

May 15, 1998

R-60973-953

Gov. Tom Ridge
Governor's Office
225 Main Capitol Bldg.
Harrisburg, Pa. 17120

Dear Gov. Ridge:

My wife and I urge you to endorse the Choice
Plan on lowering electric bills by 20%. Thank you for your
help in this matter. This would help seniors such as my wife and I.

Yours truly,

Allen A. Travis
Allen A. Travis
P. O. Box 454
Penns Park, Pa. 18943

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MAY 22 1998

PA PUBLIC UTILITIES COMMISSION
PROTHONOVICH OFFICE

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Direct Dial: 215 841 4252

May 15, 1998

First Class Mail

James McNulty, Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
Harrisburg, PA 17105-3265

Re: PECO Energy Company's Application For Approval Of Its Restructuring
Plan et. al., Joint Petition for Settlement; Docket Nos. R-00973953 and P-
00971265

Dear Secretary McNulty:

Attached for filing is a copy of the Notice PECO Energy provided pursuant to the
Joint Petition for Full Settlement (p. 2.,fn. 2). PECO Energy provided this notice:
(1) by letter to its customers; (2) by posting in its offices; and (3) by posting on
its Internet web page.

We also issued a news release regarding the settlement, and published notice in
newspapers as indicated on the attached media report.

Sincerely,

Paul R. Bonney

PRB/mbo

Enclosures

cc: w/enclosures
Service List

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PECO ENERGY

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**PECO ENERGY AND OTHERS ASK
PUC TO APPROVE A SETTLEMENT
OF ITS COMPETITION RESTRUCTURING PROCEEDING AND RELATED APPEALS**

A state law enacted in December 1996 directs that the electricity generation segment of the retail electric utility industry will change from what we have now - a regulated utility - to a competitive market. This change is underway, and in the near future customers will have the opportunity to shop for electricity.

On December 23, 1997, January 16, 1998, February 5, 1998 and February 26, 1998, orders were entered by the Pennsylvania Public Utility Commission ("PUC") concerning PECO Energy Company's Restructuring Plan (Docket No. R-00973953). Various parties have appealed portions of these orders in Federal and State courts. On April 29, 1998, PECO Energy and other parties - including residential, small business, industrial and low-income representatives as well as competing electric suppliers and environmentalists - filed with the PUC a Joint Petition for Settlement of the restructuring proceeding, resolving all relevant issues in lieu of further prolonged litigation in state and federal courts. The Settlement will among other things:

- Commit PECO and the other parties to implement a competitive market for electric generation on January 1, 1999;
- Provide all customers with a guaranteed 8% rate reduction effective January 1, 1999, through December 31, 1999; changing to 6% on January 1, 2000 through December 31, 2000.
- Provide that in addition to the guaranteed rate decreases, customers shall receive a system-average shopping credit of 4.46 cents per kWh on January 1, 1999, increasing to 5.35 cents per kWh over the 12 year term of the settlement.
- Cap generation rates with certain increases through December 31, 2010, and cap current transmission and distribution rates through June 30, 2005; this provides longer rate cap protections than the Pennsylvania law provides;
- Allow customers to choose an electric provider on the following schedule: one-third of customers on January 1, 1999; one-third on January 2, 1999, and the remaining customers on January 2, 2000;
- Allow generation suppliers other than PECO Energy to provide full competitive billing and metering services starting on January 1, 1999;
- Permit PECO Energy to recover \$ 5.26 billion in stranded assets and costs through a Competitive Transition Charge (CTC) and/or an Intangible Transition Charge (ITC) through December 31, 2010;
- Grant PECO Energy an irrevocable order permitting asset securitization of up to \$4 billion of the \$5.26 billion of stranded costs to be recovered;
- Permit PECO Energy to transfer its generation facilities to a separate corporate entity (whether affiliated with PECO Energy or not);
- Expand PECO Energy's low-income assistance program;
- Fund renewable energy and economic development; and
- Educate consumers about electric competition.

On April 30, 1998, the Commission entered a Tentative Order approving the Joint Petition for Settlement. You may contact the PUC at P.O. 3265, Harrisburg, Pennsylvania 17105-3265, if you wish to comment on the Settlement or request a hearing. The PUC has indicated that it is receiving comments through May 12, 1998. You may also contact the Public Utility Commission toll-free at 1-888-PUC-FACT (1-888-782-3228).

For more information or a copy of the Joint Petition for Settlement, contact PECO Energy at 1-800-494-4000.

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PECO Energy Company

May 1998

Yerney & Partners

A TRUE NORTH COMPANY

Print Media Authorization / Production Release

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 Product: Legal Notice
 Estimate # _____
 Campaign Description: C&PA Legal Notice-Settlement
 Ad Number: 16800-98-1003

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THE EVENING PHOENIX							
DELAWARE COUNTY TIMES							
MARY							
TIMES HERALD							
REPORTER							
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TOTAL P NR

Certificate of Service

I hereby certify that I have this day served the foregoing document on the following in the matter of PECO Energy Company's Application For Approval Of Its Restructuring Plan et. al., Joint Petition for Settlement; Docket Nos. R-00973953 and P-00971265 - by hand delivery or overnight mail:

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Dated: May 15, 1998



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June 1, 1998

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**PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

FedEx - 800192017777

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
North Office Building, Room B-20
Harrisburg, PA 17105-3265

**Re: PECO Energy Company's Competitive Metering and Competitive Billing
Specifications
Docket Nos. R-00973953 and P-00971265**

Dear Secretary McNulty:

Enclosed are an original and 15 copies of PECO Energy Company's Competitive Metering and Competitive Billing Specifications developed by the parties in accordance with Appendix C of the Joint Petition for Full Settlement of PECO Energy Company's Restructuring Plan and Related Appeals and Application for Qualified Rate Order and Application for Transfer of Generation Assets. As proof of filing, please return a date-stamped copy of this letter in the enclosed return envelope.

This document represents the collaborative work of the numerous parties who met during the last three weeks to develop specifications for competitive billing and metering in PECO Energy Company's service territory. The parties will continue to work together to develop the appropriate business processes and data exchange requirements that are necessary to implement competitive metering and billing for January 1, 1999.

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June 1, 1998

Page 2

The parties will file comments on a few unresolved metering and billing issues on Wednesday, June 3. On June 5, the parties intend to file a certification process proposal to be used by the Commission in authorizing an entity to provide advanced metering services. To the extent there may be unresolved issue relating to the certification process, the parties will file comments on June 9.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary McFall Hopper". The signature is fluid and cursive, with the first name "Mary" being the most prominent.

Mary McFall Hopper

MMH/mtg

Enclosures

cc: w/enclosures
The Honorable John M. Quain, Chairman
The Honorable Nora Mead Brownell, Commissioner
The Honorable John R. Hanger, Commissioner
The Honorable David W. Rolka, Commissioner
The Honorable Robert K. Bloom, Commissioner
Bohdan Pankiw - Law Bureau
John Levin - Law Bureau
Mitch Miller - Bureau of Consumer Services
Ahmed Kaloko - Director of Bureau of CEEP
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

CERTIFICATION OF SERVICE

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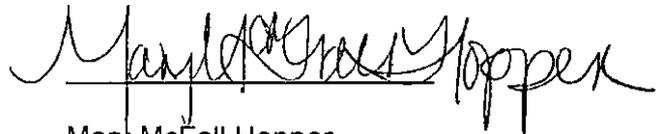
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Respectfully submitted,



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215 841 4941

Dated: June 1, 1998

June 1, 1998

PECO Energy Company Competitive Billing Specifications

Availability of Competitive Billing Services

1. An EGS that is qualified and plans to offer consolidated EGS billing to its customers beginning in January, 1999 with initial bills to be issued in February, 1999, must inform PECO on or before August 1, 1998 of its intention to offer consolidated EGS billing.
2. If the Commission has not established metering and billing standards for PECO by July 1, 1998 and an EGS is not able to comply with the August 1, 1998 notification date, the EGS shall notify PECO as soon as possible after the issuance of Commission metering and billing standards. PECO will work with the EGS so it can provide EGS consolidated billing six (6) months after the EGS notifies PECO of its intention to offer consolidated EGS billing.
3. A customer may choose to change his/her billing option. The customer can switch billing options through his/her EGS or through PECO when the customer wishes to return to PLR service. The change will be effective as of the next scheduled meter read date provided that PECO has received at least 16-calendar days prior notice.
4. An EGS is not required to offer consolidated EGS billing in order to participate as a supplier in PECO's service territory.

Billing Service Options

Consolidated EDC Billing

1. PECO will render a consolidated EDC bill monthly and in accordance with the Public Utility Code and the Commission's regulations (52 Pa. Code §56.1 et seq.)
2. If PECO is providing metering services, PECO will transmit Meter Data (e.g., meter reads, consumption, demand, dates and type of reading) to the EGS. If the EGS is providing advanced metering services, the EGS will transmit Meter Data to PECO.
3. The EGS will calculate its customers' charges and will send its' customers' basic charges including date of billing period, consumption, usage, rate and resulting calculation ("EGS Charges") to PECO via VAN or Internet protocol. PECO and an EGS may develop, for future consideration, a fee structure to enable PECO to include non-basic EGS charges on a PECO consolidated bill.

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4. PECO will provide the EGS up to two lines, each 80 characters in length, on its standard bill for messages directly related to the calculation or understanding of the EGS portion of the bill.
5. PECO and EGSs will transmit Meter Data and billing charges to each other in accordance with the attached interim monthly billing schedule (Attachment E -Data Transfer Schedule.) The Data Transfer Schedule will remain in effect until December 31, 1999. In the fourth quarter 1999, the Data Transfer Schedule will be revisited by PECO and the parties and PECO will determine whether to modify the timing reflecting in the Data Transfer Schedule beyond December 31, 1999 and PECO will provide 60-days advance notice to EGSs before any modification takes effect so that parties that disagree with the discontinuance of the Data Transfer Schedule may request the Commission to overrule or modify PECO's decision.
6. EGS Charges must be received by PECO in accordance with the Data Transfer Schedule.
7. If EGS Charges are not received by PECO in accordance with the Data Transfer Schedule, PECO will place the EGS Charges into the next billing cycle and the delayed EGS Charges will appear on the customer's bill the following month. The customer's bill for the current billing period will state that the EGS Charges for the current billing period are not available. The remittance period for EGS charges will begin when EGS charges actually appear on the bill. Any transactions with EGS charges sent to PECO after the time periods outlined in the Data Transfer Schedule will be rejected and the EGS will need to resubmit data the following month.
8. PECO will collect customer's payments and will process payments in accordance with the Commission's payment priority set forth in Docket No. M-00960890F.001 and Rule 17 of PECO's EDC Tariff.
9. PECO will pay the EGS for amounts owed for all undisputed EGS Charges regardless of whether the customer has paid PECO. An amount is deemed disputed if the customer contacts PECO questioning the charges on the bill and he/she does not agree with PECO's and/or EGS's position regarding the amount due for EGS charges. If the EGS charges are not in dispute, PECO will remit all applicable monies due the EGS, even if the PECO portion is disputed. A customer's claim of the inability to pay shall not constitute a dispute for purposes of PECO's obligation to pay the EGS its undisputed charges.
10. PECO will pay the EGS in accordance with the following schedule:
 - a. Residential Rate Classes (Rates R,RH,RT,OP,CAP) - PECO will send the EGS the amount of its undisputed EGS Charges, regardless of whether the customer has paid PECO, within 25-calendar days from the date of the electronic transmission of the EGS Charges.
 - b. Non Residential Rate Classes. - PECO will send the EGS the amount of its undisputed EGS Charges within 20-calendar days from the date of the electronic transmission of the EGS Charges

c. Payment will not be made to the EGS when EGS Charges are not received by PECO within the specified time period, as explained in paragraph 6 above. Payment for these charges will be made according to the applicable schedule in the following month, if they are received within the appropriate time period along with the current month charges.

d. PECO will make payments of funds payable to the EGS by ACH with remittance advice to a bank designated by the EGS.

11. Budget Billing. PECO will provide a budget billing option for its charges. EGSs respectfully request a waiver of any budget requirement for EGS charges. If an EGS does not offer a budget the following process will apply:

- EGS transmits its CURRENT charges to PECO
- PECO places EGS CURRENT charges on the PECO bill
- PECO sends bill to customer
- PECO pays EGS within 25-calendar days for residential rate classes and 20-calendar days for non-residential rate classes for EGS CURRENT charges
- Customer pays PECO and EGS CURRENT charges

If an EGS does offer a budget the following process will apply:

- EGS transmits its CURRENT charges to PECO
- PECO calculates total BUDGET charges and places them on the PECO bill
- PECO sends bill to customer
- PECO pays EGS within 25-calendar days for residential rate classes and 20-calendar days for non-residential rate classes for CURRENT charges
- Customer pays PECO for BUDGET charges

General Rules for Budget Billing:

- Under EDC consolidated billing, PECO can either (a) if the EGS requests, use no budget calculation for EGS charges, or (b) if the EGS requests (and the Commission waives any applicable requirement), the EDC will calculate the budget bill for the PECO and EGS charges using PECO budgeting protocol.
- PECO reconciliation occurs in month 12 (not necessarily December), or immediately when a customer ends budget billing.
- All rates classes can use the EDC Budget Billing.
- PECO will provide information of a customer's budget status to an EGS when confirming a customer switch.

- An EGS can notify PECO electronically, after receiving customer permission, to change or end the EDC budget billing option.
- The customer will stay on PECO budget billing if no indication is made by the EGS at the time of the customer switch.
- PECO must display actual, budget and budget balance on the bill.

12. PECO Charges and EGS Charges shall be based on the EDC defined meter reading route. An EGS providing advanced metering services may request an adjustment to the meter reading schedule for an account which it meters. The EGS may select another EDC defined meter reading schedule for that account. On January 1, 1999, PECO will accommodate an EGS specified meter reading schedule for Rates HT, PD and EP. By the end of the second quarter 1999 PECO will accommodate EGS specified meter reading schedules for its remaining rate schedules.

13. Dispute Process.

a. Residential Dispute Process.

1. PECO shall process all disputes in accordance with the Public Utility Code and the Commission regulations (52 Pa. Code 56.1 et. seq.) PECO, as the entity responsible for the consolidated bill, must coordinate with the EGS so that a proper investigation to a customer dispute is conducted and completed within the time period prescribed by 52 Pa Code 56.151(5) and that the customer and the EGS (if the EGS is involved in the dispute) are informed of the results of the investigation. The EGS shall provide all information needed by PECO relating to the customer's dispute and must do so within five (5) business days of PECO's request. Attachment A outlines PECO's customer inquiry and dispute procedure for EDC consolidated billing.

b. Residential Informal Complaints.

1. PECO shall process all informal complaints in accordance with the Public Utility Code and the Commission regulations. PECO, as the entity responsible for the consolidated bill, must coordinate with the customer's EGS so that the proper information is submitted to the Commission's Bureau of Consumer Services within the time period required by the Commission. Attachment B outlines PECO's informal complaint procedure for EDC consolidated billing.

2. Any violation letter sent by the Commission shall be addressed to the billing entity at the time of the alleged violation. All violations committed by PECO, as determined by the Commission, during EDC consolidated billing and the handling of the informal complaint are the responsibility of PECO.

c. Non-Residential Dispute Process.

1. PECO, as the entity responsible for the consolidated bill, will coordinate with the EGS so that the proper investigation is made and that the customer and the EGS (if the EGS is involved in the dispute) are informed of the results of the investigation. The EGS shall provide all information needed by PECO relating to the customer's complaint and must do so within five (5) business days of PECO's request.

d. Non-Residential Informal Complaints.

1. PECO shall process all informal complaints in accordance with the Public Utility Code and the Commission regulations. PECO, as the entity responsible for the consolidated bill, must coordinate with the customer's EGS so that the proper information is submitted to the Commission's Bureau of Consumer Services within the time period required by the Commission.

2. Any violation letter sent by the Commission shall be addressed to the billing entity at the time of the alleged violation. All violations committed by PECO, as determined by the Commission, during EDC consolidated billing and the handling of the informal complaint are the responsibility of the EDC.

14. PECO will follow its current credit and collection policies for collections. Outstanding prior balances are not transferred when a customer switches from PECO to an EGS, switches from one EGS to another, switches from an EGS to PLR or when the customer chooses another billing option, unless mutually agreed to by PECO and the individual EGS.

Consolidated EGS Billing

1. The EGS will render a consolidated EGS bill monthly and in accordance with the Public Utility Code and the applicable Commission's regulations (52 Pa. Code §56.1 et seq.)

2. If PECO is providing the metering services to the customer, PECO will transmit Meter Data to the EGS. If the EGS is providing advanced metering services to the customer, the EGS will transmit the Meter Data to PECO.

3. PECO will calculate its customers' charges and will send its unbundled charges ("PECO Charges") to the EGS via VAN or Internet protocol.

4. EGS will provide space to enable PUC mandated messages in accordance with Chapter 56.

5. PECO and EGSs will transmit Meter Data and billing charges to each other in accordance with the attached interim monthly billing schedule (Attachment E -Data

Transfer Schedule.) The Data Transfer Schedule will remain in effect until December 31, 1999. In the fourth quarter 1999, the Data Transfer Schedule will be revisited by PECO and the parties and PECO will determine whether to modify the timing reflecting in the Data Transfer Schedule beyond December 31, 1999 and PECO will provide 60-days advance notice to EGSs before any modification takes effect so that parties that disagree with the discontinuance of the Data Transfer Schedule may request the Commission to overrule or modify PECO's decision.

6. PECO Charges will be provided to the EGS in accordance with the Data Transfer Schedule.

7. If PECO Charges are not received by the EGS in accordance with the Data Transfer Schedule. The EGS will place the PECO Charges into the next billing cycle and the delayed PECO Charges will appear on the customer's bill the following month. The customer's bill for the current billing period will state that the PECO Charges for the current billing period are not available. The remittance period for EGS charges will begin when EGS charges actually appear on the bill. Any transactions with PECO Charges sent to an EGS after the time periods outlined in the Data Transfer Schedule will be rejected and PECO will need to resubmit data the following month.

8. The EGS will pay PECO for the customer's amounts owed for all undisputed PECO Charges regardless of whether the customer has paid the EGS. An amount is deemed disputed if the customer contacts the EGS questioning the charges on the bill and he/she does not agree with the EGS's and/or PECO's position regarding the amount due for PECO charges. If PECO charges are not in dispute, the EGS will remit all applicable monies due PECO, even if the EGS portion is disputed. A customer's claim of an inability to pay shall not constitute a dispute for purposes of the EGS's obligation to pay PECO its undisputed charges.

9. The EGS will pay PECO in accordance with the following schedule:

a. Residential Rate Classes (Rates R, RH, RT, OP, CAP) - The EGS will send PECO the amount of the undisputed PECO Charges within 25-calendar days from the date of the electronic transmission of the PECO Charges

b. Non Residential Classes. - The EGS will send the PECO the amount of its undisputed PECO Charges within 20-calendar days from the date of the electronic transmission of the PECO Charges.

c. Payment will not be made to PECO when PECO Charges are not received by the EGS within the specified time period, as explained in paragraph 6 above. Payment for these charges will be made according to the applicable schedule in the following month, if they are received within the appropriate time period along with the current month charges.

d. The EGS will make payments of funds payable to PECO by ACH with remittance advice to a bank designated by PECO.

10. Budget Billing. The EGS will include on its bill the budget amount for PECO customers who choose the budget billing option offered by PECO. The following process will apply:

If the EGS does not offer its own budget bill (and the Commission waives any applicable requirement):

- PECO will transmit its BUDGET charges (including previous balance and current actual) to the EGS
- EGS places PECO BUDGET charges on the EGS bill
- EGS sends bill to customer
- EGS pays PECO within 25-calendar days for residential rate classes and 20-calendar days for non-residential rate classes for BUDGET charges
- Customer pays EGS for PECO BUDGET charges

Month 12 Process:

- PECO transmits the previous balance (credit or debit) plus CURRENT charges
- EGS places PECO CURRENT charges on the EGS bill
- EGS sends bill to customer
- EGS pays PECO within 25-calendar days for residential rate classes and 20-calendar days for non-residential rate classes for BUDGET balance and CURRENT charges
- Customer pays EGS for BUDGET and CURRENT charges

If the EGS offers its own budget the following process will apply:

- PECO transmits its CURRENT charges to EGS
- EGS calculates total BUDGET charges and places them on the EGS bill
- EGS send bill to customer
- EGS pays PECO within 25-calendar days for residential customers and 20 days for non-residential customers for CURRENT charges
- Customer pays EGS for BUDGET charges.

General Rules for Budget Billing:

- An EGS can either (a) place the PECO budget amount on the EGS bill, or (b) place PECO actual amount on the EGS bill, if the customer does not want the budget billing option, or (c) offer its own budget billing service and calculate budget bill for PECO and EGS charges using an EGS budgeting protocol. The EGS must display PECO actual charges and the EGS must pay PECO for its budget charges.
- An EGS can notify PECO electronically, after receiving customer permission, to change or end the PECO budget billing option.

11. PECO Charges and EGS Charges shall be based on the EDC defined meter reading route. An EGS providing advanced metering services may request an adjustment to the meter reading schedule for an account which it meters. The EGS

may select another EDC defined meter reading schedule for that account. On January 1, 1999, PECO will accommodate an EGS specified meter reading schedule for Rates HT, PD and EP. By the end of the second quarter 1999 PECO will accommodate EGS specified meter reading schedules for its remaining rate classes.

12. Disputes.

a. Residential Disputes.

1. The EGS shall process all complaints in accordance with the Public Utility Code and the Commission regulations (52 Pa. Code 56.1 et. seq.) The EGS, as the entity responsible for the consolidated bill, must coordinate with PECO so that a proper investigation to a customer dispute is conducted and completed within the time period prescribed by 52 Pa. Code 56.151(5) and that the customer and PECO (if PECO is involved in the dispute) are informed of the results of the investigation. PECO shall provide all information needed by the EGS relating to the customer's dispute and must do so within five (5) business days of the EGS request. Attachment C outlines the EGS's customer inquiry and dispute procedure for EGS consolidated billing.

b. Residential Informal Complaints.

1. The EGS shall process all informal complaints in accordance with the Public Utility Code and the Commission regulations. The EGS, as the entity responsible for the consolidated bill, must coordinate with PECO so that the proper information is submitted to the Commission's Bureau of Consumer Services within the time period required by the Commission. PECO will provide the EGS, to the extent it has the data, information relating to the customer's previous EGSs during the previous two years to assist the EGS in providing the Commission required two year billing history. Attachment D outlines the EGS informal complaint procedure for EGS consolidated billing.

2. Any violation letter sent by the Commission shall be addressed to the billing entity at the time of the alleged violation. All violations committed by the EGS, as determined by the Commission, during EGS consolidated billing and the handling of the informal complaint are the responsibility of the EGS.

c. Non-Residential Dispute Process.

1. The EGS, as the entity responsible for the consolidated bill, will coordinate with PECO so that the proper investigation is made and that the customer and PECO (if PECO is involved in the dispute) are informed of the results of the investigation. PECO shall provide all information needed by the EGS, relating to the customer's complaint and must do so within five (5) business days of the EGS's request.

d. Non-Residential Informal Complaints.

1. The EGS shall process all informal complaints in accordance with the Public Utility Code and the Commission regulations. The EGS, as the entity responsible for the consolidated bill, must coordinate with PECO so that the proper information is submitted to the Commission's Bureau of Consumer Services within the time period required by the Commission. PECO will provide the EGS, to the extent it has the data, information relating to the customer's previous EGSs during the previous two years to assist the EGS in providing the Commission required two year billing history. Attachment D outlines the EGS informal complaint procedure for EGS consolidated billing.

2. Any violation letter sent by the Commission shall be addressed to the billing entity at the time of the alleged violation. All violations committed by the EGS, as determined by the Commission, during EGS consolidated billing and the handling of the informal complaint are the responsibility of the EGS.

13. The EGS will follow credit and collection policies in compliance with the applicable Commission regulations. Outstanding balances are not transferred when a customer switches from the EGS to PECO, switches from one EGS to another or when the customer chooses another billing option, unless mutually agreed to by PECO and the individual EGS.

Separate EDC/EGS Billing

1. PECO and the EGS will separately send their bills directly to the customer.
2. If PECO is providing the metering services to the customer, PECO will transmit Meter Data to the EGS. If the EGS is providing advanced metering services to the customer, the EGS will transmit the Meter Data to PECO.

Service Terms & Conditions

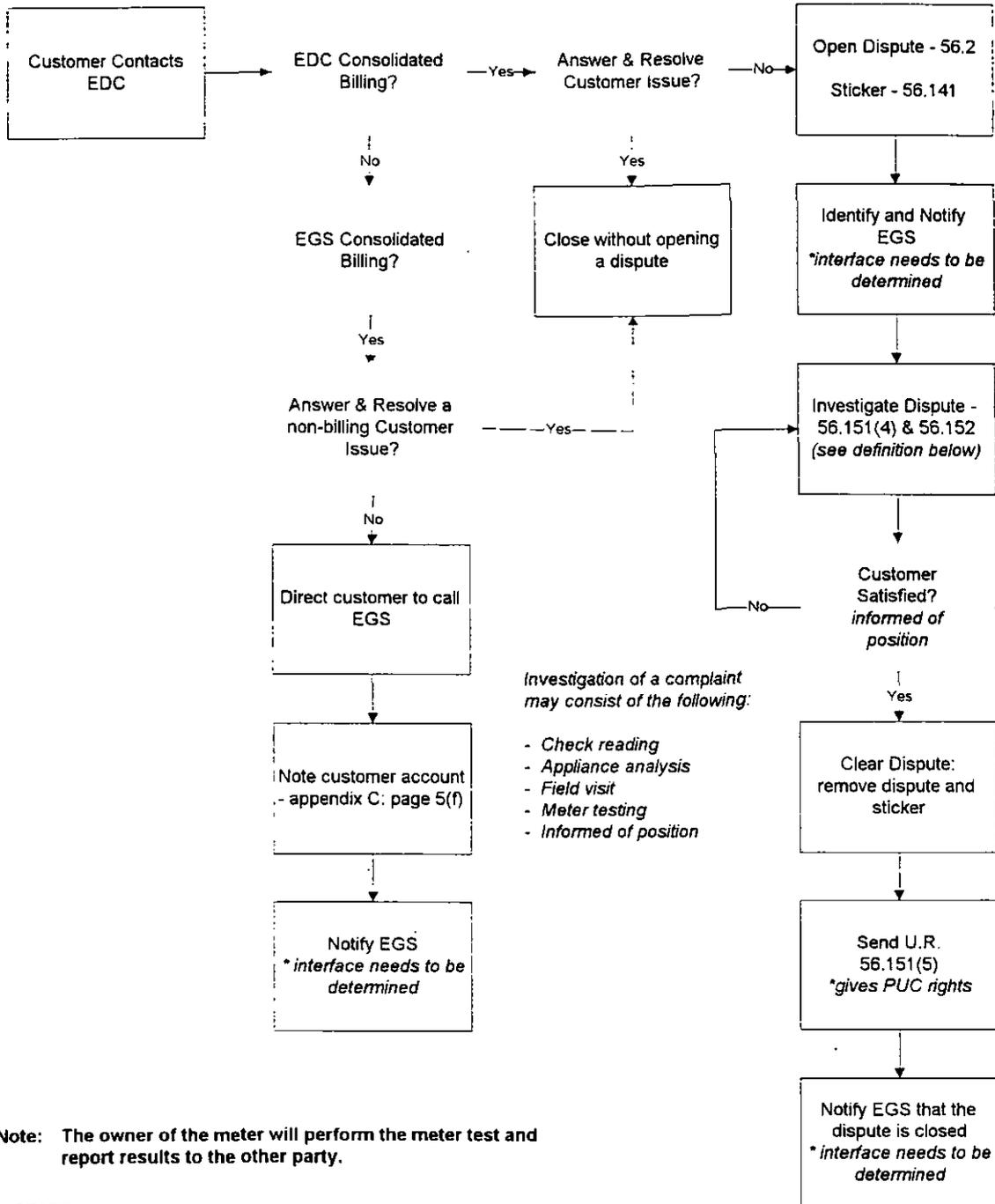
1. If PECO does not receive payment for undisputed charges within 25-calendar days for residential customers or 20-calendar days for non-residential customers after the charges are communicated to the EGS, then PECO may provide notice of breach to the EGS at any time thereafter, at PECO's discretion. Upon notice of a breach the EGS shall have 20-calendar days to cure. If the EGS has not cured within 20-calendar days, PECO may terminate consolidated EGS billing and take over billing functions for the customer. In no event shall these procedures result in a customer being sent two bills covering the same service.

2. If an EGS does not receive payment for undisputed charges within 25-calendar days for residential customers or 20-calendar days for non-residential customers after

the charges are communicated to PECO, then the EGS may provide notice of breach to PECO at any time thereafter, at the EGS's discretion. Upon notice of a breach, PECO shall have 20-calendar days to cure. If PECO has not cured within 20-calendar days, PECO will pay simple interest on the unpaid amount calculated at the lower of the (a) Interest Index, as defined in PECO 's Electric Generation Supplier Coordination Tariff, of (b) six (6) percent.

**EDC Consolidated Billing
Customer Dispute Handling**

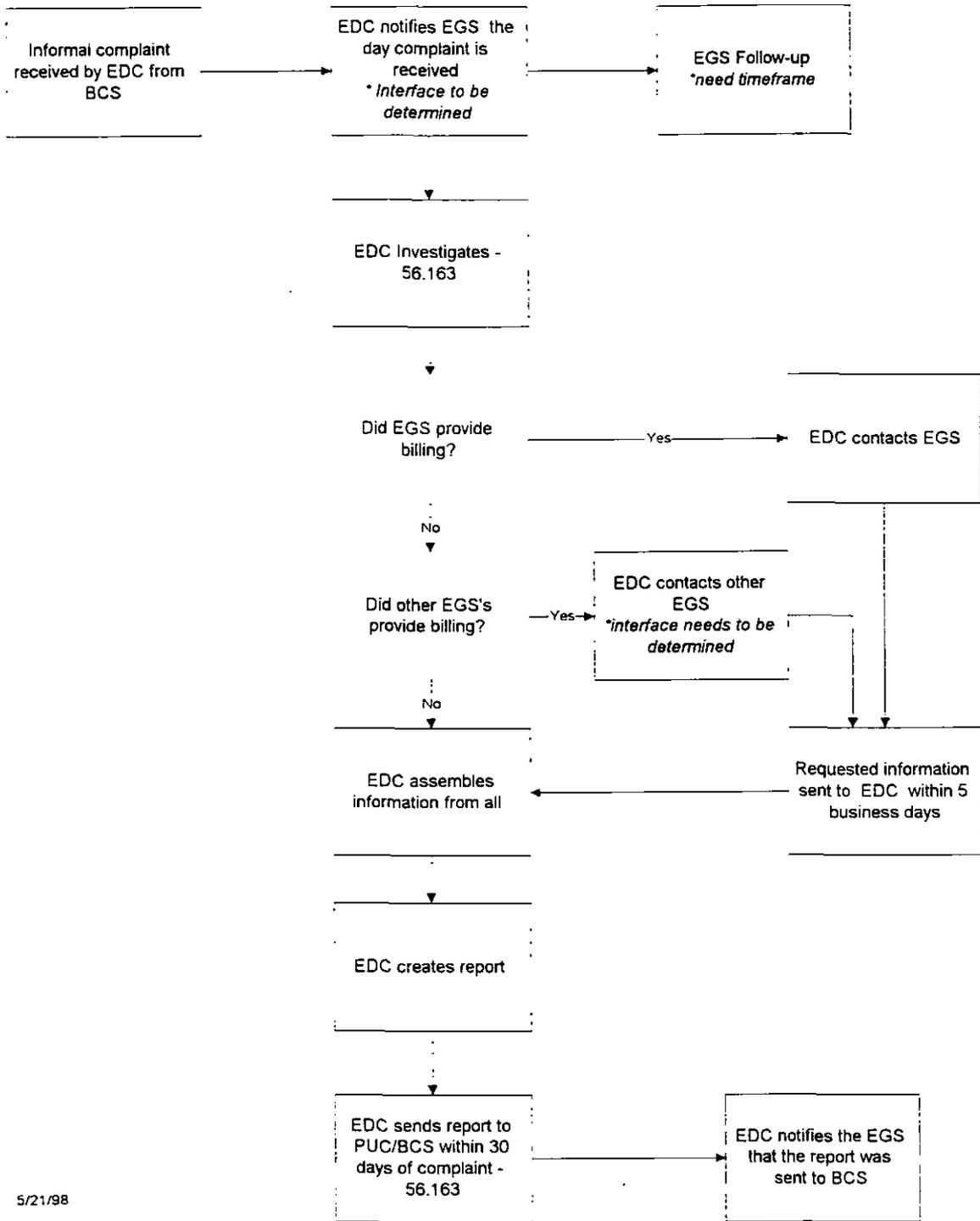
Attachment A



Note: The owner of the meter will perform the meter test and report results to the other party.

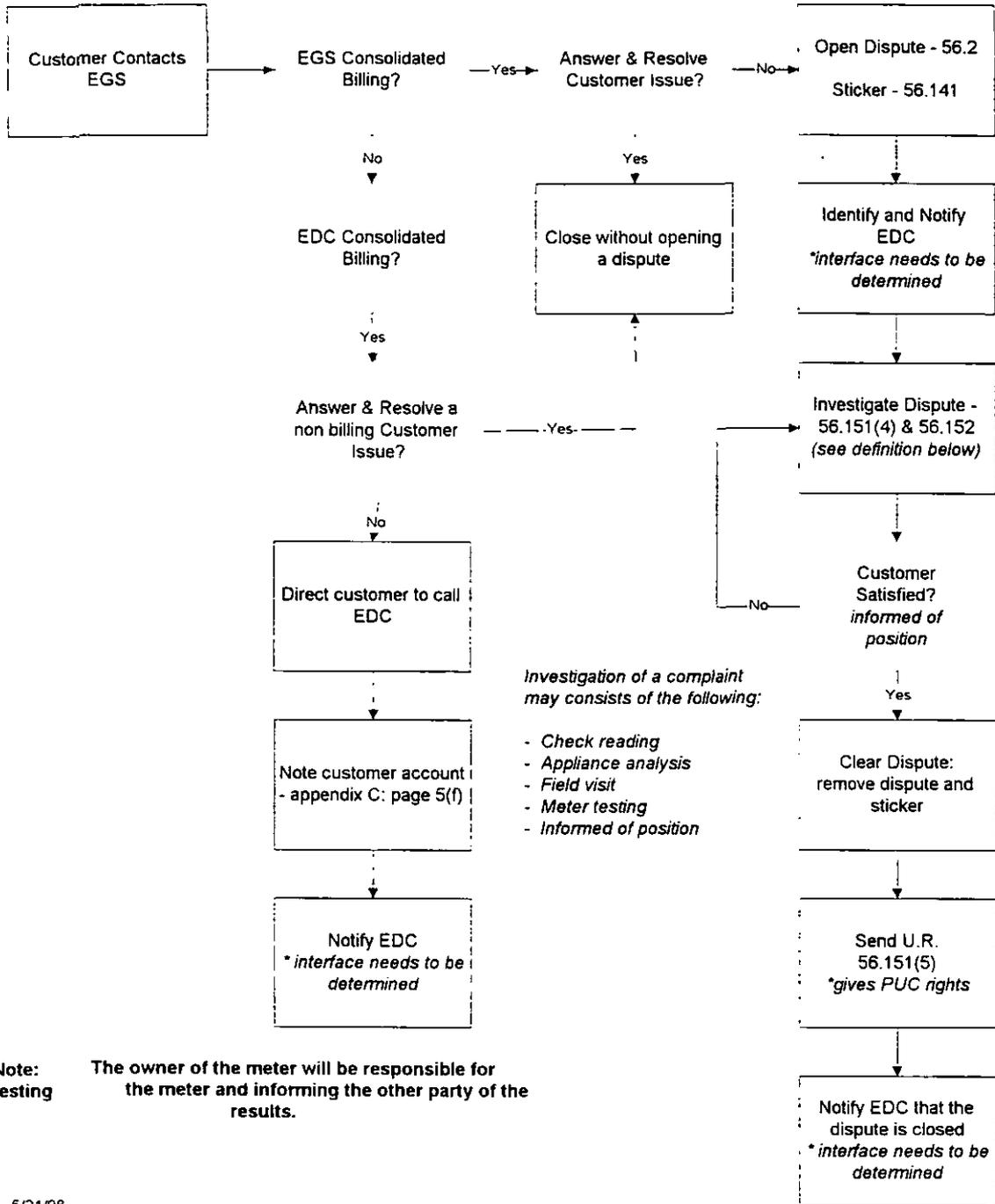
Informal PUC Complaints To EDC

Attachment B



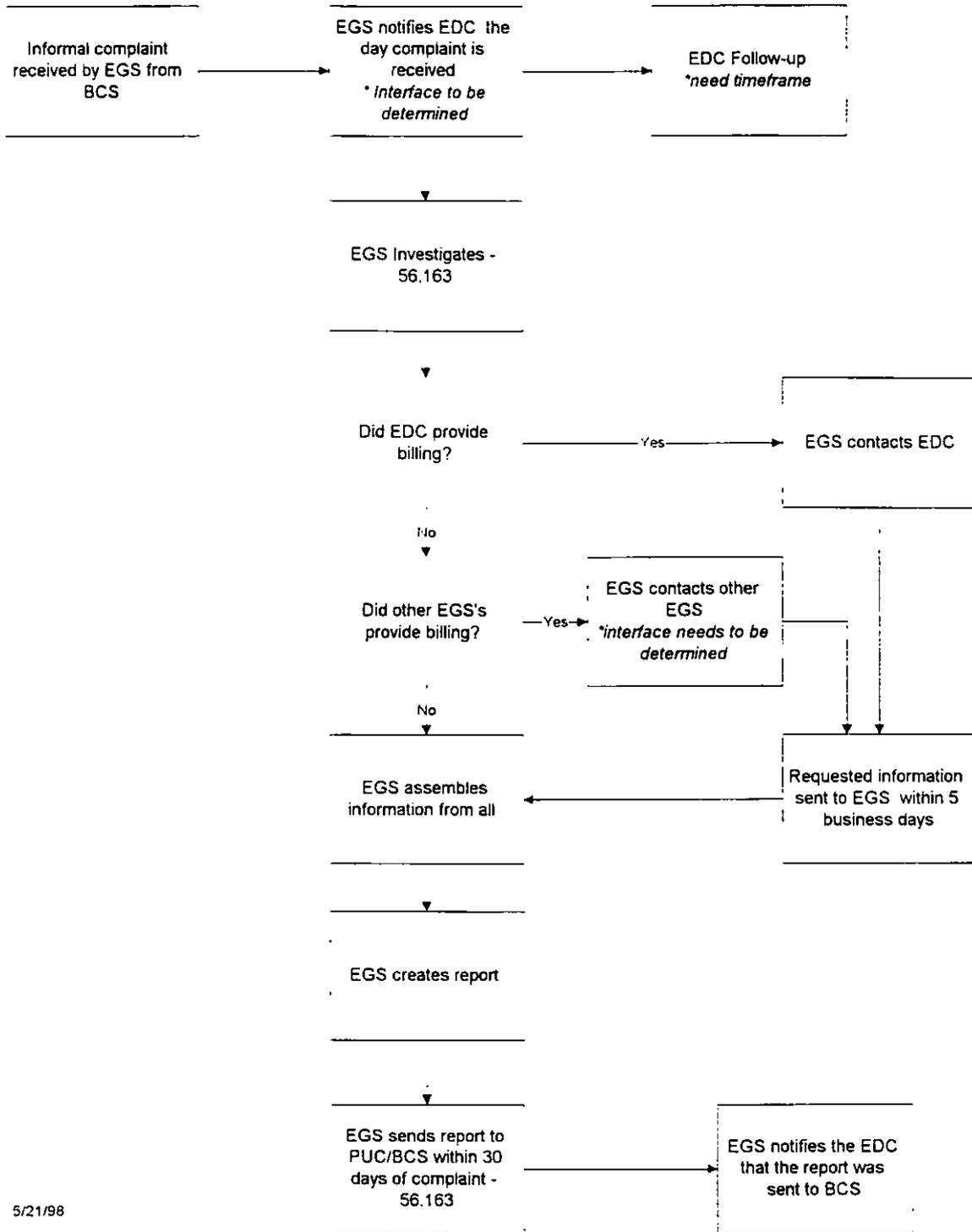
EGS Consolidated Billing
Customer Dispute Handling

Attachment C



Informal PUC Complaints To EGS

Attachment D



Interim EDC/EGS Monthly Billing Data Transfer Schedule

Effective 1/1/99 through 12/31/99

Attachment E

Data Transfer on PECO Energy Business Days ==>	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5 "Slip Period"	Day 6
I EDC Consolidated Billing - EDC reading	- EDC reads meter	- EDC transmits (A) available reading data to EGS NLT 3PM EST	- EDC transmits (B) reading data including estimates to EGS NLT 3PM EST	- EGS transmits (A) billing data to EDC NLT 3PM EST - EDC bills (A)	- EGS transmits (B) billing data to EDC NLT 3PM EST - EDC bills (B) - EDC mails bills (A)	- EGS transmits 'slip' (S*) billing data to EDC NLT 3PM EST - EDC mails bills (B) - EDC bills (S*) - EDC releases remaining bills**	- EDC mails bills (S*)
II EDC Consolidated Billing - EGS reading	- EGS reads meter	- EGS transmits (A) reading data to EDC NLT 3PM EST	- EGS transmits (B) reading data including estimates to EDC NLT 3PM EST	- EGS transmits (A) billing data to EDC NLT 3PM EST - EDC bills (A)	- EGS transmits (B) billing data to EDC NLT 3PM EST - EDC bills (B) - EDC mails bills (A)	- EGS transmits 'slip' (S*) billing data to EDC NLT 3PM EST - EDC mails bills (B) - EDC bills (S*) - EDC releases remaining bills	- EDC mails bills (S*)
III EGS Consolidated Billing - EDC reading	- EDC reads meter	- EDC transmits (A) available reading data to EGS NLT 3PM EST	- EDC transmits (B) reading data including estimates to EGS NLT 3PM EST	- EDC transmits (A) billing data to EGS NLT 3PM EST - EGS bills (A)	- EDC transmits (B) billing data to EGS NLT 3PM EST - EGS bills (B) - EGS mails bills (A)	- EDC transmits 'slip' (S*) billing data to EGS NLT 3PM EST - EGS mails bills (B) - EGS bills (S*) - EGS releases remaining bills**	- EGS mails bills (S*)
IV EGS Consolidated Billing - EGS reading	- EGS reads meter	- EGS transmits (A) reading data to EDC NLT 3PM EST	- EGS transmits (B) reading data including estimates to EDC NLT 3PM EST	- EDC transmits (A) billing data to EGS NLT 3PM EST - EGS bills (A)	- EDC transmits (B) billing data to EGS NLT 3PM EST - EDC bills (B) - EDC mails bills (A)	- EDC transmits 'slip' (S*) billing data to EGS NLT 3PM EST - EGS mails bills (B) - EGS bills (S*) - EGS releases remaining bills**	- EGS mails bills (S*)
V Separate Bills - EDC reading	- EDC reads meter	- EDC transmits (A) available reading data to EGS NLT 3PM EST	- EDC transmits (B) reading data including estimates to EGS NLT 3PM EST				
VI Separate Bills - EGS reading	- EGS reads meter	- EGS transmits (A) available reading data to EDC NLT 3PM EST	- EGS transmits (B) reading data including estimates to EDC NLT 3PM EST				

* Slip Period allows for an additional day of processing of billing information in 1999.

** On day 5, after 'slip' data is processed, Consolidated Billing Party will release all remaining bills. Bills will carry a message indicating that other party's data was unavailable at the time of billing.

June 1, 1998

PECO Energy Company Competitive Metering Specifications

Definition and Terms for Advanced Meters and Advanced Meter Services

1. Advanced meters must meet all applicable Pennsylvania Public Utility Commission ("Commission") standards and the "Requirements for Advanced Metering," as attached (Attachment A).
2. PECO has the right of physical access to all metering and associated equipment for operational and emergency response purposes.
3. Advanced Meter Services can be defined and divided into two components:
 - a. the installation, removal, and maintenance of the physical meter required on a premise to measure the required variables.
 - b. reading the meter and validating the raw meter outputs and applying, editing, and estimating rules, adding corollary information needed to characterize the customer, and making requested customer information available to authorized parties.

Certification Process The parties will submit a proposed certification process on June 5, 1998.

1. An EGS may request that the PUC allow that EGS to provide Advanced Meters and Advanced Meter Services in the licensing process.
 - a. An EGS that is currently licensed with the PUC, as of April 29, 1998, that proposes to offer Advanced Meters and Advanced Meter Services shall file an amendment to its license to allow it to offer such services.
 - b. An EGS must submit to the PUC proof of its technical fitness to warrant expansion of its license to allow it to offer Advanced Meters and Advanced Meter Services. Such fitness standards will include, but will not be limited to, the ability of the EGS and/or its certified subcontractor to adhere to the same metering safety and installation standards and

practices imposed upon PECO Energy Company, and the technical ability to transfer data and information according to prescribed standards.

Testing/Calibrating of Meters

Testing and calibration of meters must meet all applicable Commission standards. PECO's testing requirements for advanced metering are Attachment B to this document. Eron's testing requirements for advanced metering are Attachment C to this document.

Advanced Meter Installation

1. An EGS providing advanced metering services who wishes to replace the PECO meter must give notice to PECO Energy at least four-business days prior to the date it proposed to change the meter. Such notice shall be given electronically. Business processes and required data to be exchanged will be defined by July 1, 1998. The transaction shall include the scheduled date that the EGS will change the meter.
2. An EGS providing advanced metering service may arrange for the installation of an advanced meter and the removal of the existing meter. An advanced meter cannot be installed within four four-business days prior to the customer's regularly scheduled meter reading date or one-business day after the customer's regularly scheduled meter reading date. In the fourth quarter 1999, this time period will be revisited by the parties and PECO will determine whether to modify the timing. PECO will provide 60-days advance notice so that parties that disagree with PECO's decision not to modify the timing may request the Commission to overrule or modify PECO's decision.
3. An EGS installing an advanced meter must comply with all applicable Commission standards and PECO Energy's electric service requirements manuals.
4. PECO will not require removal of an Advanced Meter that meets PECO's required specifications as a condition of a customer's return to PLR service.
5. Transformer rated meter installations.

Current Transformers (CT) & Potential Transformers (PT)

- PECO Energy will own all CT & PT installations
- PECO Energy will install and replace all CT's & PT's at the request of an EGS providing metering service

- EGS providing metering service will be responsible for testing all CT's & PT's to ensure accuracy, operability with their meter, and compliance with PUC installation requirements
- EGS providing metering service is responsible for coordinating any customer outages required for changes to the customer's meter, CT's & PT's, or associated equipment

Instrument Transformer Wiring

- PECO Energy will own all CT & PT wiring (colors), from the CT & PT up to the meter test switch
 - the "line of demarcation", where PECO Energy's responsibility ends and the responsibility of the EGS providing metering service begins, is at the line-side of the meter test switch
 - the meter test switch itself is considered part of the meter panel and is the responsibility of the EGS providing metering service
 - PECO Energy is responsible to connect / disconnect meter wiring from the meter test switch, unless a qualified EGS providing metering service chooses to do so

Meter Panels

- PECO Energy will leave existing meter panel in place for use by an EGS providing metering service, if the EGS chooses to use it;
 - PECO Energy will not be responsible for replacement, upgrade or alterations to existing meter panels to be used by an EGS providing metering service;
- An EGS providing metering service is responsible for providing and installing the meter panel, if required, for any metering application where a PECO Energy meter panel did not previously exist;
 - The EGS provided meter panel shall be left in-place for use by future meter service providers in instances where no PECO meter panel exists;
- PECO Energy will be permitted to leave existing inactive metering (panel & meter) in place, with the customer's permission, if the panel is not to be used by an EGS providing metering service. This metering may be reactivated if the customer returns to metering service provided by PECO Energy.

Metering Credits

- A customer's metering credit is not affected if PECO Energy or any EGS providing metering service leaves the meter panel which they installed in-place for the next metering service

provider or if PECO leaves an inactive meter at the premise as described above.

- If an existing or upgraded PECO Energy meter is required for metering a customer's account, the Customer will not receive a metering credit
 - PECO Energy's meter must be replaced by the meter of the EGS providing metering service, in order for the customer to receive the applicable metering credit.

6. Non-Transformer-Rated Meters

Meter Panels

- Customer is responsible for meter panel / meter socket for all non-transformer rated meter installations, per PECO Energy's Electric Service Requirements

Metering Credits

- If an existing or upgraded PECO Energy meter is required for metering a customer's account, the Customer will not receive a metering credit.
- PECO Energy's meter must be replaced by the meter of the EGS providing metering service, in order for the customer to receive the applicable metering credit.

7. Access to customer premise for meter installation and maintenance. The EGS is responsible to obtain access to customer premises or locked rooms within customer premises directly from the customer. PECO will not provide an EGS with customer keys or access to PECO's customer keys in order to gain access to restricted areas within the customer's facility.

8. PECO will provide an EGS with security keys for PECO's barrel lock rings.

Meter Reading

1. An EGS providing advanced metering service may request an adjustment to the meter reading schedule for an account which it meters and select from an existing PECO defined meter reading route. On January 1, 1999, PECO will accommodate EGS specified meter reading schedules for Rates HT, PD and EP. By the end of the second quarter 1999, PECO Energy Company will accommodate EGS specified meter reading schedules for Rate GS and residential rates.

2. All data collected by an EGS providing advanced metering service, which is required by PECO for billing and distribution service operation, shall be transmitted electronically to PECO pursuant to the Data Transfer Schedule.
3. If PECO is providing the metering service and the EGS is providing the customer with a consolidated EGS bill, all metering data which is required by the EGS for billing shall be transmitted electronically to the EGS pursuant to the Data Transfer Schedule
4. Any authorized party that is providing advanced metering is responsible for the safe installation, maintenance, authorized operation, the accuracy of such advanced metering, and for resolving theft of service issues. In the case of theft of service, the party that discovers a theft of service condition will notify the other party within five-business days. [The parties have agreed to file additional comments addressing the EGS or PECO's responsibility for the stolen service.]
5. Any party providing advanced metering service is required to keep the most recent 12 months of customer consumption data for each metered customer. Such data must be retained for a period of 36 months. Such data must be released on request to the customer or, if authorized by the customer, to any EGS or to PECO.

Dispute Resolution

1. A dispute involving PECO and an EGS shall be handled pursuant to Rule 18 of PECO Energy Company's Electric Generation Supplier Coordination Tariff. The PUC has final adjudication authorization of all disputes.
2. Customer disputes involving advanced meter reading issues shall be handled by the EGS as the entity responsible for the advanced meter. The EGS will coordinate with PECO Energy Company so that a proper investigation is made within the time period defined by 52 Pa. Code §56.151(5) and that the customer is informed of the results of the investigation. PECO shall provide all information needed by the EGS relating to the customer's complaint and must do so within 5 business days of the EGS's request.

Parties Permitted to Provide Competitive Metering Service

The parties will file comments with the Commission on June 3, 1998.

Termination of Service to Customers with Competitive Metering Services

1. PECO will maintain responsibility for physically energizing, discontinuing and terminating service to customers.

2. For any account that is metered by an EGS, PECO may terminate service to an account, after proper notice to the customer in accordance with the Commission's regulations and PECO 's tariff.

3. At the time a field termination visit is scheduled, PECO will notify the EGS of the scheduled time for such termination visit.

Requirements For Advanced Metering

An Advanced Meter Service Provider supplying metering systems for electric distribution customers of the PECO Energy Local Distribution Company (LDC) will comply with the latest version of all applicable standards and codes for providing metering, metering devices, and metering services, including but not limited to the following:

- Applicable parts of the Pennsylvania Code Title 52, Chapter 56 and Chapter 57
- Any other applicable PA PUC guidelines
- All applicable ANSI standards, including specifically:
 - ANSI C12 standards
 - ANSI C57 standards
 - ANSI C2 standards
(National Electrical Safety Code)
- National Electric Code standards
- NEMA standards
- PECO Energy Electric Service Requirements
- PECO Energy Requirements for Commercial Electric Service
- OSHA requirements

The performance, accuracy, testing, calibration, and installation of the above mentioned metering systems, including revenue meter, instrument transformers, and any other ancillary devices (e.g., recorders, test switches, relays, etc.), shall comply with all requirements in the Pennsylvania Code, Title 52, Chapter 57, and the latest version of all applicable ANSI C12 standards.

The Advanced Meter Service Provider shall assure that the following specific requirements are met.

For All Meters:

- All meters must be tagged/labeled with the name of the EGS, PECO or subcontractor providing meters for the EGS or PECO.
- All meters are to have a nameplate with values for "CTR", "VTR", "PkH", and "Multiply by" as applicable.
- Certain invalidated, non-billing data, as mutually agreed upon, will be made available to the non-metering party.
- All meters must be equipped with a visual watt-hour indicator for meter testing. This indicator is to be calibrated to the meter watt-hour constant (Kh).

- For each meter installed by the Advanced Meter Provider, the following shall be provided: accuracy test information, vendor serial number, all metering and billing constants, and any other meter records information as required by the PUC. This data shall be provide by the method agreed upon in the Data Exchange Working Group.
- All meters must comply with ANSI C12.1, ANSI C12.13, ANSI C12.18, and ANSI C12.19, as applicable.
- The Advanced Meter Provider will have a technician present at the customer site to meet PECO Energy technician if PECO Energy exercises its right to test the meter, in lieu of providing meter application programs and passwords.
- All meters shall be tested and maintained as per PUC requirements and ANSI standards.

For Electromechanical Watt-hour Meters:

- The accuracy and form designation of electromechanical watt-hour meters must comply with ANSI C12.1 and ANSI C12.10.
- Electromechanical watt-hour meters may only be used for customers with peak demands of less than 185 kW.

For Solid-state Electricity Meters:

- The accuracy and form designation of solid-state electricity meters must comply with ANSI C12.16 and ANSI C12.20.
- Solid-state electricity meters may be used for any customer, but must be used for customers with peak demands of 185 kW or greater.
- Solid-state electricity meters used for customers with peak demands of 185 kW or greater, must measure reactive power in order to compute the average power factor coincident with the average demand in each half-hour interval as required by PECO's tariff.
- Solid-state electricity meters used for customers with peak demands of 185 kW or greater, must be 0.2 accuracy class.
- Solid-state electricity meters used for customers with peak demands of less than 185 kW, must be 0.2 or 0.5 accuracy class.
- Solid-state electricity meters used with an internal *Transformer Loss Compensation* feature need only to meet ANSI 12.1 accuracy requirements if the same meter meets the above specified accuracy class without the feature.

For Metering Installations:

- Metering Installations shall conform to the metering installation requirements in the PECO Energy Electric Service Requirements manual and the PECO Energy Requirements for Commercial Electric Service manual, however these requirements

will not limit the use of the latest technology and will be updated as necessary so as not to preclude the use of such new technology.

- Metering Installations for Self-Contained Meters must have the proper meter socket, "A" base adapter, cabinets, and test blocks as required for the meter form and location of the installation (i.e., indoor vs. outdoor).
- Metering Installations for Transformer-Rated Meters must have the proper meter socket, "A" base adapter, panels, cabinets, and test switches as required for the meter form and location of the installation (i.e., indoor vs. outdoor).
- Metering Installations must comply with ANSI C12.6, ANSI C12.7, ANSI C12.8, ANSI C12.9 and all applicable NEC codes.

PECO Energy Local Distribution Company
Installation Test Requirements For Advanced Metering

An Advanced Meter Service Provider supplying metering systems for electric distribution customers of the PECO Energy Local Distribution Company (LDC) will test all meters and associated devices in compliance with all requirements of the Pennsylvania Code Title 52, Chapter 57, and as specified in the table below. As required by the PA code, meters will be tested when installed, when removed, and during periodic maintenance as prescribed for each type of meter. During installation and periodic in-service maintenance, a full test of all meter system components shall be made as specified below. During removal, only the as-found accuracy tests as described in the PA code are necessary.

	1	2	3	4	5	6	7	8	9	10
Type of Meters/Devices	Voltage Test	Light & Full Load Test	Inductive Load Test	Customer Load Test	Demand Test	Register Verification	Phase Angle Test	Separate Element Check	Burden Test	Communications Test
Self-Contained kWh Meters	X	X	3	3						4
Transformer-Rated kWh Meters	X	X	3	3				X	X	4
Hybrid Meters	X	X	3	3	X	X		X		
Solid State Meters	X	X	3	3	X	X		X		4
Transformer-Rated kVARh Meters	X	X	3	3			X	X	X	4
Multi-Quadrant Meters	X	X	3	3	1	X	3	X	X	4
Solid State Recorders	X				X					4
Mechanical Registers					1	2				
Electronic Registers					1	2				
Pulse Devices					X					
Self-Contained Network Meters	X	3	3	3				3		4
Meter Interface Units (MIUs)	3				3					4

1 Performed if demand is present. **2** Energy Consumption Investigation is necessary. **3** Performed when deemed necessary. **4** Performed if communications option is present and its proper operation is suspect.

Enron Energy Services Interactive Electric Metering Solutions Meter Calibration/Testing Policy

Policy Statement: All Enron Energy Services, Interactive Metering Solutions will be calibrated to the standards listed below. All new meters and meters removed from a customers premise will be calibrated by Enron, Meter Manufacture or one of its Meter Service Providers to the following criteria.

Meter Accuracy: All Enron Energy Services, Interactive Metering Solutions will be calibrated to ANSI standards for solid state electrical meters.

Communication System: All Enron Energy Services, Interactive Metering Solutions communication systems will be tested at all maintenance periods as well in the meter installation process.

Testing Equipment: All instrumentation and testing standards will be traceable to the NIST. All test standards will be calibrated yearly by a certified testing agency.

Meter History System: All calibration, and maintenance testing will be recorded in Enron Energy Services Meter History System.

Meter Type	Calibration Test (FL&LL)	Power Factor Test (60 degree)	Demand Test	Communication Test
Single Phase	X			X
Network	X	X		X
Poly Phase Self Contained	X	X	O	X
Poly Phase Instrument Rated	X	X	O	X
Legend	X= Required Test O = Optional Test			



ORIGINAL

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June 3, 1998

James J. McNulty, Prothonotary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
P. O. Box 3265
Harrisburg, PA 17105-3265

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SECRETARY'S BUREAU

Re: Application of Peco Energy Company for
Approval of its Restructuring Plan Under
Section 2806 of the Public Utility Code, et al.
Docket Nos. R-00973953 and P-971265

Dear Secretary McNulty:

Enclosed please find for filing an original and ten copies of the Office of Consumer Advocate's Comments regarding the outcome of the Billing Implementation Committee and the Advanced Metering Qualification and Implementation Committee.

Copies have been served upon all parties of record this date as evidenced by the attached Certificate of Service.

Sincerely,

Steven K. Steinmetz
Assistant Consumer Advocate

Enclosures

cc: All parties of record
John M. Quain, Chairman
Nora Mead Brownell, Commissioner
Robert K. Bloom, Commissioner
John R. Hanger, Commissioner
David W. Rolka, Commissioner

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

APPLICATION OF PECO ENERGY FOR :
APPROVAL OF ITS RESTRUCTURING :
PLAN UNDER SECTION 2806 OF THE :
PUBLIC UTILITY CODE, et al. :

Docket No. R-00973953
and P-00971265

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COMMENTS
OF THE OFFICE OF CONSUMER ADVOCATE

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SECRETARY'S BUREAU

Pursuant to an agreement among the parties comprising the Billing Implementation Committee as well as the Advanced Metering Qualification and Implementation Committee, the Office of Consumer Advocate ("OCA") hereby submits the following Comments addressing the "unresolved" or "contested" issues remaining following the submittal of the consensus documents produced by these Committees.

I. INTRODUCTION

Created and enabled by Appendix C to the Joint Petition For Settlement of PECO Energy Company's Restructuring Plan ("Settlement"), these Committees were established to design and develop "appropriate and reasonable performance specifications and other appropriate terms and conditions" relating to competitive metering and billing. Appendix C at C.1. Essentially a continuation of the Settlement, these Committees were to put the "flesh on the bones" of the arrangements contained within Paragraph 22 of the Settlement and Appendix C so as to "fulfill this agreement." Appendix C at C.9(a). The standards related to competitive billing and metering arising out of these Committees are to be "consistent with Appendix C." Settlement at ¶22.

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Accordingly, unless specifically agreed to by all parties to the Settlement, the OCA submits that no terms, standards, criteria or rules contained within the documents arising out of this proceeding may contradict any provision contained within the Settlement or Appendix C thereto. Pursuant to paragraph 44 of the Settlement, Joint Petitioners are specifically precluded “from asserting contrary positions with respect to any such issue.”

Within these limitations, numerous parties have attempted to draft appropriate standards and specifications for the provision of competitive billing and metering services within the PECO service territory. The task facing these parties was enormous and the time period extremely compressed. Prior to the ratification of the Settlement, no provision had been made for the implementation of fully competitive billing and metering services within any part of this Commonwealth. The Committees had less than a month to create and develop standards and specifications for these services and the OCA submits that much was accomplished. However, much remains undone. This is not to say that the parties to these Committees failed in their task. Indeed, considering the time period provided, the amount of consensus achieved has been extraordinary. However, the OCA submits that the Commission must now step into this process for an extremely thorough review to ensure that “the present quality of service provided by electric utilities does not deteriorate.” 66 Pa. C.S. § 2809(e).

II SPECIFIC ISSUES

A. Chapter 56 of the Public Utility Code.

Throughout both the billing and metering consensus documents submitted by the Committees, the word “applicable” has been inserted immediately prior to “Commission regulations (52 Pa. Code §56.1 et seq.)” and “Commission regulations” generally. At a minimum, the OCA

submits that the Commission must not allow the provision of fully competitive billing services to begin on January 1, 1999 without a clear recognition that all provisions of Chapter 56 are “applicable” to EGSs performing such services unless and until this Commission determines the provisions to be “inapplicable.”¹

To be consistent with the Settlement, the OCA submits that the Commission should begin with the presumption that all provisions of Chapter 56 will apply to an EGS performing competitive billing and/or metering for those functions that the EGS is permitted to perform. The Settlement plainly states that:

An EGS that bills on behalf of an EDC must comply with all billing and disclosure requirements applicable to an EDC, **absent waiver by the Commission**, including the unbundling of transmission and distribution rates.

Settlement at ¶22, pg. 16 (emphasis added). The above-quoted provision of the Settlement was designed to address at least two related issues. First there was the issue of fairness. Since PECO is required to follow the consumer protections contained within various Commission regulations, including Chapter 56 of the Public Utility Code, then an EGS who wishes to compete with PECO for the provision of these same services should be required to do the same. Any other result would jeopardize the numerous significant consumer protections residential customers now receive based solely on the choice of service provider. The Electricity Generation Customer Choice and

¹ As will be discussed below, if EGSs are not permitted to perform certain functions, then the regulation applicable to such functions would be irrelevant to the EGSs. An example would be the Chapter 56 requirements specifying the procedures for termination of electrical service to a residential customer. Since EGS's are not permitted to terminate the electric service of residential customers, the provisions of Chapter 56 detailing the procedures for termination are irrelevant to an EGS.

Competition Act (“Act”) requires that customer service functions must continue to be:

consistent with the regulations of the commission, including meter reading, complaint resolution and collections. Customer services shall, at a minimum, be maintained at the same level of quality under retail competition.

66 Pa. C.S. §2807(d).

Now that EGSs in PECO’s service territory have the capability to perform these customer services through consolidated EGS billing, the OCA submits that they too must ensure that these services “be maintained at the same level of quality under retail competition.” These requirements are currently applicable to the EDCs, and pursuant to paragraph 22 of the Settlement, they are also applicable to any EGS performing such services within the PECO service territory. Moreover, the Commission had previously contemplated that EGSs may someday perform consolidated EGS billing and the Commission ruled that:

Provision of these service functions by a supplier is dependent on the supplier’s ability to conform with Commission regulations and guidelines applicable to these customer service functions. The Commission intends that the supplier’s performance will, at a minimum, maintain the same level of quality of customer services.

Final Order Re: Guidelines for Maintaining Customer Services at the Same Level of Quality Pursuant to 66 Pa. C.S. §2807(D), and Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. C.S. § 2809(E) and (F)., Docket No. M-00960890 F.0011, Order entered July 11, 1997, Appendix B at II(B). (“Guidelines for Maintaining Customer Services at the Same Level of Quality”),

The OCA submits that any result other than that contemplated by the Commission in its Order would attach less consumer protections to EGSs performing the billing of EGS and regulated PECO charges than currently exists for EDC charges alone. Accordingly, the OCA submits that the Commission should explicitly recognize that for the interim, pending any waiver

requests filed by an EGS, “applicable” provisions of Chapter 56 constitute **all** provisions of that Chapter, unless the EGS is precluded from performing a specific function.

The law allowing for competition in this Commonwealth dictates that we at least begin with this presumption. In its provisions regarding the “Requirements for electric generation suppliers,” the Act lists as a condition of licensure that an “applicant” (EGS):

conform to the provisions of this title and the lawful orders and regulations of the commission under this title, **including the commission’s regulations regarding standards and billing practices.**

66 Pa.C.S. § 2809(b) (emphasis added). The Commission’s regulations regarding standards and billing practices are Chapter 56 which is entitled “Standards and Billing Practices for Residential Utility Service.” 52 Pa. Code Chapter 56. Moreover, this Chapter is also specifically made applicable by name to EGSs, through Section 2809(e) of the Act which reads in part:

In regulating the service of electric generation suppliers, the commission shall impose requirements necessary to ensure that the present quality of service provided by electric utilities does not deteriorate, including assuring that adequate reserve margins of electric supply are maintained and **assuring that 52 Pa. Code Ch. 56 (relating to standards and billing practices for residential utility service) are maintained.**

66 Pa.C.S. § 2809(e) (emphasis added). Similarly, Section 2809(f) of the Act pertaining to brokers, marketers and aggregators which are, by definition, electric generation suppliers (See 66 Pa. C.S. § 2803) also specifically applies Chapter 56 to these entities by providing that:

The commission shall also ensure that brokers, marketers and aggregators **comply** with 52 Pa. Code Ch. 56.

66 Pa. C.S. § 2809(f) (emphasis added).

Unless and until the Chapter 56 regulations are modified, all parties must live within

their requirements and standards. Of course, EGSs will be able to participate in any future proceedings considering possible modifications of these regulations and the OCA submits that any EGS may also request a waiver of any specific Commission regulation.² As stated by the Commission, “[a]bsent a Commission waiver, all parties are required by the Act to apply the Chapter 56 standards when they engage in activity covered by these standards.” Guidelines for Maintaining Customer Services at the Same Level of Quality, Docket No. M-00960890F.0011, Order entered July 11, 1997, Appendix B at I(A). Now that Pennsylvania has embarked on the experiment of fully competitive billing and metering within the PECO service territory, the OCA simply requests that the Commission reiterate this position to apply for purposes of standards, rules and criteria to be applied on January 1, 1999 in PECO’s service territory.

B. Availability of Competitive Billing Services.

1. The Customer Must Have The Right To Choose The Billing Option.

During the course of these Committee meetings, it has been suggested by some parties that EGS’s should have the right to refuse to provide *generation* service to customers who do not agree to also subscribe to that EGS’s consolidated *billing* service. In other words, a customer who wishes to receive generation service from that EGS would not be permitted to continue to receive its bill from PECO.

² As an example, the OCA would note the inclusion of a waiver request within the very document currently being reviewed by the Commission. That request relates to the budget billing requirements of Chapter 56. The OCA does not object to the granting of this waiver request which would not require an EGS to offer a budget billing option for EGS charges. Other parties may choose to disagree in their Comments believing such requirements should continue to remain applicable for EGS charges. In any event, the OCA simply believes that such waiver requests of Chapter 56 provisions should be considered by the Commission on an individual basis.

The OCA submits that customers should have the right to choose which type of billing service they wish to receive without having any such service made a condition or requirement to the receipt of competitive generation supply. The OCA submits that the intent of the Settlement was to give PECO customers more choices--not fewer choices. Customer choice should not be restricted by making the provision of EGS billing service a condition for the receipt of EGS generation service.

Throughout the rest of Pennsylvania, customers will have the right to choose to receive either an EDC consolidated bill or separate bills as provided by the Act. In both instances, a customer would have the right to continue to receive their regulated EDC charges on an EDC bill without that choice disqualifying them from receiving competitive electric generation supply. In opening up the PECO service territory to the third option of consolidated EGS billing, the OCA submits that it was not the intent of the Settlement to prevent the *customer* from continuing to have the ultimate choice of billing entity. The Settlement explicitly provides that:

All direct access *customers will have the opportunity to choose* from three billing service options as of January 1, 1999:

- (1) Consolidated EDC Billing,
- (2) Consolidated EGS Billing, or
- (3) Separate EDC/EGS Billing

Appendix C at C.1 (emphasis added).

While no EGS is required to offer any billing service at all, the OCA submits that EGSs that do provide such services should not be able to prevent their supply customers from choosing an EDC billing option, any more than an EDC can condition the provision of its service on the use of EDC billing.

The OCA submits that every customer who takes competitive generation service from an EGS should continue to have the right to receive a consolidated EDC bill without having that EGS condition the continued receipt of generation service upon the provision of an EGS bill.³ Many consumers may wish to continue their billing relationship with the EDC, yet still wish to participate in the competitive electric generation market. Continued receipt of an EDC bill should not be inconsistent with participation in this new market. A review of both the title and declaration of policy of the Act reveal that the initial overriding purpose of this legislation was to create retail competition in electric generation. Mandating EGS consolidated billing upon customers as a condition to the receipt of electric generation supply is not a requirement for purposes of the Act or the Settlement. These options were designed to provide customers with more choices and not less. A customer should not be forced to choose between the continued receipt of an EDC bill and competitive electric generation supply. Again, the Act is designed to provide retail direct access to competitive electric generation, and consolidated EGS billing should be a matter of customer choice not EGS mandate.⁴

³ The OCA agrees that there may be circumstances where a customer has purchased non-basic electric services from an EGS which may necessitate the requirement of a separate EGS bill. However, even in such circumstances, if the customer wishes to continue to receive basic services through an EDC bill, then that customer should have that right. The non-basic EGS charges could then be billed separately.

⁴ The OCA would note that the Commission's Guidelines for Maintaining Customer Services at the Same Level of Quality also determined that utility restructuring plans should provide such choices at the customer's request wherein it was held that:

Utility restructuring plans should provide for the contingency of allowing suppliers to (1) render at the **customer's request** a consolidated bill that includes both EDC and supplier charges.

Accordingly, the OCA submits that the following language should be included under “Availability of Competitive Billing Services” of the Billing Implementation Committee consensus document:

An EGS shall not condition the receipt of competitive generation supply service on the receipt of an EGS bill.

2. EGS Consolidated Billing Must Be Made Available On A Fair And Non-Discriminatory Basis.

While an EGS is not required to provide billing services, it is the OCA’s position that an EGS must not be permitted to discriminate among customers in the same rate class in the provision of this service. An EGS should not be allowed to discriminate as to which residential customers it offers competitive billing services and which customers it requires to continue to receive consolidated EDC billing. An EGS which offers competitive consolidated EGS billing service to some residential customers should not be allowed to refuse such service to other similarly situated customers. To hold otherwise would allow an EGS to provide billing service to only the most “desirable” neighborhoods or customer groups. If an EGS determines that customers in certain areas of Philadelphia or with certain incomes or credit histories pose a payment risk, the EGS may simply refuse to offer its billing service and require that customer to receive a consolidated EDC bill from PECO. This is both unfair and anti-competitive.⁵

Guidelines for Maintaining Customer Services at the Same Level of Quality, Appendix B at II(B).

⁵ The OCA submits that this is a particularly important protection given the provision in the Settlement that requires PECO to pay the amounts owed to the EGS for undisputed charges regardless of whether PECO has been paid by the customer. Appendix C at C.2(A)(b)(3). The OCA

Such discrimination may violate the Credit and Deposit Standards of Chapter 56 which states that its overall policy is that “[a]n essential ingredient of the credit and deposit policies of each utility shall be the equitable and nondiscriminatory application of those precepts to potential and actual ratepayers throughout the service area without regard to the economic character of the area or any part thereof.” 52 Pa. Code §56.13. As noted above, these regulations apply to EGS billing practices unless the Commission decides to waive those requirements. Indeed, the Commission has stated that:

Suppliers are expected to treat all residential applicants who meet its load criteria in a uniform manner according to the applicable Chapter 56 standards. Suppliers must abide by the same rules regarding credit determinations that the EDCs must abide by so that there is a level playing field. The statute at Section 2809(E) and (f) is clear that suppliers are to follow Chapter 56 and that includes the credit standards.

Guidelines for Maintaining Customer Services at the Same Level of Quality, Docket No. M-00960890F.0011, Order entered July 11, 1997, Appendix B at III(D).

If an EGS offers consolidated EGS billing service to some residential customers then it must offer such service to all similarly situated customers, or at least those who, in the Commission’s language, meet the suppliers’ “load criteria.” While it is correct to state that an EGS has no obligation to provide competitive energy or billing service, once an EGS engages in the provision of these services it is obligated to do so in a manner which does not violate Federal or

will discuss this issue in more detail below. However, the OCA submits that this provision significantly affects the dynamic and incentives regarding competitive billing. The OCA is concerned that PECO’s agreement to this term provides a significant incentive to the EGS to discriminate against payment-troubled customers in the provision of billing service, since the EGS will be paid by PECO regardless of the customer’s payment of the charges to PECO. Again, this provides an incentive for the EGS to refuse to provide billing services to customers it perceives to be a credit risk.

State law, Chapter 56, or Commission Orders and regulations. An EGS may not discriminate in a way that violates the credit policies of Chapter 56.

Accordingly, the OCA would propose the following additional language to be included under “Availability of Competitive Billing Services” of the Billing Implementation Committee consensus document:

Any EGS that provides consolidated EGS billing to residential customers must provide such service on a non-discriminatory basis to all customers within that rate class.

3. Customers Should Retain The Statutory Right To Select A Separate Supplier Bill For EGS Charges.

Finally, the OCA submits that all residential customers should continue to have the ability to choose, the option of receiving separate EGS and EDC bills. Like the scenario presented above, the EGS should not be able to discriminate among different customers for prohibited reasons when determining whether to offer such service to some but not all customers. If an EGS offers billing service, it should not be permitted to preclude a customer from receiving separate bills as a condition of service for the provision of competitive electric supply. The end-use customer maintains the right of bill selection as dictated by the Act wherein it states that:

Customer billing. -- Subject to the right of an end-use customer to choose to receive separate bills from its electric generation supplier, the electric distribution company may be responsible for billing customers...

66 Pa. C.S. 2807(c).⁶

If the Commission allows EGSs to offer an EGS separate bill to some but not all of those similarly situated customers who request that service then the same problem may again exist in that EGSs may not offer such service to customers who pose a credit risk.⁷ The OCA submits that EGSs should not be permitted to discriminate in their offering of separate billing options to customers.

4. Summary

The OCA submits that the Commission must not allow EGSs to mandate a customer's bill selection options by making certain selections a requirement or condition for service. Such terms of service are not permitted now, are inconsistent with the Act, and are not intended by the Settlement. Residential customers should always have the right to continue to receive a consolidated or separate EDC bill. If an EGS offers its own billing service, then it should not be permitted to discriminate among customers in the offering of that service.

⁶ See Also Application of PECO Energy for Approval of its Restructuring Plan Under Section 2806 of the Public Utility Code and Joint Petition for Partial Settlement, R-00973953, Order entered December 23, 1997 at 139 ("Section 2807(c) of the Act provides that the EDC may be responsible for billing customers for all electric services while granting the customer the **right** to choose to receive a separate bill from its generation supplier. The manner and details of interaction between customers, suppliers, and EDCs are governed by the rulemaking at Docket No. M-00960890, F0011. The Act explicitly specifies a presumption that the EDC shall have the duty to provide a single bill, including competitive generation services, to all customers unless the **customer chooses** to receive a separate bill directly from its EGS.") (emphasis added).

⁷ As noted above previously, with PECO required to pay an EGS its charges regardless of whether PECO gets paid by the customer, EGSs will have the same incentive to offer the separate bill option only to those customer who present little credit risk.

C. Under No Circumstances May A Customer Be Terminated For Failure To Pay An Unregulated EGS Charge.

Throughout the Committee process, PECO has discussed the difficulties associated with one aspect of Appendix C. That provision--to which PECO agreed--states that under consolidated EDC billing, “[t]he EDC is required to pay amounts owed to the EGS for all undisputed EGS charges, *regardless of whether the customer has paid the EDC.*” Appendix C at C.2 (A)(b)(3) (emphasis added). PECO has suggested that it will be unreasonably burdened by these requirements. It has been suggested during these discussions that, because PECO has agreed to forward payment to the EGS whether or not PECO itself receives payment, PECO should be able to terminate customers who fail to pay the EGS portion of their consolidated EDC bill. The OCA submits that this would be a clear breach of the Settlement. PECO should live with the terms of its negotiations and, like other signatories to the Settlement, PECO is precluded from advocating positions which would breach the Settlement.

The Settlement clearly reads:

Only PECO EDC can physically disconnect or reconnect a customer’s distribution service. Physical termination of service may **only** be permitted for failure to pay for **EDC or PLR** service.

Settlement at ¶22, pg. 17 (emphasis added). From the perspective of the OCA and other consumer parties, this component of the Settlement is extremely important. Consistent with a series of previous Commission Orders and based upon the concept that physical termination of an essential service must not be predicated upon non-payment of an unregulated commodity charge, the consumer parties insisted on including such language within the Settlement. Any suggestion that PECO be allowed to terminate residential service for non-payment of EGS charges would **breach**

the terms of the Settlement and the OCA will take whatever steps within its power to rectify such a breach.⁸

The Commission has consistently maintained that customers may “only be disconnected from the electricity grid pursuant to Chapter 56 if the customer failed to meet their obligation to the utility or provider of last resort.” Guidelines For Maintaining Customer Service at the Same Level Of Quality, Appendix III.L. All Commission decisions which address this issue are consistent in their unwavering dictate that termination of service may not occur for non-payment of EGS charges. See, Application of Duquesne Light Company for Approval of Its Restructuring Plan Under Section 2806 of the Public Utility Code, Docket No. R-00974104, Order entered May 29, 1998, at 269-270 (“ALJ Corbett recommended that, given the apparent agreement of all parties for the reasons cited by the OCA, Duquesne should be directed that, as an EDC, it cannot terminate service to a customer for failure of that customer to pay an alternative supplier’s charges. ... We adopt the ALJ’s recommendation. As agreed by the parties, Duquesne, as an EDC, may not terminate service to a customer for that customer’s failure to pay an alternative supplier’s charges.”) See also, Application of West Penn Power Company for Approval of Restructuring Plan Under Section 2806 of the Public Utility Code, Docket No. R-00973981, Order entered May 29, 1998, at 220-221. Accordingly, any change in this policy would both reverse extensive Commission precedent and breach the Settlement.

The OCA submits that EGS charges do not magically become EDC or PLR service

⁸ Since no provision has been made for Reply Comments in this process, the OCA feels compelled to address this issue since it can not be sure what positions other parties will advocate in their Comments.

merely by their inclusion on an EDC consolidated bill. Numerous Commission Orders dating back to the promulgation of the Act have clearly outlined the differences between EDC and EGS charges on a bill. Indeed, the Commission specifically addressed a virtually identical scenario wherein it held:

Where an EDC purchases accounts receivables from a supplier, the EDC shall not use the Chapter 56 termination process for nonpayment of these supply charges. Instead, the EDC must treat the delinquent supply charges in the same manner as suppliers. Only when the customer is receiving supply from the provider of last resort may the EDC utilize the Chapter 56 termination process for nonpayment of these supply charges.

Guidelines for Maintaining Customer Services at the Same Level of Quality, Appendix B at III(L)(5).

The OCA submits that PECO must live with the Settlement terms as they currently exist. PECO maintains the ability to terminate service for non-payment of EDC charges and/or provider of last resort charges. With respect to unregulated EGS charges, PECO should be able to utilize other collection methods for these charges **short** of termination.⁹ As in the case of accounts receivable noted above, there are various methods available which could address PECO's concerns without a breach of the Settlement and without violating a host of prior Commission Orders.

First, the OCA submits that one appropriate and logical remedy is to allow PECO to terminate consolidated EDC billing for EGS charges that are not being paid. After a reasonable period of time, EDC billing for a customer not paying their EGS charges could revert to a separate

⁹ In addition, pursuant to 52 Pa. Code §56.99, PECO must be prohibited from threatening termination for non-payment of EGS charges because actual termination for non-payment of EGS charges is precluded.

EGS bill where collection responsibilities for those charges would become the obligation of the EGS. The EGS retains the right to cancel the contract with the customer in accordance with the terms of the contract or agreement with the customer. If the contract is canceled, the customer would default to PLR service.¹⁰ PECO would continue to bill for its EDC charges. This solution is logical because it requires the EGS to enforce the contract terms which exist between the EGS and its customer--a contract to which PECO is not a party. Moreover, this solution is not in conflict with the terms of the Settlement which provide only that:

The *EDC* will not terminate Consolidated EDC Billing for non-payment of EDC charges by customers and will use the same collection policies and procedures applicable to EDC customers

Appendix C at C.5(1)(emphasis added). Under the above-quoted language of the Settlement, no prohibition exists for the termination of consolidated EDC billing for the non-payment of EGS charges. No other provision within the Settlement would be breached if PECO was authorized by the Commission to utilize this solution after a reasonable period of time.¹¹ If the customer continued to fail to pay their EGS charges once they are billed by the EGS, then that customer would have their contract canceled, in accordance with its terms, and revert to PLR service. At that point, the customer's failure to pay PLR generation charges would submit the customer to termination procedures consistent with Chapter 56.

¹⁰ The OCA would note that there is a significant difference between an EGS canceling a contract with a customer for service in accordance with its terms, and termination of the customer from the electricity grid. When an EGS cancels a contract, the customer retains the option of returning to PLR service or obtaining another supplier. The customer's electric service, however, is not disconnected or terminated.

¹¹ The OCA would recommend that a reasonable period of time might be defined, for example, as a customer missing more than two consecutive monthly payments.

The OCA submits that another potential solution would be to allow PECO to require the EGS to cancel the generation contract for any customer not paying for EGS service if they are receiving consolidated EDC billing. This solution places PECO in the position of entering into the relationship between an EGS and its customer and is therefore less desirable. However, because PECO is injected into that relationship by virtue of its billing on behalf of an EGS, it is not inconceivable that PECO should be given this right in extraordinary circumstances. Such circumstances may include instances where the customer has managed to avoid payment of EGS charges for a significant period of time and the EGS supplying such service does not have the ability to bill so as to instigate the separate billing solution outlined above. Under this option, PECO should be given the right to recover unpaid charges from the EGS for an EGS's failure to comply with a proper request for cancellation of the service contract within a reasonable period of time.

In conclusion, the OCA submits that PECO must live within the terms of the Settlement it agreed to. Under no circumstances should PECO be permitted to breach the Settlement and violate Commission Orders by physically terminating service to customers for non-payment of their EGS charges. If the Commission feels that it is necessary to provide PECO with a remedy, then the OCA submits that it would be appropriate to allow PECO to terminate consolidated EDC billing for customers who do not pay the EGS portion of their consolidated bill. In the alternative, PECO should be permitted to require the EGS to cancel the contract with the customer in accordance with the terms of the contract.

D. Parties Permitted to Provide Competitive Metering Services.

Throughout the Advanced Metering Implementation Committee, numerous suppliers advocated for the creation of standards and rules to govern independent meter service providers and

meter data management agents. These suppliers argued that such entities may be independent of a customer's EGS and would have the capability of separately interacting and contracting with end-use customers. The OCA submits that all competitive metering should be provided to consumers by EDCs or licensed EGSs, not through wholly independent meter providers.

In Section C of the Settlement governing "Competitive Metering and Billing," the details surrounding the credits and unbundled nature of these formerly bundled services were outlined. That Section reads in part that:

Effective January 1, 1999, subject to the ability of an Electric Generation Supplier ("EGS") to comply with the terms and conditions of "Competitive Metering Service" as set forth in Appendix C to this Joint Petition, a **Commission-Licensed EGS** may provide, finance, install, own, maintain, calibrate and remotely read advanced meters for service to its retail customers located in PECO service territory.

Settlement at ¶22, pg. 16 (emphasis added). The OCA submits that the concept that such advance metering services initially be provided only through a licensed EGS was consistent with the negotiations surrounding the agreement allowing for the competitive provision of these services within PECO's service territory. This limitation and directive is bolstered by Appendix C to the Settlement wherein it states:

Availability of Advanced Meter Services

All direct access customers will have the opportunity to utilize Advanced Meters and Advanced Meter services **from an EGS** as of January 1, 1999.

Appendix C at C.8 (emphasis added).

The OCA does not seek to preclude certified meter service providers and meter data management agents from participating in this market. Rather, the OCA submits that such

participation should occur through and under the supervision of an EDC or licensed EGS. In other words, such entities may exist and perform such services, but those services must be done on behalf of a licensed EGS. The end-use customer would then interact with their chosen EGS and that EGS would retain ultimate responsibility for the sub-contractor they employ to provide advanced meter services.

E. Chapter 57 of the Public Utility Code.

With competitive advanced metering scheduled to begin on January 1, 1999 in PECO's service territory, the OCA submits that the Commission must issue guidance as to what existing metering regulations shall apply to entities performing competitive metering services. Attachment A to the document submitted by the Advanced Meter Qualification and Implementation Committee states that as a requirement for advanced metering, all providers "will comply" with "[a]pplicable parts of the Pennsylvania Code Title 52, Chapter 56 and Chapter 57." The OCA is concerned that competitive advanced metering may actually commence with parties maintaining different understandings as to what is indeed "applicable" within Chapter 57.

The OCA is not advocating this as a contested issue. Rather, because the OCA understands that various provisions of Chapter 57 may be irrelevant to advanced remote metering services, the OCA simply wishes to bring this issue to the Commission's attention so that all parties will be clear in their understanding of the rules which will govern such service **prior** to that service being offered to the public.

The OCA has made a preliminary examination of Chapter 57 and believes that certain provisions should be specified as applicable to the provision of advanced meter service, albeit in some modified form. During Committee negotiations, the OCA apprised the parties of these

provisions. However, due probably to the time limitations and scope of these negotiations, the parties never really went through this section of the Code to determine specific applicability. Rather, the word “applicable” has been used to modify compliance with this portion of the Commission’s regulations.

Since it would be inappropriate for OCA to unilaterally advance its own initial determinations of which section of Chapter 57 are appropriately applicable to advanced meter providers, the OCA will not reproduce this list here. Instead, the OCA merely requests that this issue be examined further by the Commission and the parties prior to the implementation of these services on January 1, 1999.

F. Precedential Value of Committee Documents.

During the negotiations, representatives of GPU sought to include in the Committee document, language from the Settlement that limited the precedential weight of the Settlement terms. The OCA supports GPU’s position on this issue.

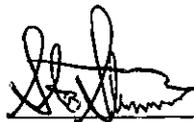
The Settlement is clear that “[t]he Joint Petitioners agree that this Settlement shall not constitute or be cited as controlling precedent in any other proceedings...” Settlement at pg. 46. As discussed in the beginning of these Comments, this further proceeding and these terms are a continuation of the Settlement process, and the standards and specifications arrived at must be consistent with the Settlement itself. The Commission should adopt GPU’s caveat that the terms arrived at in this proceeding shall not be deemed controlling precedent in other Pennsylvania proceedings.

III. CONCLUSION

The parties to this process have attempted to do much in little time. The customers within PECO's service territory are about to have opportunities found nowhere else in Pennsylvania and very few places in the nation. With those opportunities, however, come risks to the continuity of consumer protection standards and practices consumers have long come to enjoy and rely upon. The OCA submits that the Commission must now review the working product of this process and fill in any missing pieces to the competitive billing and metering puzzle.

For the reasons set forth above, the OCA respectfully urges the Commission to issue an Order adopting the recommendations of the OCA as contained within these Comments and to make any further modifications deemed necessary upon any further review conducted by the Commission.

Respectfully submitted,



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Dated: June 3, 1998

47020

CERTIFICATE OF SERVICE

Re: Application of PECO Energy Company for
Approval of its Restructuring Plan Under
Section 2806 of the Public Utility Code
Docket No. R-00973953

I hereby certify that I have this day served a true copy of the foregoing document,
OCA's Comments to the proposed Joint Petition for Settlement of Peco Energy Company, upon
parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54
(relating to service by a participant), in the manner and upon the persons listed below:

Dated this 3rd day of June, 1998.

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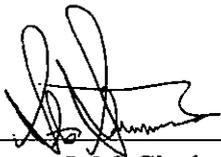
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**Re: PECO Energy Company's Competitive Metering and Competitive Billing Specifications
Docket Nos. R-00973953 and P-00971265**

Dear Secretary McNulty:

Enclosed are an original and 15 copies of PECO Energy Company's Comments regarding the above-referenced docket. As proof of filing, please return a date-stamped copy of this letter in the enclosed return envelope.

Sincerely,

Mary McFall Hopper

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MMH/mtg

JUN 3 1998

Enclosures

Hand Delivered (w/ enclosures) to:

PUBLIC UTILITY COMMISSIO
SECRETARY'S BUREAU

- The Honorable John M. Quain, Chairman
- The Honorable Nora Mead Brownell, Commissioner
- The Honorable John R. Hanger, Commissioner
- The Honorable David W. Rolka, Commissioner
- The Honorable Robert K. Bloom, Commissioner
- Bohdan Pankiw - Law Bureau
- John Levin - Law Bureau
- Mitch Miller - Bureau of Consumer Services
- Ahmed Kaloko - Director of Bureau of CEEP
- Charles F. Covage - Bureau of CEEP

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

Application of PECO Energy Company for :
Approval of its Restructuring Plan Under : Docket Nos. R-00973953
Section 2806 of the Public Utility Code, et al. : and P-00971265

COMMENTS OF PECO ENERGY COMPANY
TO
COMPETITIVE METERING AND COMPETITIVE BILLING SPECIFICATONS

DOCKETED

JUN 13 1998

PECO Energy Company ("PECO" or the "Company") submits the following
comments in conjunction with the Competitive Metering and Competitive Billing Specifications
filed June 1, 1998 in the above docket.

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BACKGROUND

PUBLIC UTILITY COMMISSIC

On April 29, 1998 PECO and 25 additional parties filed a Joint Petition for Full
Settlement of PECO's Restructuring Plan and Related Appeals and Application for a Qualified
Rate Order and Application for Transfer of Generation Assets. ("Joint Settlement") The Joint
Settlement provides for the unbundling and competitive offering of metering and billing
services in PECO's service territory beginning on January 1, 1999. Appendix C of the Joint
Settlement provides the framework for how these services will be offered by Electric
Generation Suppliers ("EGSs"). The parties agreed to submit to the Commission for approval
by July 1, 1998 proposed performance standards and specifications for competitive metering
and billing.

The parties met for four full days and participated in numerous conference calls to
develop the Competitive Metering and Competitive Billing Specifications filed on June 1. All
participants recognize that significant changes are required to existing business processes and
information systems to enable competitive metering and billing to be available on January 1,

1999. The proposed performance standards reflect significant changes to the operation plans designed by each entity prior the Joint Settlement. For example, PECO agreed to temporarily extend its current billing cycle a day to accommodate the additional transactions and data exchanges between the Company and EGSs. EGSs in turn agreed to allow, by rate class, a phase in for requesting to change a customer to an EGS specified meter reading route.

Although the participants agreed on many issues, a few remain in dispute. These are (1) PECO 's collection and termination procedures when the Company is providing the consolidated bill and is paying EGSs their charges regardless of whether the customer pays PECO .; (2) Whether metering services can be provided to a customer by an EGS that is not the customer's energy provider.;(3) Whether an EGS is required to offer consolidated EGS billing to all customers within a rate class; (4) theft of service, and (5) NEV's request to conjunctively bill CTC charges for customers with multiple meters at different locations.

COMMENTS

1. PECO's collection and termination procedures when the Company is providing the consolidated bill.

PECO and EGSs agreed, as part of the Joint Settlement, that the billing entity would pay the other party for all undisputed charges regardless of whether the customer has paid the EGS or PECO. The requirement that PECO pay an EGS for the EGS charges when PECO is providing the consolidated bill regardless of whether the customer pays is a vital component to the Joint Settlement. This is a significant change to the relationship between PECO, EGSs and customers. PECO proposes that the Commission and the other parties review the new payment priority situation and evaluate whether the previously established collection and termination rules will fit within this new framework. PECO's proposal is not intended to reverse of the terms and conditions it agreed to in the Joint Settlement. Its proposal is intended to

develop a system that will work within the terms and conditions of the Joint Settlement without causing unintended detrimental impacts on the Company, EGSs or customers. In addition the Company does not want to design collection and termination processes which will have the practical effect of encouraging customers who receive a consolidated bill from PECO to not pay the entire amount of the bill.

PECO proposes that in the situation where it is providing a consolidated bill to the customer and it has paid the EGS for the customer's supply, that it be permitted to follow its current collection and termination procedures for the entire amount of the consolidated bill. PECO will be paying the customer's EGS for his/her competitive supply. Therefore, the full amount of the bill is now owed to PECO. The Company believes that it should be able to collect and terminate for all amounts owed to PECO. This would cause less customer confusion than if PECO were to collect and terminate for one portion of its bill and collect and institute civil suit for another portion to the bill.

Prior to the Joint Settlement, a consolidated EGS bill was not required by the Commission or contemplated by PECO. The Commission's rules and PECO's tariff provided a payment priority schedule that placed EGS charges at the end of the priority when a customer did pay the full bill. Furthermore, the Commission prohibits termination of service for nonpayment of EGS charges. PECO supports the established payment priority schedule and agrees that if a customer receives separate bills or a consolidated EGS bill that service should not be terminated for failure to pay supply charges. PECO respectfully requests that the Commission and parties to the Joint Settlement review their previous positions taking into consideration the new payment priority scheme set forth in the Joint Settlement and permit PECO to collect and terminate service for all monies owed to PECO.

In the alternative, should the Commission disagree with PECO's position as stated above, PECO submits that, after a reasonable period of time, if it does not receive full payment

from a customer that it provide notice to the EGS of the customer's failure to pay and that the customer either (1) revert to PLR service (which would place PECO and the EGS in the same position contemplated prior to the availability of three billing options and the revised payment priority set in the Joint Settlement) or (2) that the consolidated PECO bill is canceled and the customer receives separate bills from PECO and the EGS.

Appendix C does not prohibit PECO from terminating the consolidated EDC bill for non payment of supply charges. PECO believes that it must take such action in the case of non-payment. The parties to the Joint Settlement intended for the provisions of Appendix C to be reciprocal as to the responsibilities, duties and rights of the party providing the consolidated bill. EGSs have a right to discontinue generation supply to customers when they do not receive payment. To design a system that does not permit PECO to take appropriate action when it does not receive payment from a customer will: (1) encourage customers receiving a consolidated bill from PECO from paying the full amount of the bill and (2) require PECO to establish a separate collection system for a portion of the bill which will lead to customer confusion, administrative difficulties and increased complaints to the Commission.

2. Whether metering services can be provided to a customer by an EGS that is not the customer's energy provider.

PECO believes that it is in the best interest of the customer and the Commission to clarify that metering and billing services, for a customer that is eligible to participate in Phase-In for 1999, are only performed by the EDC or a licensed EGS that is supplying that customer with electric generation service.

PECO entered into the Joint Settlement with the understanding that the provision of competitive metering and competitive billing services were limited to the EGS that is currently supplying energy for the account and that the meters would be owned by PECO or the EGS. The provision was intended to be a one-to-one relationship between the EGS and the

customer. The unbundling of metering and billing was initiated by EGSs who claimed that the ability to supply metering and billing services to compliment their energy supply services was required to establish a robust market for generation services.

It was never PECO's intent, nor the intent of the Joint Settlement, to create an additional market for revenue cycle services that is separate from generation service. PECO's position is that the spirit of the Electric Generation Customer Choice and Competition Act and the Joint Settlement was to create a healthy generation supply market in Pennsylvania. Unbundling of metering and billing services in support of the generation supply market is a reasonable step toward that end. The introduction of an independent third-party, into the processes of providing generation service and the revenue cycle services that support it, is not necessary or productive.

PECO supports the concept that an EDC or EGS can subcontract metering and billing services to a vendor, who will perform the service for the EDC or EGS. This flexibility will, in fact, allow a third-party to provide these services but only as the agent of the EDC or EGS. Using this model, a customer and an EDC have only to deal with one entity in order to provide competitive generation and revenue cycle services. The provision of metering and billing services, contractually separate from generation supply service, will lead to customer confusion and necessitate the inclusion of a third-party in the resolution of any dispute regarding metering, meter reading, or billing. This concept may also lead to concerns by both the EDC and the EGS that is serving an account, that the metering and billing service being provided by the independent third-party does not meet the needs of the EDC or EGS. If that third-party is not under contract with the EDC or EGS, resolution of issues regarding the provision metering and billing service may be quite difficult to resolve.

PECO does not believe that the provision of competitive metering and billing services and ownership of meters, separate from the EDC or EGS that is supplying an account with generation service, is required by Joint Settlement and is not in the best interest of consumers.

3. Whether an EGS is required to offer consolidated EGS billing to all customers within a rate class.

PECO supports the position of the OCA and CEPA on this issue. The Joint Settlement sets a framework for EGSs to provide a consolidated bill to PECO customers. As with supply service, an EGS should, subject to the anti-discrimination laws and the rules and regulations of the Commission, offer its service to all within a rate class. This is particularly important for the consumer protections found in Chapter 56. Chapter 56 establishes when and how service can be denied to a residential customer and PECO believes that these rules should apply to offering an EGS consolidated bill.

4. Theft of Service.

The parties agreed that any authorized party that is providing advanced metering is responsible for "resolving theft of service issues." (Metering Specifications, p. 5). The parties were not able to agree on the appropriate responsibility for theft of services in a situation where metering functions are being performed by an EGS. Enron took the position that this responsibility should be limited to attempts to stop theft of service once discovered; Enron specifically disclaimed that an EGS providing metering service should take on responsibility for the cost of the energy and energy services that would be provided before discovery of the theft; Enron also disclaimed that an EGS would have additional responsibility to identify instances of theft of service.

PECO Energy believes that the entity that takes on the benefits of providing metering services, including the benefit of the metering credit, must take on the commensurate burdens

and risks normally associated with providing the metering function. This includes full responsibility for theft of service. Quite simply, once the metering function has been shifted, PECO is stripped of the means to address theft of service:

- Theft of service is most often discovered through physical inspection of the meter and nearby facilities.
- If an EGS is providing alternative metering service, PECO will no longer have any business reason to visit the customer's premises and conduct a visual inspection, because it will no longer be performing meter reading functions.
- If an EGS is providing alternative metering services, PECO will no longer be collecting any revenues to support an inspection of the customer premises, because for those customers it will be providing a metering credit.

In short, the entity that takes on metering functions must also take on all responsibilities for theft of service, because that entity will have eliminated the possibility of any other party discovering the theft of service. PECO requests that the Commission state in its order that the party providing metering services will be broadly responsible for theft of service, including identification of theft of service and responsibility for any generation supply and LDC services stolen prior to the discovery of the theft of service.

5. Request to Conjunctively bill CTC charges for customers with multiple meters at different locations.

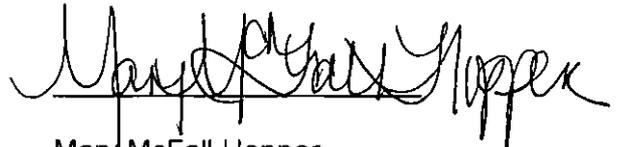
NEV indicated to PECO its intention to request PECO to conjunctively bill CTC charges for customers with multiple meters at different locations. NEV inappropriately raises an issue it has previously brought before the Commission during PECO's tariff compliance filing. NEV contends that PECO must conjunctively bill CTCs and transmission charges for customers with multiple locations. PECO argued in its January 30, 1998 Reply Comments, and the Commission accepted its argument, that conjunctive billing of CTC and transmission charges for customer with multiple locations would cause intra-class CTC cost shifting, which is

expressly prohibited by the Competition Act. 66 Pa.C.S. §2808(a). If the Company conjunctively billed for demands at multiple meter locations, the total number of demand-related billing units would decrease, and therefore result in substantially lower CTC collection amounts for all classes in which the customer's peak demand is a billing determinant (Rate HT, PD, and GS). The Commission accepted PECO's summary billing provisions and rejected NEV's arguments in its February 5, 1998 Opinion and Order on PECO's Restructuring Plan Compliance Filing. NEV should not be permitted to raise the issue again in this proceeding.

CONCLUSION

PECO Energy Company respectfully requests this Honorable Commission to adopt the foregoing comments.

Respectfully submitted,



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Dated: June 3, 1998

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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I hereby certify that I have served the foregoing document by fax on the following:

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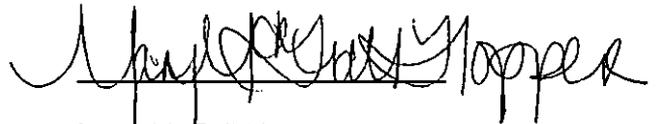
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June 3, 1998

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CELLNET
DATA SYSTEMS

Re: PECO Energy Company's Competitive Metering and Competitive Billing
Specifications
Docket Nos. R-00973953 and P-00971265

DOCKETED

JUN 13 1998

Dear Secretary McNulty:

CellNet Data Systems ("CellNet") appreciates the opportunity to comment on the above-captioned item. CellNet is the leading, non-utility affiliated provider of electric meter data collection and processing services in the United States, reading over 1.5 million meters every day. In addition, CellNet provides services as the approved Meter Data Management Agent and Meter Service Provider for about half of the California Energy Service Providers registered in all three major utility service areas in the state. CellNet participated in the discussions with PECO and other parties that produced the specifications filed with the commission, and is active in the regulatory process in all of the other states that have committed to deregulation, including California, Massachusetts, and New York.

CellNet respectfully urges the Commission to approve the proposed specifications. They are the product of a great deal of hard work by a large number of interested and knowledgeable parties. If approved, they will help to create a robust market for competitive metering in the PECO service territory. The important and beneficial features include the following:

Data Transfer Schedule: The specifications establish a reasonable, minimum schedule for data transfer that all market participants should be able to meet. CellNet urges the Commission to approve this minimum schedule. CellNet also hopes to work with PECO and other interested parties to establish an enhanced schedule for entities such as CellNet that can read meters and process data more quickly than the minimum schedule requires.

Performance Specifications: The specifications establish technical standards based on national standards and reasonable performance specifications. The use of national standards ensures quality and makes it easier for national firms to participate in the Pennsylvania market. The use of performance specifications gives advanced metering providers maximum flexibility in developing technical metering solutions to meet those specifications and customers' individual needs and to lower costs.

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James J. McNulty

June 3, 1998

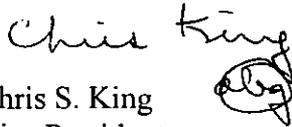
Page 2

Access to data: The Specifications require an EGS providing advanced metering service to provide PECO with all data that PECO requires for billing and distribution service. This will ensure that the EDC has all of the information that it needs to perform its job. The Specifications also embody the principle that the appropriate access point is at the data server level, rather than at the meter. Requiring metering providers to give PECO access to the meter would have numerous negative consequences. For example, in the extreme case, it could limit competitors' metering and communications options to those that were compatible with PECO's existing communications systems. This would limit choices for customers and hinder the adoption of new technologies. By contrast, the approach embodied in the specifications will allow for maximum customer choice and encourage the introduction of new technologies, while ensuring that PECO receives all necessary data.

Metering Functions: In the definitions section, the Metering Specifications document recognizes the two major categories of metering functions: a) installation, removal, and maintenance of the physical meter; and b) reading the meter, validating the raw meter outputs, applying editing and estimating rules, adding corollary information necessary to characterize the customer, and making the meter data available to authorized parties. This distinction is very helpful. However, it would be even more helpful, and easier to refer to the two sets of functions, if they were labeled. Other jurisdictions such as California have used the terms Meter Service Provider (MSP) and Meter Data Management Agent (MDMA). We recommend the use of these or similar terms.

Thank you for the opportunity to provide comments.

Sincerely yours,



Chris S. King
Vice President

Strategic Planning and Regulatory Affairs

cc: The Honorable John M. Quain, Chairman
The Honorable Nora Mead Brownell, Commissioner
The Honorable John R. Hanger, Commissioner
The Honorable David W. Rolka, Commissioner
The Honorable Robert K. Bloom, Commissioner
Bohdan Pankiw - Law Bureau
John Levin - Law Bureau
Mitch Miller - Bureau of Consumer Services
Ahmed Kaloko - Director of Bureau of CEEP
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Service List

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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JUN 3 1998

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: PECO Energy Company's Competitive Metering and Competitive Billing Specifications
Docket Nos. ~~P-0097353~~ and P-00971265

R-00973953

Dear Secretary McNulty:

I represent the Association of Community Organizations for Reform Now (ACORN), Tenant Action Group (TAG), Consumers Education and Protective Association (CEPA) and John W. Long, Jr. "ACORN/ CEPA et al." in the above-captioned matter.

Enclosed please find an original and 16 copies of the Comments of ACORN/CEPA, et al. on PECO Energy Company's Competitive Metering and Competitive Billing Specifications.

Please return a time stamped copy in the self-addressed, stamped envelope which has been enclosed for that purpose.

Very truly yours,

Philip A. Bertocci

PHILIP A. BERTOCCI
Staff Attorney

Enclosures

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BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

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JUN 3 1998

JUN 13 1998

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Application of PECO Energy For : Docket Nos. R-00973953
Approval of its Restructuring : P-00971265
Plan Under Section 2806 of the :
Public Utility Code, et al. :

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COMMENTS OF ACORN/CEPA ET AL ON PECO ENERGY COMPANY'S
COMPETITIVE METERING AND COMPETITIVE BILLING SPECIFICATIONS

The Association of Community Organizations for Reform Now (ACORN), Tenant Action Group (TAG), Consumers Education and Protective Association (CEPA) and John W. Long, Jr. (hereinafter "ACORN/CEPA et al.") hereby submit the following Comments concerning "unresolved" or "contested" issues which were not resolved in the consensus document entitled "PECO Energy Company's Competitive Metering and Competitive Billing Specifications" (hereinafter "Specifications") which was filed with the Commission on June 1, 1998.

I. Introduction

The Specifications concerning competitive billing and metering represent the attempt of the parties to arrive at terms implementing Paragraph 22 and Appendix C of the Joint

Petition for Settlement. With the purpose of implementing the unbundling of PECO's metering, meter reading, and billing and collections services, this provision required the parties to formulate "metering and billing standards for the PECO service territory, including the specific applicability of provisions contained within 52 Pa.Code Ch. 56 (relating to standards and billing practices for residential services) to EGSs performing consolidated billing." Settlement, Paragraph 22. It is for the Commission to review these Specifications and to resolve unresolved and contested issues. In performing this task, the Commission, like the parties, is bound by the terms of the Settlement and Appendix C, and may accept no terms, standards, criteria or rules which are inconsistent with their terms.

II. Unresolved and Contested Issues.

A. Chapter 56 Presumptively Applies to All EGS Billing and Metering Functions.

The Electricity Generation Customer Choice and Competition Act ("Act") was enacted with the avowed purpose of modifying "existing legislation and regulations and to establish standards and procedures in order to create direct access by retail customers to the competitive market for the generation of electricity..." 66 Pa.C.S. § 2802 (12). The goal was to deregulate the price of electric generation — that is, to transform the price that customers pay for generation from a price determined by regulation, to a price determined by the market. In this process, it goes without saying that the nature of the electricity itself would not change. As part of the unbundling of generation, the Act and the Commission have

contemplated that billing and metering would also be unbundled. However, unlike electricity, billing and metering is not a commodity, but a service which has been defined in regulatory terms in the Public Utility Code and Chapter 56.

In the Comments on the Specifications under review, EGSs will attempt to induce the Commission to accept the argument that unbundling of metering and billing implies providing latitude and even total discretion to EGSs to define what constitutes billing service and/or metering service. The Act does not and never contemplated conferring on the EGSs that discretion. Billing and metering are services whose contours are defined in Chapter 56 and in other laws and regulations. Just as the Act does not authorize EGSs to change the nature of electricity, but only to sell it at a market price, so it does not alter the Chapter 56 and other standards governing billing and metering. Competitive billing and competitive metering are not unregulated services, except as to price.

In matters concerning competitive billing and metering, the Settlement expresses a basic consumer demand that Chapter 56 provisions which currently protect customers in their relations with the EDC must provide the same level of protection against EGSs performing formerly bundled EDC functions like billing and metering.

This consumer demand expressed what had been promised in the Act itself. The Act specifically anticipated EGS billing. 66 Pa.C.S. § 2807(c). And the Act expressly provided that in performing the customer service function under competition, the EGS must “conform to ...the regulations of the commission under this title, including the commission’s regulations regarding standards and billing practices....” 66 Pa.C.S. § 2809(b). In regulating

the service of electric generation suppliers, the Commission was to ensure that, inter alia, “52 Pa.Code Ch. 56 (relating to standards and billing practices for residential utility service) are maintained.” 66 Pa.C.S. § 2809(e).

What is at stake in the maintenance of Chapter 56 standards is the requirement contained in the Act that “customer services shall, at a minimum, be maintained at the same level of quality under retail competition.” 66 Pa.C.S. § 2807(d). As the Commission has recently recognized in anticipation of consolidated EGS billing, a supplier’s ability to conform to Commission regulations and guidelines applicable to customer service functions is a prerequisite to the required maintenance of the quality of customer services at present levels.¹

The promise that Chapter 56 standards would be maintained was one of the fundamental customer assurances contained in the Act, a guarantee intended to balance the establishment of a system under which customers, not suppliers or EDCs, would shoulder the main burden of stranded costs.

The Settlement thus states unequivocally:

An EGS that bills on behalf of an EDC must comply with all billing and disclosure requirements applicable to an EDC, absent waiver by the Commission, including the unbundling of transmission and distribution rates.

Settlement at Para. 22.

¹ See Final Order Re: Guidelines for Maintaining Customer Services at the Same Level of Quality Pursuant to 66 Pa.C.S. § 2807(D), and Assuring Conformance with 52 Pa.Code Chapter 56 Pursuant to 66 Pa.C.S. § 2809(E) and (F) (“Guidelines for Maintaining Customer Services at the Same Level of Quality”), entered July 11, 1997, Appendix B at II(B).

For these reasons, in evaluating the Specifications, the Commission must apply the presumption that Chapter 56 applies, absent a Commission waiver whenever an EGS engages in the type of activity which, if performed by an EDC, would be subject to Chapter 56 provisions.

B. EGSs Are Required Under Chapter 56 To Provide “Budget Billing” For EGS Charges And That Requirement Should Not Be Waived.

Section 56.12(7) requires electric utility companies to provide residential customers with the option of “equal monthly billing,” commonly referred to as “budget billing.” This is a “billing procedure which averages estimated utility service costs over a 10-month, 11 month or 12 month period to eliminate, to the extent possible, seasonable fluctuations in utility bills.” 52 Pa.Code § 56.12(7). This option is more than just a convenience to customers. For instance, it protects senior citizens with limited fixed incomes whose summer air conditioning costs are high to spread these costs over the a ten to twelve month period. Similarly, for persons of limited means who heat with electricity, budget billing provides a protection against budget breaking winter heating bills. The Bureau of Consumer Services has long recognized the protections that budget billing offers to payment troubled customers in formulating agreements which require payment of a budget amount plus a certain number of dollars.

Paragraph 11 of the Billing Service Options in the Specifications states that the EGSs

request a waiver of any budget requirement for EGS charges.² This waiver of a budget billing requirement would mean that with the possible exception of the EDC's PLR customers, there would no longer be a requirement that generation charges be subject to Chapter 56 budget billing requirements. Even, when the EDC is performing consolidated billing and provides budget billing for EGS charges, the EGS may refuse to allow budget billing for its charges.³ Paragraph 11 and its analogue in the Consolidated EGS Billing section unjustifiably diminish customer protections currently available under Chapter 56.

There has been no showing that the EGS can not physically offer budget billing for EGS charges. Even if that showing could be made, the EGS must also show that there is no feasible equivalent system that would permit customers who choose EGS generation to preserve their right to budget billing.

Waiver of budget billing requirements for EGS charges would also create a barrier preventing customers who depend on the budget billing option from gaining access to the competitive market for electricity. The Commission should not allow such a barrier to be erected without first thoroughly investigating whether budget billing for generation charges or its functional equivalent may be preserved.

² Specifications, Billing Service Options, Consolidated EDC Billing, Para. 11. See also Specifications, Billing Service Options, Consolidated EGS Billing, Para. 10.

³ Specifications. Billing Service Options, Consolidated Billing, Para. 11 (General Rule for Budget Billing).

C. The Commission Must Not Allow EGSs To Limit Through These Specifications The Range Of Customer Choice Envisaged By The Act And The Settlement.

Although certain EGSs have presented themselves as the great champions of customer choice in their efforts to obtain a secure place for themselves in the competitive market for generation, they now unabashedly advance several proposals which in fact would have the effect of diminishing customer choice, especially the choices of customers with less income to spend on energy and energy services. For instance, certain EGSs contend that an EGS may require as a condition of provision of electricity generation that the customer must also accept its consolidated billing service. Certain EGSs also contend that an EGS that offers consolidated billing to residential customers may offer that service to some of its residential generation customers but not to other residential generation customers. Whether the customer is offered consolidated billing might depend, for instance, on whether a residential heating customer's usage was above a certain level, whether the customer was purchasing other non-basic services through the EGS, and other supposedly neutral criteria which in fact would screen out members of the residential customer class who pose a greater credit risk. ACORN/CEPA et al. urge the Commission to resist these attempts to erode the range of choice promised by the Act and Settlement.⁴

⁴ In this connection, ACORN/CEPA support and incorporate by reference the position set forth by OCA in its Comments at p. 11-12 that "customers should retain the statutory right to select a separate supplier bill for EGS charges."

1. An EGS Should Not Be Permitted to Condition Its Offer of Generation Service upon Acceptance of Consolidated EGS Billing.

Certain EGS's take the position that an EGS may require that a customer agree not only to purchase EGS generation, but also to condition that purchase upon the customer's also selecting EGS consolidated billing service. The Pilot Programs have demonstrated that many customers prefer to continue to receive their electric bills from their local EDC. This customer choice makes intuitive sense. Problems with the bill, like problems occasioned by an electrical storm appear to many as problems best resolved close to home. The Legislature did not intend to create a system where customers would be required by certain suppliers to give up billing by their EDC in order to take advantage of the competitive market.

The Act anticipated that the end-use customer who purchases generation from an EGS would have a right of choice concerning what entity did the billing for that generation -- the EGS or the EDC via a consolidated bill. As the Act states:

Customer billing. -- Subject to the right of an end-use customer to choose to receive separate bills from its electric generation supplier, the electric distribution company may be responsible for billing customers...

66 Pa.C.S. § 2807(c). The EGS argument is that because the Act states only that the EDC "may" provide a consolidated bill, there is no requirement that an EDC offer consolidated billing. This interpretation ignores the fact that the Act refers to the reception of separate bills as something for the customer to "choose." If the EDC did not offer a consolidated bill, how would a customer desiring to purchase EGS generation "choose" to be billed by the EGS. *In that circumstance, the customer would have no choice, because absent consolidated*

EDC billing, the EGS would require separate EGS billing as a condition of service. Otherwise, the EGS would not get paid. The Commission has recognized that the Act requires the EDC to offer consolidated billing, thereby assuring to the customer a right of choice. EGS should not be permitted to offer conditions of generation service which are inconsistent with the right of the customer to participate fully in the marketplace for electricity generation, while continuing to exercise his preference for receiving one EDC "electric bill."⁵

Consistent with the Act, the Settlement provides that "All direct access customers will have the opportunity to choose from three billing service options...: (1) Consolidated EDC Billing, (2) Consolidated EGS Billing, or (3) Separate EDC/EGS Billing." Settlement, Appendix C at C.1.

For these reasons, on the basis of the Act and the Settlement, the Commission should reject the proposal to allow an EGS to condition provision of service upon acceptance of consolidated EGS billing. Rather, it should require that an EGS shall not condition the receipt of competitive generation supply service on the receipt of an EGS bill.

2. If an EGS Offers Consolidated Billing to Some Residential Customers, It Must Offer Consolidated Billing to All Residential Customers.

⁵ See also Application of PECO Energy for Approval of its Restructuring Plan Under Section 2806 of the Public Utility Code and Joint Petition for Partial Settlement, R-00973953, Order entered December 23, 1997 at 139 ("The Act explicitly specifies a presumption that the EDC shall have the duty to provide a single bill, including competitive generation services, to all customers unless the customer chooses to receive a separate bill directly from its EGS.")

EGSs contend that an EGS that offers consolidated billing may offer that service to some of its residential generation customers but not to other residential generation customers. Whether the customer is offered consolidated billing might depend, for instance, on the type and level of residential usage, or whether the customer was purchasing other non-basic services through the EGS.

ACORN/CEPA oppose this EGS contention that an EGS may discriminate among customers within the residential rate class in the offer of a service defined and regulated by Chapter 56. Billing is still a basic service just as it was before the passage of the Act. Consolidated EGS billing, just like utility service offered pre-Act by an EDC, if it is offered by an EGS, must be offered upon the terms set forth in Subchapter 3 of Chapter 56 (Credits and Deposits Standards Policy). Although Chapter 56 would permit an EGS offering consolidated billing in certain circumstances to require a deposit as a condition of service, it does not permit the EGS to deny consolidated billing to a residential customer because that customer does not meet some other non-Chapter 56 defined condition of service.

The contention that an EGS may offer consolidated billing to some residential customers without offering it to all not only violates the letter of Chapter 56, but also a broad policy in the Public Utility Code and in Chapter 56 against the provision of service on an unreasonably discriminatory basis.⁶ What is involved in Subchapter C of Chapter 56 is not “credit and deposits” narrowly conceived, but the fundamental principles establishing an

⁶ See 66 Pa.C.S. § 1304.

equal right of access to utility service for all residential customers. Credit and deposit terms define the presently existing conditions for residential utility service. Thus, Subchapter C begins with the statement:

An essential ingredient of the credit and deposit policies of each utility shall be the equitable and nondiscriminatory application of those precepts to potential and actual ratepayers throughout the service area without regard to the economic character of the area or any part thereof. Deposit policies shall be based upon the credit risk of the individual applicant or ratepayer rather than the credit history of the affected premises or the collective credit reputation or experience in the area in which he lives and without regard to race, sex, age over 18, national origin or marital status.

52 Pa.Code § 56.31.

The Commission itself has recognized that under the Act and Chapter 56, suppliers must treat “all residential applicants who meet its load criteria in a uniform manner according to the applicable Chapter 56 standards.” In other words, “the same rules regarding credit determinations that the EDCs must abide by” must be followed by the EGSs offering consolidated billing. Guidelines for Maintaining Customer Services at the Same Level of Quality, Appendix B at III(D).

Unless this aspect of Chapter 56 is strongly upheld by the Commission, customers at the lower end of the economic scale and customers posing greater credit risks will encounter barriers to participation in the competitive market for generation. ACORN/CEPA share the concerns of the Office of Consumer Advocate that the Settlement gives EGSs a special incentive to attempt to prevent customers who offer greater credit risks from obtaining consolidated EGS billing. Appendix C of the Settlement sets forth a reimbursement mechanism between the EDC performing consolidated billing and the EGS which places the

EDC in the position of paying the EGS charges to the EGS regardless of whether the customer has paid the EDC. Settlement, Appendix C at C.2(A)(b)(3). Thus, EGSs offering consolidated billing will have every incentive to shunt more credit risky customers to consolidated billing at the EDC, which will pay the EGS whether the EDC receives payment or not.

ACORN/CEPA urge the Commission to squarely hold that the Public Utility Code, the Act, Chapter 56 and the Settlement do not permit an EGS which offers consolidated billing to residential customers to condition that service upon acceptance of some other non-basic service or good provided by the EGS on other criteria not defined by Chapter 56. Only a bright line prohibition is sufficient to protect customers. Any attempt to define a rule which prohibits discrimination based on one or another forbidden purpose is not workable, and will draw the Commission into complex and drawn out litigation without providing real protection to customers.

D. An EDC Performing Consolidated Billing May Not Terminate Service to a Customer On the Basis of Unpaid EGS Charges.

In the development of the Specifications, PECO Energy Company has taken the position that PECO, when it acts as an EDC performing consolidated billing, should be permitted to terminate service to a customer based on unpaid EGS charges.

This position is directly contrary to the Settlement, which states that “only PECO EDC can physically disconnect a customer’s distribution service. Physical termination of

service may only be permitted for failure to pay for EDC or PLR service.” Settlement, at Paragraph 22. PECO will seek to justify its position by reference to Appendix C of the Settlement Agreement, which obligates PECO, when it is performing consolidated billing, to pay “amounts owed to the EGS for all undisputed EGS charges, regardless of whether the customer has paid the EDC.” Settlement, Appendix C at C.2(A)(b)(3). PECO’s argument is that once it has paid the EGS the undisputed customer charges that it has been billing on behalf of the EGS, PECO is then legally authorized to characterize those charges as charges for EDC service. This argument is without merit. The EGS charges derive from a contract between the customer and the EGS. PECO has served only as an agent of the EGS for the purposes of collecting those charges. The arrangements for transfer of funds obtained in the billing process from PECO as billing agent to the EGS do not change the character of the EGS charges.

In their insistence upon the inclusion of Paragraph 22's limitations on the grounds for service termination in the Settlement, consumer representatives defended the fundamental principle that termination of an essential service may not be predicated upon non-payment for a commodity or good whose price is not regulated. An EGS is a provider of goods and defined services in the competitive market like any other retailer. Just as Sears may not enforce a customer’s obligation to pay for a refrigerator by having the customer’s service terminated, so the EGS may not directly or indirectly collect its charges by terminating the customer from the electricity grid.

The Commission itself on numerous occasions has recognized this fundamental

principle, most dramatically in recent Guidelines, when it held:

Where an EDC purchases accounts receivables from a supplier, the EDC shall not use the Chapter 56 termination process for non payment of these supply charges. Instead, the EDC must treat the delinquent supply charges in the same manner as suppliers. Only when the customer is receiving supply from the provider of last resort may the EDC utilize the Chapter 56 termination process for nonpayment of these supply charges.

Guidelines for Maintaining Customer Services at the Same Level of Quality, Appendix B at III(L)(5).

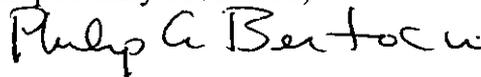
E. Other Issues.

ACORN/CEPA et al. support and incorporate by reference the position of OCA set forth in its Comments at pp. 17-19 concerning "parties permitted to provide competitive metering services."

III. Conclusion

For the reasons set forth above ACORN/CEPA et al. respectfully urge the Commission to issue an Order adopting the recommendations contained in these Comments.

Respectfully submitted,



PHILIP A. BERTOCCI
Counsel for CEPA/TAG et al.

COMMUNITY LEGAL SERVICES, INC.
1424 Chestnut Street, 5th Fl.
Philadelphia, PA 19102
(215) 981-3702

Date: June 3, 1998

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

CERTIFICATION OF SERVICE

I hereby certify that on this date I served the foregoing document on the following persons or entities by First Class U.S. Mail, postage prepaid.

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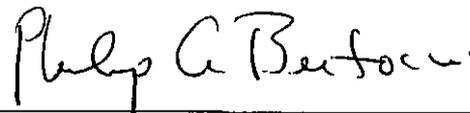
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Dated: June 3, 1998



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JUN 3 1998

PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DOCUMENT
FOLDER

June 3, 1998

Via Federal Express

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
North Office Building, Room B-20
Harrisburg, PA 17105-3265

ORIGINAL

Re: PECO Energy Company's Competitive Metering and Competitive Billing
Specifications
Docket Nos. R-0073953 and P-00971265

Dear Secretary McNulty:

Enclosed is NEV East, L.L.C.'s comments on PECO Energy Company's Competitive Metering and Competitive Billing Specifications unresolved issues. These comments are filed in accordance with the June 1 filing made by the signatory parties of PECO Energy Company's Competitive Metering and Competitive Billing Specifications.

Respectfully submitted,

Handwritten signature of Carrie Cullen Hitt in cursive.

Carrie Cullen Hitt
Director of Regional Policy

Handwritten signature of Jeffrey M. Bladen in cursive.

Jeffrey M. Bladen
Manager, Corporate Development

cc: parties on initial filing list

EEF

69

NEV East, L.L.C. ("NEV"), in general, supports the consensus document, PECO Energy Company's Competitive Metering and Competitive Billing Specifications (herein referred to as "the Billing and Metering Specification Document or the "Document") filed by the parties on June 1. The Document is a major first step in the development of competitive electricity and related services. The successful implementation of this market depends on the ability of customers to choose from a variety of products and service providers, and conversely, the ability of service providers to meet customers' demands in a timely and appropriate manner.

NEV would like to offer comments on several aspects of the Document. NEV offers these comments in the spirit of enhancing the competitive market place from both a customer and supplier perspective.

Time Period for Implementation of Consolidated Billing

Following notification from an EGS, the Specifications allow PECO six months to accommodate an EGS request to perform consolidated EGS billing. (Section Availability of Competitive Metering, §2, p.1) The ability of an EGS to respond in a timely manner to customers' demands for such services will be a key element in the development of a competitive market. NEV does not believe that it should take PECO a half year to implement consolidated EGS billing following an EGS request to the utility that it plans to offer such a service. While NEV recognizes that PECO will have to put a system in place, we do not concede that it will take six months. PECO should be required to meet an EGS intent to offer consolidated billing in a more timely manner. NEV recommends that the Commission require PECO to have the consolidated EGS billing option in place for all suppliers that provide PECO notice of intent to provide this option prior to December 1, 1998 by January 1, 1999. Notifications that are received after that date should also be accommodated within four weeks.

Support for the Notion that Budget Billing Should be Optional for EGS'

In the Document, suppliers request a waiver from any budget-billing requirement. (Billing Service Options, Consolidated EDC Billing §11, p. 3 and Consolidated EGS Billing, §10,p.7) Suppliers may well choose to offer budget billing to customers as part of a service package and product line. However, such an option should not be mandated because such a requirement could limit the flexibility of suppliers to develop and offer an improved or enhanced set of related products and services for the emerging competitive market. NEV is concerned that any requirement compelling an EGS to offer budget billing to ratepayers reflects a traditional regulated approach to the market. If customers demand budget billing, NEV is convinced that suppliers will seek to meet the demand. For these reasons, NEV strongly endorses the approach on this issue as contained in the Document.

Discussion of Issues Raised but not included in the Filing

1. As discussed above, the development of a competitive retail electricity market will depend in part, on the ability market participants to respond to customers' demands. To do so successfully, market participants must be afforded maximum flexibility in designing and offering products and services. A specification that an EGS must offer all services and/or products to all customers in a rate class that are offered any one customer in that rate class, will ultimately reduce the offerings available to all customers. Competitive service providers are interested in designing specific products for their customers to meet particular needs. Under a monopoly framework, "plain vanilla" products and services are offered; under competition, a range of products and services will be offered and customers will be differentiated. The Document should recognize the importance of designing a system that promotes consumer choices.

As part of this letter on metering and billing, NEV is seeking a clarification from the Commission as relates to the calculation of the CTC for customers with multiple meters that have been aggregated for purposes of billing consolidation¹, where the meters are assigned identical rate class. Because the Document is silent on this issue NEV requests clarification. In the original PECO restructuring order (Dec. 11, 1997) the Commission agreed with NEV's position that it is fundamentally unfair to place different CTC burdens on two customers who impose the same coincident demand on the system, but one at a single site while the other is at multiple sites. In the original order it was found that an EGS should be permitted to treat customers with multiple locations as a single service for purposes of billing for transmission and CTC related charges. The Commission also found that to do otherwise would hinder efforts to aggregate load. The Commission stated:

PECO has defined "customer" to include only a single point of delivery. In challenging PECO's position, it was asserted that EGSs should be permitted to treat customers with multiple locations as a single service for purposes of billing for transmission and CTC-related charges. In other words, transmission and CTC-related charges would not change with the number of installations or meters, as they currently do, but with the amount of load placed on the system.

PECO's restriction is inappropriate in a competitive generation market because it makes it more difficult for customers with multiple sites to aggregate their load with a single EGS. Accordingly, we shall permit billing consolidation. (Order, pg.139-140)

¹ The term "billing consolidation" used in this context has a different meaning than "consolidated billing". The former refers to placing multiple accounts of the same customer on the same bill, whether it is an EGS or EDC bill. This is frequently referred to as summary billing. The latter refers to a definition used in the Specifications to refer to the inclusion of a PECO's distribution and an EGS's energy charges on the same bill that may be produced by either the EGS or EDC.

The Commission reconfirmed their earlier assessment in its recent decision on Pennsylvania Power & Light. The Commission granted NEV's proposal on consolidated billing (Docket # R-00973954, Application of Pennsylvania Power & Light Company for approval of its restructuring plan under section 2806 of the public utility code, May 14, 1998, Pg. 62 "Consolidated Billing").

NEV now respectfully requests that in approving this Document, the Commission reconfirms that customers with multiple meters on the same rate class, that are aggregated, be permitted to pursue billing consolidation. In addition, for the purpose of calculating a customer's total monthly CTC charges, the customer's aggregate coincident peak load is utilized. For informational purposes, we have attached the billing protocol that we provided to PECO on this issue.

Respectfully submitted,
Carrie Cullen Hitt
Director of Regional Policy

Jeffrey M. Bladen
Manager, Corporate Development

Metering and Billing of Customers with Multiple Meters

The following protocols only apply to a customer with multiple meters on the same rate. Meters must also be on the same billing cycle. Meters that meet these requirements are called “eligible meters”, herein.

1. When metered by the EGS, the EGS will be required to provide PECO, in addition to all of the other information otherwise required, the coincident demand from the eligible meters for the billing period.
2. If the customer is metered by PECO, PECO shall calculate the coincident peak for the billing period as best available from the available meters.
3. The coincident peak – as the input into the calculation of billing demand - shall be used in calculating the CTC for the period for the eligible meters, instead of the individual (e.g., non-coincident) peaks.
4. The other unbundled components (e.g., distribution and transmission) of the customer’s bill shall be calculated using the individual demand information from each eligible meter in determining the billing demands.

ORIGINAL

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June 3, 1998

RECEIVED

JUN 3 1998

VIA FEDERAL EXPRESS

James McNulty, Secretary
PA Public Utility Commission
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

DOCUMENT
FOLDER

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RE: In re the Application of PECO Energy Company for Approval of its Restructuring Plan Under Section 2806 of the Pennsylvania Public Utility Code, Docket No. R- 00973953

Dear Secretary McNulty:

Enclosed for filing, please find an original and nine copies of Comments of the Suppliers to Proposed Consensus Metering, Billing and Collection Document regarding the above referenced action.

If you should have any questions, please do not hesitate to contact me at your earliest convenience.

Very truly yours,

Alan C. Kohler
For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

KAZ/lww
Enclosure

cc: See Attached Service List w/enc.

EEF

DSH:12657.1

11

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

In re the Application of PECO Energy :
Company for Approval of its Restructuring :
Plan Under Section 2806 of the Pennsylvania : No. R-00973953
Public Utility Code :

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JUN 3 1998

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DOCUMENT
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COMMENTS OF THE SUPPLIERS
TO PROPOSED CONSENSUS
METERING, BILLING AND COLLECTION DOCUMENT

DOCKETED

I. INTRODUCTION

JUN 13 1998

These comments are submitted by Enron Power Marketing, Inc. and Conectiv Energy (hereinafter "the Suppliers") on issues that could not be resolved by the Parties as part of the process of establishing Competitive Metering and Competitive Billing Specifications in accordance with Appendix C of the Joint Petition for Full Settlement of PECO Energy's Restructuring Plan and Application for a Qualified Rate Order and Application for Transfer of Generation Assets ("the Full Settlement").

The Suppliers have participated with PECO and the other parties to create workable standards to permit the offering of competitive metering, billing and collection services, as of January 1, 1999, consistent with the terms of the Full Settlement.

However, PECO and the other parties were unsuccessful in coming to a consensus on

several important issues, the appropriate resolution of which are crucial to the successful implementation of the Full Settlement's competitive metering and billing provisions.

First, consistent with the plain language of the Full Settlement, the Metering and Billing Standards should make it clear that metering and billing services may be provided by an EGS that is separate from the EGS chosen by the customer to provide generation services. In this way, the Full Settlement assured that the market for metering and billing services will not be restricted and customers will be able to obtain the combination of services that produces the most value for them. Second, with respect to billing, and again consistent with the plain language of the Full Settlement, the Billing Standards should make clear that EGSs may offer EGS consolidated billing, and, indeed, any of the other billing options, to customers and in combinations that meet the business needs and the demands of customers. EGSs should not be deemed, as some parties apparently plan to argue, to have an obligation to be able to provide all types of billing services to all customers, inappropriately turning a competitive offering into a standard, monopoly utility offering. Third, PECO should not be allowed to backtrack on its Full Settlement commitment that a party rendering a consolidated bill for a customer takes the collection risk for that customer even if the customer fails for some reason to pay all charges in full and pays only the "distribution" portion of their consolidated bill. Fourth, the Commission should reject any arguments that EGSs should bear financial responsibility for specific incidents of theft of service. Fifth, PECO should be required to provide

customer characteristic information to EGSs engaged in installing advanced meters at a customer's premise. Finally, the Commission should assume that PECO uses and supports standard procedures and protocols for exchanging electronic data.

The Suppliers acknowledge that all parties worked to resolve these and other issues pertaining to billing and metering specifications. In fact, in at least one instance, the Suppliers agreed to something less than the Full Settlement explicitly allowed for — EGS Specified Meter Cycle — in the interest of moving the process forward. However, as to the remaining issues, the Commission must assume that the plain language of the Full Settlement is adhered to by adopting the following comments.

II. COMMENTS

A. **Consistent with the Terms of the Full Settlement, the Competitive Metering Standards Should Specify that any Qualified EGS may Provide Competitive Metering and Billing Services to a Customer Even if the EGS is Different From the EGS Providing Energy.**

The ability of EGSs to provide competitive metering and billing is a very important benefit of the Full Settlement and stands to enhance the competitive benefits that will accrue to customers in PECO's service territory when the Agreement is implemented. Most of the standards proposed by PECO to implement the competitive metering and billing agreement were acceptable, or were acceptable following negotiations with the Suppliers. However, PECO has refused to incorporate a provision

in the Specifications which is wholly consistent with the Full Settlement and should be incorporated by the Commission in order to fully implement the Full Settlement's intent.

An integral part of the creation of a fully competitive market is the ability of an EGS that is not providing energy to a customer to nonetheless provide metering or billing services to that customer. In this way, EGSs that wish to specialize in metering or billing services or which have the best or the lowest cost metering and billing services in the market may provide these advantages to customers while, at the same time, the customer is not precluded from selecting another EGS providing the best value for generation services. All that is necessary to enable the full array of choices for customers envisioned by this provision of the Full Settlement is the establishment by PECO and other parties of protocols and data transfer procedures which will allow the coordination of metering and billing services by one EGS and energy services from another EGS.

While at the present time the Specifications are silent on this issue, PECO included language in its *Electric Services Tariff* which, if not modified or clarified in the Specifications, would preclude the diversity in supply of services envisioned by the Full Settlement.¹ The language it insisted on including in its tariff, over the objection of the Suppliers, states as follows:

¹ Furthermore, the Suppliers expect that PECO will include in its comments a request that the Commission add a provision to the Specifications which clarifies that only an EGS which provides the customer energy can provide that customer metering services.

An EGS that is also an MSP may provide advanced meter services to its customers that have advanced meters **and for whom it provides competitive energy supply** in accordance with Appendix C of the Joint Petition for Full Settlement...

Similarly, in Rule 14.7 PECO has added the following language to its Rule regarding metering reading intervals:

An EGS that is an MSP will read the advanced meters of its customers **for whom it provides advanced metering services** in accordance with Appendix C of the Joint Petition for Full Settlement

PECO Proposed Rule 14.7, Appendix C, Joint Petition for Full Settlement, p. 22 (emphasis added). PECO's language is specifically designed to restrict the ability of EGSs to provide competitive metering services to the EGS that also provides the competitive energy supply of a particular customer.

In response to objections raised by the Suppliers, PECO and several other parties entered a Stipulation which was approved by the Commission which required the parties to revisit this issue in the Competitive Metering standard setting process with the goal of establishing "a timeline (beyond January 1, 1999) to implement the systems and procedures necessary to permit metering services to be provided to a customer by an EGS that is not the customer's energy provider."² Notwithstanding this agreement, PECO

² Stipulation dated May 13, 1998 among PECO, Enron Power Marketing, NEV, Conectiv Energy and MAPSA. The full text of the applicable paragraph is as follows:

(continued...)

refused to consider a "timeline for implementation" of this provision, instead insisting that the Full Settlement somehow precludes separate EGSs for energy and billing or metering services.

But PECO is wrong. This proposed restriction is inconsistent with the Full Settlement. The text of the settlement establishes a broad and comprehensive right of EGSs to provide competitive metering services to customers of its choosing, restricted only by the requirement that the service provider be a licensed EGS:

Effective January 1, 1999, subject to the ability of an Electric Generation Supplier ("EGS") to comply with the terms and conditions of "competitor metering service" as set forth in Appendix C to this Joint Petition, a commission-licensed EGS

²(...continued)

3. (b) As part of the metering "standard setting" process to be undertaken by the parties pursuant to ¶22 of the Full Settlement PECO Energy and the other interest parties will at minimum discuss and attempt to agree on a timeline (beyond January 1, 1999) to implement the systems and procedures necessary to permit metering services to be provided to a customer by an EGS that is not the customer's energy provider. In attempting to agree upon such a timeline, the undersigned agree to take into account all reasonable and verifiable technical and operational issues raised by PECO Energy associated with such implementation. If the parties cannot agree on whether to permit metering services to be provided to a customer by an EGS that is not the customer's energy provider or to a reasonable time period to implement the systems necessary to provide energy-independent metering. Pending such an implementation, PECO Energy's proposed tariff language would be accepted (with the clarification listed in "A" above).

may provide, finance, install, own, maintain, calibrate and remotely read advanced meters for service to its retail customers located in PECO service territory.

Joint Petition, ¶ 22, p. 16.

By its terms, this language in no way limits the right of a “commission-licensed EGS” to providing metering services to the EGS that is also providing energy services to the customer. PECO’s tariff adopts the term “EGS” as defined in the Electric Competition Act. The Act defines an “Electric Generation Supplier as “[a] person or corporation . . . that sells to end-use customers electricity **or related services** using the jurisdictional . . . distribution facilities of an electric distribution company” 66 Pa. C.S. § 2803. Thus the reference to “their retail customers” in no way limits the right to provide competitive metering to the EGS that is providing “electricity” services.

This interpretation is supported by the language of “Appendix C,” the detailed procedures agreed to by all of the parties to implement the competitive metering and billing terms of the settlement. Appendix C clearly states that “all direct access customers will have the opportunity to utilize Advanced Meters and advanced meter services from an EGS as of January 1, 1999.” Appendix C, ¶ C.8, p. 10.³ This right is not restricted to the EGS providing energy to the customer.

The Act and the Full Settlement clearly contemplates that any EGS could provide metering and billing services to customers independent of their provision of electric

³ Identical language is included in the Full Settlement for billing.

service to customers. If the parties had wished to limit this right to the energy-providing EGSs the Full Settlement certainly would have indicated as such. But, unlike the language that PECO has proposed to include in its Tariff Rules 14.1 and 14.7, no such limitation is ever stated in the Full Settlement or Appendix "C."

The Suppliers, PECO and all other parties agree that the terms of the Full Settlement permit EGSs to provide metering and billing services to their energy customers through subcontractors or agents under the supervision and direction of the energy providing EGS and that such a subcontractor may or may not be a licensed EGS. But the ability to offer and provide metering and billing services to a customer independent of generation services is an important part of the implementation of full competitive metering and billing, and will enhance the complete development of a robust market for meters, metering and billing services that the Full Settlement clearly contemplates and endorses. As far as the Suppliers are concerned, this is what was agreed to in the Full Settlement and PECO's final tariff language should incorporate this potential. Moreover, the final Competitive Metering Specifications should spell this requirement out clearly to avoid future disagreements.

The Suppliers expect that PECO will raise concerns about the ability to put in place by January 1, 1999 the systems and procedures necessary to fully implement competitive metering and billing as agreed to in the Full Settlement. The Suppliers have not been able to review the technical concerns that PECO will raise but it stands ready to

cooperate fully with PECO to resolve those problems in a timely manner. In that light the Stipulation entered into by the Suppliers and PECO just before the Commission granted final approval to the Full Settlement establishes that the suppliers were willing to work with PECO to establish a time line for the implementation of the independent EGS Metering option. Unfortunately, PECO simply refused even to agree to a time line for the implementation of this provision, even though it had clearly agreed to do so in both the Full Settlement and the Stipulation. There is simply no excuse for this failure, or for PECO's refusal to agree to work towards the implementation of systems that would permit the "multiple EGS" option for the provision of metering, billing service and energy services. PECO should be forced to comply with the terms of the Full Settlement and to submit a plan for implementation within 15 days.

B. There is no Legal or Policy Basis in the Full Settlement for Insisting That Suppliers Must Offer Consolidated EGS Billing to All Customers.

OCA is expected to assert that if an EGS provides consolidated EGS billing to one customer, it must offer consolidated EGS billing to all customers in that class.

Conversely, OCA asserts that if an EGS permits a customer to receive consolidated EDC billing, it must permit all customers in that class to do the same. OCA believes that any other approach would discriminate against customers and deny them choice.

There are several problems with OCA's position. First, there is no support in the Settlement Agreement for the requirement OCA would have the Commission impose.

The parties to the Settlement Agreement negotiated the principal terms of competitive metering and billing in detail. Yet the only support that OCA can find for its argument is a general statement at the beginning of Exhibit C that “all direct access customers will have the opportunity to choose from three billing service options as of January 1, 1999.” In suggesting this general provision supports its position, OCA seriously overreads the language. Appendix C does not say that the customer may choose all of these options from a single supplier. If that were the case, each supplier would be required to offer or permit each of the three service options, a proposition OCA does not even suggest. (OCA only suggests that an EGS that offers a billing option to one customer in a class must offer the same to all customers in the class.)

Moreover, OCA’s position ignores more dispositive language in the Full Settlement itself indicating that suppliers have discretion in providing these options to customers:

Effective January 1, 1999, subject to the ability of an EGS to comply with the terms and conditions of "Competitive Billing and Collection Service" as set forth in Appendix C . . . a Commission-licensed EGS may act as agent to provide a single bill and provide associated billing and collection services to its retail customers located in PECO service territory.

Full Settlement, ¶ 22.

Thus, the far more natural reading of the Full Settlement, one consistent with the Act, is that on commencement of direct access, the market will support all three options.

A customer interested in consolidated EGS billing will be able to pursue it as a competitive product offering in the market. While no individual supplier need offer the service, customers who are interested in the option will be able to shop for the service among EGSs and switch to an entity that does provide the service.

Second, OCA's position could discourage the innovations in customer service that are strongly encouraged by the Act. Conectiv, for example, may decide to offer customers a service in which electric generation supply is bundled with HVAC or other non-electric services. For customers desiring this bundled service, Conectiv may decide to offer — indeed as a practical matter it may have no alternative but to offer — consolidated EGS billing. However, if by providing that option to the bundled HVAC customer, Conectiv now has to offer consolidated EGS billing to all customers in that class, Conectiv might well be forced to forego offering the innovative package of services.

As we move into the next phase of competition, the Commission should not lose sight of the fundamental principles that have guided the process to date. EDCs and EGSs are different. Regulation is the way that an EDCs customers receive choices. However, it is competition that provides choice to an EGSs customers. Attempting to mandate choices for a competitive market will simply recreate regulation with all of the shortcomings the Act sought to address. Regulation of the supply market will discourage

potential competitors from entering the marketplace. Any requirement which mandates bill service obligations on EGSs forever alters the ability of EGSs to enter the market.

Consumers can remain with PECO and receive an 8% reduction, or they can select from amongst the products and services EGSs design and offer to take advantage of greater savings or superior services. Just as the Commission is without authority to mandate that all EGSs offer an additional 8% savings across the board or require any other price offering, the Commission is without authority to impose obligations to serve on EGSs including any requirement to offer a certain billing service to some or all customers.

C. PECO Should Be Required To Abide By Its Agreement That the Billing Party Bears the Uncollectibles Risk.

One of the issues extensively negotiated in the Full Settlement pertains to the methodology to be utilized for distributing payments received from customers by the EDC or EGS rendering a consolidated bill ("Billing Party") to the customer. Through Appendix C to the Full Settlement, the Parties clearly and expressly agreed that the Billing Party would transmit full payment to the EDC (if the EGS is billing) or to the EGS (if the EDC is billing) regardless of whether the Billing Party had been paid by the customer for the services rendered. Essentially, the Parties agreed in reciprocal fashion that the Billing Party would take the entire uncollectibles risk for each customer billed.

This simple and straightforward agreement was clearly and concisely set forth in two provisions of Appendix C to the Full Settlement approved by the Commission. As to the obligation of the EDC as the Billing Party, Section C.2(A)(b)(3) of Appendix C provides as follows in relevant part:

. . . The EDC is required to pay amounts owed to the EGS for all undisputed EGS charges, regardless of whether the customer has paid the EDC. Payment is due in full from the EDC within 25 days for residential customers from the date the electronic EGS billing information is transmitted to the EDC. The EDC shall transfer amounts on a daily basis via ACH accompanied by a remittance advice in accordance with performance specifications.

Appendix C, p.2.⁸

Despite the clear language of the Full Settlement, PECO has been very reluctant to implement this term of settlement as it was originally intended. In fact, it is expected that through PECO's comments, it will propose substantive modifications to Appendix C which may attempt to evade its agreed to obligations.

If so, PECO is likely to complain that it has no way to collect generation charges from non-paying customers for whom it renders a consolidated EDC bill and only remit their distribution payment since termination of service is prohibited for nonpayment of EGS generation supply charges. Furthermore, since under the agreement the EGS is

⁸ An identical reciprocal provision setting forth an EGS Billing Party's obligation to pay the EDC, regardless of whether the EGS is paid, is included in Section C.2(B)(c)(3) on pages 4-5 of Appendix C.

guaranteed payment on time by PECO, EGS service will not be canceled by EGS if the customer does not pay PECO for this portion as long as the customer pays all distribution and transmission charges.

Regardless of how the Commission addresses the problem, PECO raises, it is critical for the Commission to strictly enforce the terms of Full Settlement as agreed to and approved. Permitting a breach threatens the viability of the entire Settlement and may return PECO's Restructuring Proceeding to litigation. Accordingly, PECO cannot be permitted to avoid, evade or attempt to renegotiate its agreement that the Billing Party will bear the uncollectibles risk. More specifically, any attempt by PECO which claims or advocates an ability to affect in any way an EGSs ability to continue to provide service to a customer, even if the customer has not paid PECO, should be rejected as inconsistent with the Full Settlement.⁹ Otherwise the entire Agreement will be threatened.

In considering any concerns raised by PECO, it is important to remember that in agreeing to the Full Settlement's provisions, PECO received compensation for each and every obligation it agreed to. Under the Full Settlement, PECO will receive \$5.26 billion in transition or stranded costs, including a favorable return, and will retain the benefits of securitization. More specifically, pertaining to the division of uncollectibles risk, PECO will retain over \$87 million in its distribution rates to compensate it for its

⁹ For example, any attempt by PECO to cancel itself as the Billing Party, against the customer's wishes, should be rejected as inconsistent with the Full Settlement.

uncollectibles.¹⁰ Like every other settling party, when PECO submitted the Full Settlement, it agreed to accept its compensation in return for meeting its obligations. It cannot be permitted to reconsider or renegotiate its willingness to meet its obligations at this time.¹¹

Given these circumstances, the Full Settlement, as drafted and as now supplemented by the Competitive Metering and Competitive Billing Specifications is a simple, reciprocal and equitable manner for distributing payment and assigning uncollectibles risk. PECO is fully compensated for the arrangement and continues to recover over \$87 million in uncollectibles in its distribution rates. Furthermore, regardless of PECO's contentions, the arrangement is a very common one in today's business world. Billing Parties like Visa and American Express routinely distribute monies owed to vendors regardless of whether they are paid. Finally, the arrangement is completely reciprocal since EGSs have agreed to bear the entire uncollectibles risk when they are the Billing Party.¹²

¹⁰ Of course, EGSs have no mechanism to guarantee recovery of any collectibles incurred as the Billing Party in their respective rates.

¹¹ In the Suppliers' view, the agreement of EGSs to allow PECO to retain all of its uncollectibles costs in distribution rates was direct compensation for PECO's agreement to accept the term that the Billing Party assumes the uncollectibles risk.

¹² EGSs have fought hard for the right to issue consolidated bills and many EGSs intend to provide consolidated billing services for as many customers as possible.

In the Suppliers' view, the only way that the Commission can provide further protection to PECO without violating the Full Settlement is to consider amounts owed it as a Billing Party for the EGS portion of the bill as "variable distribution charges" under Rule 17.4 of PECO's Electric Service Tariff. Such an interpretation of the tariff will allow PECO to apply payments received to these outstanding balances prior to current distribution and transmission charges and will enable PECO to engage in collection and termination procedures for nonpayment consistent with Chapter 56 procedures. While such a resolution may not have been envisioned by the settling parties, such an interpretation of the Tariff does not violate the Full Settlement or threaten its continued viability, nor would such a reading violate a consumer's ability to contest the charges under Chapter 56.

Finally, if a consumer were simply "forced" back to PLR service by PECO, the consumer would be given a double penalty. First, the customer would more than likely have their energy charges increased without authorization, and second, PECO would then have a potential opportunity to terminate on these higher charges.

Overall, enforcing the provision of the Full Settlement which establishes the Billing Party as the party which bears the uncollectibles risk is critical to maintaining the Full Settlement as a binding document. Accordingly, if the Commission attempts to address PECO's concerns, it must do so in a way that does not violate the Full Settlement, as outlined above.

D. EGSs Should Not Be Required to Pay PECO Amounts Associated with Theft of Service.

It is expected that PECO will submit comments which request the Commission to add a provision to the Competitive Metering and Competitive Billing Specifications which requires EGSs providing metering services to bear responsibility for all theft of service. Assigning such responsibility was not agreed to by the parties and is inconsistent with the assignment of responsibilities and obligations contained in the Full Settlement and the Restructuring Order.

PECO presently recovers costs associated with theft of service through line losses embedded in rates. Without unbundling, costs associated with theft of service are already included in Supplier line loss charges and hence, the cost of theft of service in a competitive generation supply market is already paid for by all EGSs (including the PLR).¹³ Accordingly, it would be unfair and inequitable to require EGSs to incur additional costs each time an individual theft of service scenario is discovered when the theft of service occurs outside of the meter (on the distribution system side).¹⁴ Therefore,

¹³ When an EGS delivers electricity into the EDCs system, it must not only deliver the volume of electricity which represents metered consumption, but also an amount to cover the line loss factor regardless of the reason for the difference between delivered and "metered" amounts.

¹⁴ PECO may claim that there is no reason to believe that volumes associated with theft of service are included in line losses. Such an assertion is unsupported. Line losses are calculated as differences between electricity delivered and metered consumption. Accordingly, line losses include volumes associated with
(continued...)

the Commission should reject any comments submitted by PECO requesting modification to the Specifications pertaining to the theft of service issue.¹⁵

E. PECO Should be Required to Provide EGSs with Customer Characteristics Information.

To the best of Enron's knowledge, virtually all EDCs maintain "Customer characteristics" data on each customer and customer premise encountered by meter readers in dealing with the customer. For example, the data may reflect that the customer has an unfriendly dog or that the customer is prone to be argumentative. Such information is extremely valuable to any person or entity that will be engaged in direct contact with the customer.

Under the Full Settlement, EGSs will install their own advanced meters to customers who choose the EGSs metering services. Accordingly, any information possessed by PECO which can assist meter installers in servicing the customer should be provided to the EGS. In view of the need for this information, Enron requests the Commission to include a provision in the Specifications for PECO to make such customer characteristic information available to the EGS at the time the EGS schedules the installation of an advanced meter. This exchange of information allows an authorized

¹⁴(...continued)
theft of service by definition.

¹⁵ This does not mean that Suppliers will not do everything possible to discover theft of service scenarios and to coordinate and work with the EDC to eliminate or decrease theft of service as a continuing problem.

EGS to take the necessary precautions so that the customer and/or the customer's premise is treated fairly and meter installers are provided a safe environment.

F. The Commission Should Affirm that EDI is Required Both Through the Full Settlement and by its Policies.

PECO and all other parties agreed to adopt and adhere to the EDI, GISB-based standards for all transactions, billing or metering, etc. in the Full Settlement. While the Consensus document indicates that data will be sent "via VAN protocol," PECO has not affirmatively stated that they support the statewide development of standard transactions through these mechanisms. The Commission must affirm that PECO should not deviate from a standardized transaction approach, and that PECO should do everything to support one policy across the state. The ability for individual supplier multiple systems to interact with numerous EDCs will result in confusion and barriers to effective performance in this Commonwealth. Accordingly, the Commission should require PECO, once and for all, to agree that it will support a standard procedure and protocol for exchanging electronic data. To do otherwise would simply be an open invitation to data exchange problems.

G. The Specifications Contain Some Technical Errors Which Require Correction.

On June 1, 1998, PECO submitted the Competitive Metering and Competitive Billing Specifications which were intended to reflect the consensus of the negotiating

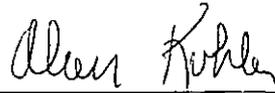
parties on all issues. However, the Suppliers' careful review of the document reveals some technical errors which require correction. The errors are as follows:

- Paragraph 7 of Consolidated EGS Billing on page 6 of the Specifications includes a sentence, "The remittance period for EGS charges will begin when the EGS charges actually appear on the bill." The sentence should read, "The remittance period for PECO charges will begin when the PECO charges actually appear on the bill." Otherwise, the provision does not make sense.
- Paragraph 10 on page 7 of Specifications omits a consensus position which should be included after the bullet, "Customer pays EGS for PECO Budget charges." The new bullet should read, "If the EGS offers budget billing, the EGS will pay PECO current charges."

With these modifications, the Specifications submitted by PECO reflect all of the consensus positions reached by the negotiating parties.

III. CONCLUSION

For all of the foregoing reasons, the Commission requests that the Commission adopt these comments and adopt Specifications which properly implement the Full Settlement.



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Re: Application of PECO Energy Company for Approval
of Its Restructuring Plan Under Section 2806 of the
Public Utility Code, et. al.
Docket Nos. R-00973953 & P-00971265

Dear Mr. McNulty:

Enclosed are an original and fifteen copies of the Comments of GPU Energy regarding Competitive Billing Specifications and Competitive Metering Specifications for filing in the above-referenced matter. Copies of the comments have been faxed to all parties of record in accordance with the attached Certificate of Service.

Very truly yours,

RYAN, RUSSELL, OGDEN & SELTZER LLP


John F. Povilaitis

cc: Per Certificate of Service

FEF

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

**DOCUMENT
FOLDER**

Application of PECO Energy Company
For Approval of Its Restructuring Plan
Under Section 2806 of the Public Utility
Code, et. al.

: Docket Nos. R-00973953 and
: P-00971265
:

SECRETARY'S BUREAU
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**COMMENTS OF GPU ENERGY REGARDING
PECO ENERGY COMPANY COMPETITIVE BILLING SPECIFICATIONS
AND COMPETITIVE METERING SPECIFICATIONS**

DOCKETED

JUN 13 1998

Metropolitan Edison Company and Pennsylvania Electric Company, collectively

doing business in Pennsylvania as GPU Energy ("GPU Energy"), by and through their counsel, Janet E. Arnold and RYAN, RUSSELL, OGDEN & SELTZER, hereby file the following comments regarding the PECO Energy Competitive Billing Specifications and Competitive Metering Specifications (collectively the "Competitive Billing and Metering Specifications") filed with the Commission on or about June 1, 1998:

The Competitive Billing Specifications and Competitive Metering Specifications were developed in furtherance of the Joint Petition for Full Settlement of PECO Energy Company Restructuring Plan, filed with the Commission on or about April 29, 1998. The Competitive Billing and Metering Specifications provide detailed procedures for implementing unbundled metering and billing, as agreed to by the parties in Appendix C of the Joint Petition for Full Settlement.

The provisions of the Competitive Billing and Metering Specifications were the result of weeks of tedious wranglings between the parties in an attempt to develop procedures for implementing the conceptual agreement contained in Appendix C. Although the parties were able to agree on virtually all of the substantive provisions of the Competitive Billing and

Metering Specifications, the parties were unwilling to reach consensus to include a statement indicating that the Competitive Metering and Billing Specifications should not constitute or be cited as controlling or persuasive precedent in proceedings, including but not limited to the restructuring proceedings of other EDC's currently pending before the Commission.

It is imperative that the Commission review the Competitive Billing and Metering Specifications in the context of the PECO Joint Petition for Full Settlement, which specifically provides that nothing in the settlement shall constitute or be cited as controlling precedent in other restructuring proceedings. (Joint Petition for Settlement, p.46). EGSs, particularly those who have taken an active role in the PECO case, are likely to argue that the Competitive Metering and Billing Specifications should serve as a template for unbundled metering and billing for every EDC. Such an approach fails to recognize that the Competitive Metering and Billing Specifications were developed in the context of the unique PECO settlement, which contained numerous compromises and trade-offs made by the parties to it compromises that are not likely to be in the best interest of other EDC's.

In addition, the Competitive Billing and Metering Specifications contain procedures that do not comply with provisions of the Electricity Generation Customer Choice and Competition Act (the "Competition Act") or previous Commission Orders. A few examples are illustrative. The Competitive Billing Specifications provide that PECO will pay any EGS for amounts owed to the EGS regardless whether the customer has paid PECO. (Competitive Billing Specifications at ¶ 9). This provision is directly contrary to the Commission's Order Regarding Guidelines for Maintaining Customer Services at the Same Level of Quality (Docket No. M-00960890 F. 0011, Order Entered July 11, 1997), wherein the Commission mandated that partial payments shall be applied first to EDC charges. Indeed, the Competition Act itself

provides that an EDC “shall not” be required to forward payment to entities before the EDC has received payment from the customer. 66 Pa.C.S. §2807(c)(3). The Competitive Billing Specifications establish a procedure that is contrary to the Act and prior Commission Orders.

The Competitive Billing Specifications also establish fully unbundled billing, allowing EGS’s to perform consolidated billing. This provision is also contrary to Commission Orders. In the Order Re: Customer Information – Interim Requirements (Docket No. M-00960890 F.008, Order Entered July 11, 1997), the Commission specifically stated that, pursuant to terms of the Competition Act, it is allowing only two billing options – a consolidated EDC bill and separate bills from EDC’s and EGS’s. (Order Re: Customer Information – Interim Requirements, p. 8.) Moreover, in the recent Opinions and Orders regarding the restructuring proceedings of West Penn Power¹ and Duquesne Light Company², the Commission specifically declined to unbundle metering and billing, holding that the Competition Act does not require it, the terms of the Commission’s generic Orders govern it, and such unbundling is best addressed in a further generic Commission proceeding.³

The parties to the Joint Petition for Full Settlement have agreed to the provisions in the Competitive Metering and Billing Specifications as a part of the settlement process unique to the PECO restructuring proceeding. As such, the procedures outlined in the Competitive Metering and Billing Specifications should not be deemed to be either controlling or persuasive as against other EDCs, that may or may not deem it necessary or prudent to strike similar bargains within the contexts of their own restructuring proceedings.

¹ Opinion and Order Re: Application of West Penn Power for Approval of its Restructuring Plan (Docket No. R-00973981, Order Entered May 29, 1998)(“West Penn Order”).

² Opinion and Order Re: Application of Duquesne Light Company for Approval of its Restructuring Plan (Docket No. R-00974104, Order Entered May 29, 1998)(“Duquesne Order”)

³ Duquesne Order at p. 255-256, 261; West Penn Order, pp. 207, 213.

Furthermore, the majority of the processes and procedures outlined in the Competitive Metering and Billing Specifications are specific to the computer systems, personnel, processes and procedures of PECO and its competitive suppliers. As the Commission is aware, each EDC in the Commonwealth is different, with different computer systems, distinct workforces and issues unique to the individual service territories. Given that fact, it would be unjust for the Commission to impose the procedures in the Competitive Metering and Billing Specifications upon other EDC's.

The Joint Petition for Settlement specifically provides that its terms are not, and should not be cited as, controlling in other proceedings before the Commission. (Joint Petition for Full Settlement at p. 46). In any Order regarding the Competitive Metering and Billing Specifications, the Commission should so state.

Respectfully submitted,

Dated: June 3, 1998



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**BEFORE THE
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Application of PECO Energy Company :
For Approval of Its Restructuring Plan : Docket Nos. R-00973953 and
Under Section 2806 of the Public Utility : P-00971265
Code, et. al. :

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I hereby certify that I have served the foregoing document by fax on the following:

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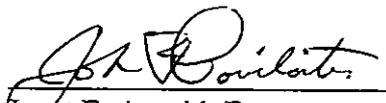
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COMMONWEALTH OF PENNSYLVANIA

DATE: June 4, 1998

SUBJECT: R-00973953 and P-00971265

TO: Law Bureau

FROM: *WJZ* James J. McNulty, Secretary

JOINT PETITION FOR FULL SETTLEMENT OF PECO ENERGY
COMPANY'S RESTRUCTURING PLAN AND RELATED APPEALS AND
APPLICATION FOR TRANSFER OF GENERATION ASSETS

Attached is copy of Peco Energy Company's
Competitive Metering and Competitive Billing
Specifications filed in connection with the above
docketed proceeding.

This matter is assigned to your Bureau for
appropriate action.

Attachment

cc: BCS
CEEP

wjz

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