

THE PENNSYLVANIA UTILITY LAW PROJECT
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February 18, 2014

RE: Petition of PECO Energy Company for Approval :
of its Default Service Program CAP Shopping Plan : P-2012-2283641

Via E-Filing

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Dear Secretary Chiavetta

Enclosed please find the Joint Answer of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA") and the Tenant Union Representative Network, and Action Alliance of Senior Citizens of Greater Philadelphia (collectively, "TURN") to the Application of PECO Energy Company for a Stay of the Commission's Order entered January 24, 2014 in the above referenced proceeding. Electronic and hard copies have been sent to the parties consistent with the attached certificate of service.

Should you have any question or concerns about this filing please do not hesitate to contact the undersigned.

Respectfully submitted,



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CC: Hon Cynthia W. Fordham
Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company for Approval :
of its Default Service Program CAP Shopping Plan : P-2012-2283641

Certificate of Service

I hereby certify that I have this day served copies of the Joint Answer of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) and the Tenant Union Representative Network, and Action Alliance of Senior Citizens of Greater Philadelphia (collectively, “TURN”) to the Application of PECO Energy Company for a Stay of the Commission’s Order entered January 24, 2014 via Email and US Postal Service First Class Mail upon the statutory parties and counsel of record in the captioned matters as set forth below in accordance with the requirements of 52 Pa. Code § 1.54:

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PETITION OF PECO ENERGY COMPANY :
FOR APPROVAL OF ITS DEFAULT : DOCKET NO. P-2012-2283641
SERVICE PROGRAM (CUSTOMER :
ASSISTANCE PROGRAM SHOPPING :
PLAN) :**

**JOINT ANSWER OF
THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY
EFFICIENCY IN PENNSYLVANIA (“CAUSE-PA”) AND THE TENANT UNION
REPRESENTATIVE NETWORK AND ACTION ALLIANCE OF SENIOR CITIZENS
OF GREATER PHILADELPHIA (COLLECTIVELY, “TURN”)
TO THE APPLICATION OF PECO ENERGY COMPANY
FOR A STAY OF THE COMMISSION’S ORDER ENTERED JANUARY 24, 2014**

INTRODUCTION AND BACKGROUND

On January 24, 2014, the Commission entered an Order in the above-referenced proceeding (*January 2014 Order*). On February 10, 2014, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) and the Tenant Union Representative Network, and Action Alliance of Senior Citizens off Greater Philadelphia (collectively, “TURN”) filed a Joint Petition for Reconsideration and/or Clarification (“Joint Petition”), with reference to the *January 2014 Order*. The Joint Petition also requested that the Commission stay implementation of the *January 2014 Order*. Also on February 10, 2014, the Office of Consumer Advocate and PECO Energy Company each filed a Petition for Reconsideration and Clarification to the *January 2014 Order*. PECO, concurrently with its Petition for Reconsideration and Clarification, filed an Application for Stay (“Application”) requesting that the *January 2014 Order* be stayed pending reconsideration.

On February 12, 2014, the Commission issued a Secretarial Letter indicating that Answers to the Petition, the Joint Petition, PECO's Petition for Reconsideration and Clarification, and PECO's Application for Stay, must be received in the Secretary's Bureau no later than the close of business on Tuesday, February 18, 2014.

In its Application, PECO has indicated that it is unable to comply with three of the deadlines set forth in the January 2014 Order and requests a stay to enable compliance. These deadlines are:

- a.) The requirement that PECO file by February 24, 2014, electric and EGS compliance tariffs to implement the Order.
- b.) The requirement that PECO hold a collaborative of stakeholders and the Commission's Office of Competitive Market Oversight ("OCMO") and Office of Communications to address the specific components of consumer education by March 24, 2014; and
- c.) The requirement that PECO enable its CAP customers to select an EGS and to participate in its Standard Offer Program by April 15, 2014.

In support of its Application, PECO has attached an Affidavit of Lauren B. Feldhake ("Feldhake Affidavit"), PECO's Director of Customer Financial Operations as Exhibit A to its Application.

In accord with the Secretarial letter of February 12, 2014, Joint Petitioners hereby file this Joint Answer in support of PECO's Application.

JOINT ANSWER

Joint Petitioners respectfully request that the Commission grant PECO's Application and find that PECO met its burden of satisfying the requirements for a stay in that it has demonstrated that without the requested relief it will suffer irreparable injury; that the issuance of a stay will not substantially harm other interested parties in the proceeding, and that the issuance of a stay will not adversely affect the public interest.

The Lack of a Stay Will Cause Irreparable Harm

The Feldhake Affidavit details the difficulties and challenges which confront PECO in adequately complying with the January 2014 Order. The Joint Petitioners concur with PECO and submit that, without the issuance of a stay PECO's low-income CAP consumers entering the competitive electric marketplace for the first time will suffer irreparable harm as a result of being without the benefit of adequate, fully prepared, fully reviewed and evaluated educational materials.(Affidavit at: ¶¶ 5-9) In addition, the lack of completed scripts and training of PECO's customer call center representatives in time for the April 15, 2014 deadline (Affidavit at ¶10) for CAP customers to enter the competitive electric market, will create irreparable harm to low-income customers who, without the appropriate means to make informed shopping decisions and without access to customer call center representatives for information, may enter into contractual obligations which result in rates, cancellation fees or other obligations which they are unable to afford and for which they do not have the economic resources to avoid potential default. The potential harm to these PECO customers of further debt or potential loss of service would create irreparable harm.

While the Joint Petitioners stand ready to be full, active and supportive participants in the collaborative stakeholder process PECO intends to undertake to develop the appropriate educational materials, they nevertheless concur with PECO that the process may be complicated by the need to develop shopping materials for CAP customers that address wholesale price market increases and the potential effects of variable rate charges (Affidavit at ¶9). The dramatic January, 2014 price spikes and the Commission press release addressing those price increases highlight the importance that these topics, in addition to others, be adequately and clearly addressed by the educational materials. Joint Petitioners therefore concur with PECO's Application that the January 2014 Order be stayed to allow adequate time for the appropriate development, evaluation, dissemination, and understanding by PECO customers and PECO customer representative staff of these materials.

Furthermore, in the January 2014 Order, the Commission directed that CAP customers be permitted to participate in PECO's Standard Offer Program by April 15, 2014. Such participation had not been part of PECO's original CAP Shopping Plan and the educational materials necessary to present this option to CAP customers and to the customer service representatives serving those customers will also need to be developed. This issue has not yet been addressed and requires, as do the other topics, careful development, review and implementation.

The Feldhake Affidavit further indicates that PECO's information technology department has concluded that programming changes necessary to permit CAP customers to participate in the Standard Offer Program cannot be fully tested by April 15, 2014. Functionality may be neither available nor working properly by April 15, 2014, and will present a risk to PECO's customer information system (Affidavit at ¶ 10.) Joint Petitioners are further concerned that lack

of functionality or reliability of the CIS has the potential to create billing difficulties for CAP customers entering and navigating the standard offer program and may therefore result in harm to those customers.

Other Interested Parties Will Not Be Substantially Harmed

PECO has submitted that the granting of a Stay will act to maintain the status quo PECO and its customers would benefit by the continuance of the status quo until the Company is able to develop adequate and understandable educational materials for its customers, scripts and training for its customer service representatives, and functional and reliable customer information systems. In contrast, the potential impact to electric generation suppliers of lost profits is speculative and any potential harm would be minimal. The Joint Petitioners concur. All parties will benefit by the opportunity for the Commission to reconsider and/or clarify its January 24, 2014 Order, the creation of appropriate and clear educational materials, and the time to ensure that PECO possesses functional and reliable information systems.

In addition, the Joint Petitioners concur with PECO that where the *status quo* will result in adequate service to the public, a stay can be appropriate to prevent public hardships that could result if the Commission acted erroneously. *See Re Blue Bird Coach Lines, Inc.*, 72 Pa. P.U.C. 262 (Order entered April 27, 1990). In this situation, the status quo will enable PECO to continue to provide adequate service to the public while avoiding any potential hardships which may befall PECO's customers, especially its CAP customers as a result of lack of a stay.

Issuance of a Stay Will Not Adversely Affect the Public Interest

The Joint Petitioners concur with PECO that the public interest will not be adversely affected by the granting of a stay. In addition, the Joint Petitioners respectfully submit that the

public interest will be furthered by such a stay. The stay will permit the full and complete consideration by the Commission of the Petitions by PECO, the Office of Consumer Advocate and the Joint Petitioners for Reconsideration and/or Clarification. Such reconsideration will enable the Commission, to consider and analyze, among other matters, the effect that price spikes, such as those which occurred in January, 2014, could have on economically vulnerable low-income CAP and non-CAP customers entering the competitive electric shopping market without benefit of reasonable price cap. By granting a Stay, the Commission will be able to implement CAP shopping in a manner which provides sufficient time and flexibility for preparation and distribution of CAP shopping materials that have been considered by stakeholders and which are clear, complete and informative. Finally, the necessary implementation of software changes necessary for the Standard Offer Program to be available to CAP customers will be able to be completed in a manner that will permit both functionality and reliability.

CONCLUSION

For the foregoing reasons, the Joint Petitioners concur with PECO's Application for a Stay and respectfully request that the Commission grant an immediate stay of its January 24, 2014 Order.

Respectfully submitted,
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February 18, 2014