



800 North Third Street, Suite 205, Harrisburg, Pennsylvania 17102
Telephone (717) 901-0600 • Fax (717) 901-0611 • www.energypa.org

March 10, 2014

Rosemary Chiavetta, Esq., Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, Pennsylvania 17120

**Re: Investigation of Pennsylvania's Retail Electricity Market: Joint Electric
Distribution Company – Electric Generation Supplier Bill
Docket No. M-2014-2401345**

Dear Secretary Chiavetta:

Enclosed for filing please find the comments of the Energy Association of Pennsylvania to the Commission's Tentative Order at the above-referenced docket.

Sincerely,

A handwritten signature in blue ink that reads "Donna M. J. Clark".

Donna M. J. Clark
Vice President and General Counsel

Enclosure

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Investigation of Pennsylvania’s Retail	:	M-2014-2401345
Electricity Market: Joint Electric	:	
Distribution Company – Electric	:	
Generation Supplier Bill	:	

**COMMENTS OF THE
ENERGY ASSOCIATION OF PENNSYLVANIA
TO TENTATIVE ORDER**

I. INTRODUCTION

In its April 29, 2011 Order initiating the Electric Retail Market Investigation (“RMI”), the Pennsylvania Public Utility Commission (“PUC” or “Commission”) tasked the Office of Competitive Market Oversight (“OCMO”) to engage stakeholders, study and offer solutions to issues identified by the Commission as key to improving the current retail electricity market.¹ Following a series of stakeholder technical conferences and *en banc* hearings, as well as the review of filed public comments, the Commission proposed a new model for default electric service in a Tentative Order entered on November 8, 2012.² The Tentative Order sought public comment on a proposed end state model for default service in Pennsylvania and directed OCMO to, among

¹ See *Investigation of Pennsylvania’s Retail Electricity Market*, Docket No. I-2011-2237952 (Order entered April 29, 2011), (April 29 Order).

² See *Investigation of Pennsylvania’s Retail Electricity Market: End State Default Service*, Docket No. I-2011-2237952 (Order entered November 8, 2012) (End State Tentative Order).

other things, provide a recommendation to the Commission by July 1, 2013 concerning how to make supplier consolidated billing (“SCB”) available as a billing option. Subsequently and after further consideration, the Commission acknowledged in its Final Electric RMI Order the complexities involved in implementing SCB and directed OCMO instead to provide recommendations on how the current utility-consolidated bill can be more supplier-oriented by the end of 2013.³

Following an informal request for comments through the CHARGE calls regularly held by OCMO and further discussions with stakeholders on a dedicated conference call on October 16, 2013, OCMO presented recommendations to the PUC to reconfigure the current electric utility consolidated bill so that it would look more like a joint bill between the electric distribution company (“EDC”) and the electric generation supplier (“EGS”). Specifically, OCMO recommended the inclusion of the EGS logo on the bill; the expansion of bill messaging space allotted to EGSs; and the inclusion of a “Shopping Information Box.” On February 6, 2014, the Commission entered the instant Tentative Order soliciting comments on the recommendations and seeking information regarding costs, cost recovery mechanisms, and a timeframe for implementation of final recommendations.

The Energy Association of Pennsylvania (“EAP” or “Association”) is a trade association that represents and promotes the interests of regulated electric and natural gas distribution companies operating in the Commonwealth. EAP respectfully submits these comments to supplement those filed individually by its member electric distribution companies.⁴

³ See Investigation of Pennsylvania’s Retail Electric Market: End of Default Service, Docket No. I-2011-2237952 (Order Entered February 15, 2013) (End State Final Order) at 67.

⁴ Citizens’ Electric Company; Duquesne Light Company; Metropolitan Edison Company; PECO Energy Company; Pennsylvania Electric Company; Pennsylvania Power Company; Pike County Light & Power Company; PPL Electric Utilities Corporation; UGI Utilities, Inc.(Electric Division); Wellsboro Electric Company; and, West Penn Power Company.

II. COMMENTS

A. Inclusion of the EGS's Logo

While individual EDCs will address the Commission's request for information relative to the costs of inclusion of an EGS logo on the EDC bill, the Association offers some additional input for consideration. Initially, EDCs continuously work to maintain the best possible relationships with their customers, which necessitates clear lines of communication between the parties regarding EDC and customer responsibilities. Inclusion of an EGS logo, depending on its size and location on the bill, may prove confusing for some consumers when it comes time for inquiries about service as well as charges. The EDCs endeavor to make clear their responsibilities and duties to their customers in a variety of ways (i.e., newsletters and inserts, individual company websites, social media and traditional advertising) but the monthly bill is the primary vehicle for maintaining the utility/customer relationship. Balancing these considerations with the goal to create a bill that resembles a joint bill, EAP believes the best location for an EGS logo would be one that is not adjacent to the EDC logo, but rather next to the specific generation charges as they appear on the bill. This targeted placement will give the consumer a clear picture of whom to call about those charges as compared to service concerns and/or the distribution charges. EAP maintains that appropriate sizing and placement of an EGS logo can help further establish the relationship between an EGS and its customer without compromising the one between the customer and the EDC.

B. Expansion of EGS Bill Messaging Spacing

EAP member companies will address the Commission request for more detailed information on estimated costs of increased EGS bill messaging space. The recommendation to

expand bill messaging universally from two (2) to four (4) lines on each EDC bill, however, while generally reasonable, does not account for variances among companies' current bill capacity. Many EDCs have made concerted efforts to reduce the size of their bills to one page. The increased cost of additional EGS messaging might very well create a two-page bill for some EDCs. This increased cost will ultimately be passed along to all consumers in the form of additional paper and printing costs as well as postage. EAP believes that a flexible, rather than a prescriptive approach should be adopted as part of the proposed guidelines and agrees that collaboration is the preferred method to achieve implementation of this recommendation.

C. Inclusion of a Shopping Information Box

EAP member companies generally support the inclusion of a "Shopping Information Box" as outlined in the guidelines set forth by the PUC. As with the expansion of EGS messaging, the Association's primary concerns on behalf of its members are that the information does not create two-page bills for companies that have reduced their bills to one page and that the Commission be flexible in terms of size and location of this information on the EDC bill. As with the other recommendations, individual EDCs will provide the Commission with more detailed information on the estimated costs of implementing the "Shopping Information Box."

D. Costs and Timeline

In the Tentative Order, the Commission proposed that "the costs associated with these recommendations be recovered from all distribution customers on a non-bypassable basis through the EDC's Retail Market Enhancements surcharge or some similar mechanism."⁵ Although individual EAP member companies will provide more detailed information on their preferred cost-recovery mechanism, the Association would recommend flexibility and offer for consideration the

⁵ See Tentative Order Investigation of Pennsylvania's Retail Electricity Market: Joint Electric Distribution Company – Electric Generation Supplier Bill, Docket No. M-2014-2401345 p. 9

option of a discount or deduction on the amount paid by the EDC to the EGS in connection with a purchase of receivables (“POR”) agreement. The inclusion of an EGS logo, increased messaging space, and “Shopping Information Box” on each consumer’s electricity bill will all incur costs that should be shared in part by EGSs, who will receive marketing benefits from implementation of the these recommendations.

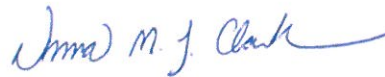
Finally, in order to implement these suggested changes by the Commission’s proposed implementation date of June 1, 2015, the EDCs request that the recommendations are finalized no later than the fourth quarter of 2014.

EAP respectfully requests that the Commission consider these suggestions and comments along with those of its individual member EDCs in its final order in this proceeding.

Respectfully submitted,



Terrance J. Fitzpatrick
President & CEO
tfitzpatrick@energypa.org



Donna M. J. Clark
Vice President & General Counsel
dclark@energypa.org

Energy Association of Pennsylvania
800 North Third Street, Suite 205
Harrisburg, PA 17102

Date: March 10, 2014