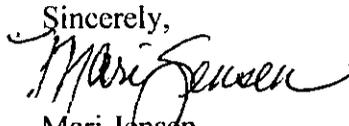
- I realize these are probably not new or novel **legal** arguments, but I offer these to try and promote a common sense resolution to this discussion.
- Resolution to my request should have been happened during my initial phone calls with PECO, the PUC, or both. Having to go through more than 15 months of legalese arguments over something so simple and obvious should be very embarrassing for PECO and the PUC. As an electric user and PECO customer I cannot have imagined the extent to which this simple request has been blown out of proportion.
- The PUC made it clear in 2008 in the Final Omitted Rulemaking Order that the weighted-average PTC was to be used for reimbursements. The PUC offered no alternate definition for the PTC other than the "weighted average", which was clearly defined.
- As recently as June 1, 2011, at the PECO Solar Conference held at the McCall Field Conference Center. Here is the internet path to download the presentation document that was used at that conference (I have a copy of that document if the link does not work):

<https://www.peco.com/CustomerService/RatesandPricing/RateInformation/Documents/PDF/Self-Generated%20Power/FAQs%20and%20Presentations/SOLARConference060111WKK1%5B1%5D.pdf>

- On slide 73 of that document PECO clearly stated the weighted-average PTC was to be used. They clearly knew and understood what the PUC intended. During my 10/20/2011 phone conversation with Mr. Schlesinger of PECO he easily performed the correct calculation, further evidence to me that PECO understood "what they were supposed to do".
- Why PECO eventually decided to use a simple average is just plain perplexing. It is a simple difference in setting up the spreadsheet calculations to do the calculations one way or another – the data needed to perform either calculation is identical. What is truly stunning to me is why PECO has fought this for so long, and why the PUC has not previously enforced the correct method of calculation. Further, PECO has never offered any arguments or justification for why they chose to use a simple-average PTC calculation for reimbursements of excess generation. Their only argument seems to be that since the calculation method was not specified or defined in section 75.13(d) of the Regulation that they are free to calculate this any way they wish. Using a simple average is okay. Or maybe next year use the lowest PTC for the previous 12 months? Or maybe find some other way to do this calculation?
- The fact that PECO is now presenting in their Petition "new and novel arguments" claiming the Order requires extreme effort and cost is only the next legalese step in this exhaustive process. I need to spend yet another evening of my time refuting something that should be obvious to the PUC. PECO states in their 1/4/2012 Notice to Plead (addressed to me) that if I do not respond within 10 days then "...the facts set forth by PECO energy Company may be deemed to be true." Facts? Is this really correct? Is it really up to **me** to respond to PECO's "new and novel" arguments" regarding extreme effort and cost hardships? Is it true that if I don't respond then the PUC will take their assertions as "facts", without evidence presented on PECO's part? Is it really up to **me** to hold PECO accountable? Does the PUC not challenge or hold the electric distribution companies accountable to follow the law or justify their claims?

- I realize these questions posed above are rhetorical and inflammatory. But please understand that when I started this process over 15 months ago I spoke over the phone with the PUC (the AEPS department), and the person I spoke with consulted with her supervisor. They recognized and acknowledged that incorrect calculations were being performed by PECO. But rather than the PUC take responsibility and hold PECO accountable, I was told I needed to file a formal complaint, and then I have since needed to file response letters, pose obvious arguments, etc., etc. As already stated, PECO and the PUC should be very embarrassed by the way this has had to proceed – and continues to evolve – still without final resolution. To something that is so simple and obvious, and was recognized and acknowledged by PECO in early 2011 (in the referenced 6/1/2011 Solar Conference presentation and verbally with me over the phone).
- On March 20, 2012, I sent a response letter to the PUC Administrative Law Judge (ALJ) in response to the PECO Motion for Judgment which PECO filed on February 28. My response letter was sent by certified mail within the 20-day time frame required for a timely response. Unfortunately, in my hurry to present this letter to the PUC, I forgot to sign the letter. It was sent back to me prior to being presented to the ALJ. I then signed the letter and sent it back, but then it was not received by the ALJ until April 2, 2012, outside of the 20-day time frame. As a result the ALJ deemed the response to be “untimely”, and he did not consider any of the arguments in that letter. I hope you can understand my extreme frustration with this particular step in this process.
- Even without my arguments considered, why did the ALJ not read the Final Omitted Rulemaking Order, and recognize the correct weighted-average calculation requirement – which was so clearly defined? At that time we were not granted a public hearing because (according to the ALJ) “...a hearing would not enable the complainant to better explain his or her position or provide additional facts that would alter the inevitable conclusion...”. Really? I found it unbelievable that we were not granted a hearing, but so it goes. This is just more layers of frustration and legalese complexity piled on high. And all because it is apparently up to me, as the only entity who can hold PECO accountable. Repeating my rhetorical question: why does the PUC not act independently to hold PECO accountable? Why does this continue to be up to me?

Thank you for your consideration in this matter. I truly hope this can come to an end once and for all. As a matter of the facts, my calculated net money due to me when the correct calculations are performed total \$1.42 over the past two years. This has never been about money for me, it has only been about holding entities accountable to follow the law.

Sincerely,

 Mari Jensen
 8 Sleighride Rd.
 Glen Mills, PA 19342

Cc: Michael S. Swerling, Esquire
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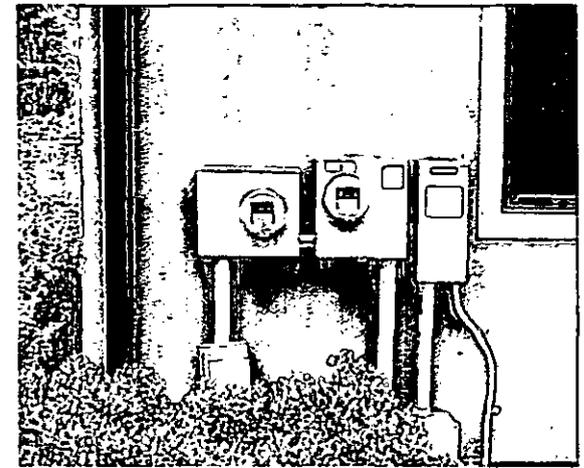
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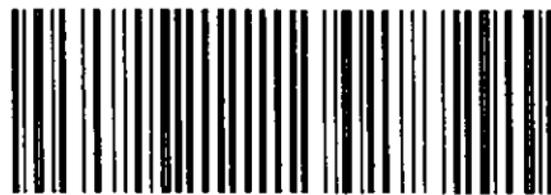


Customer's Cash Out

- ✓ With PECO as DSP
 - After the May relative month or if an account finals, PECO will calculate and apply a credit based on the excess banked kWh and price for any RS account with remaining banked usage
 - If a customer switches from DSP to an EGS, PECO will perform the end-of-year cash-out at the end of the DSP billing period
 - The cash-out price will be weighted average of the quarterly Price-To-Compare (PTC) prices
 - After applying the credit and in any instance where a customer is cashed out, PECO will also reset banked kWh to zero for any RS account (both DSP and EGS) with remaining banked usage

- ✓ With EGS
 - If a customer switches from one EGS to a different EGS, or from an EGS back to the DSP, PECO will reset banked kWh back to zero for any RS account with remaining banked usage, and no cash-out will be performed

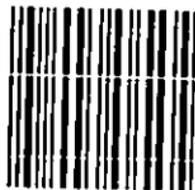
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