### John J. Gallagher

Attorney at Law

711 Forrest Road, Harrisburg, PA 17112

Tel. (717) 599-5839

igallagher@jglawpa.com

March 24, 2014

### **VIA HAND DELIVERY**

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

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 an original and one (1) copy of Pike County Light and Power Company's Reply Comments regarding the recommendations of the Commission's Office of Competitive Market Oversight for making a more supplier-oriented utility consolidated electric bill.

Should you have any questions concerning this filing please contact me at your convenience.

Sincerely,

Tallagher

Enclosure

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

SECRETARY SUC SBUREAU.

Investigation of Pennsylvania's

Retail Electricity Market:

Joint Electric Distribution Company -

Electric Generation Supplier Bill

Docket No.: M-2014-2401345

# REPLY COMMENTS OF PIKE COUNTY LIGHT & POWER COMPANY

On February 6, 2014, the Pennsylvania Public Utility Commission ("Commission") issued a Tentative Order ("Order") in the above-captioned matter seeking comments on various recommendations developed by the Commission's Office of Competitive Market Oversight ("OCMO") for making a more supplier-oriented utility consolidated electric bill. The Commission proposed three changes to utility-consolidated bills to make them more supplier-oriented: the inclusion of the electric generation supplier's ("EGS") logo on the electric distribution company ("EDC") bill; an expansion to the bill messaging space provided to EGSs; and the inclusion of a Shopping Information Box. The Commission also sought comments on the inclusion of EGS bill inserts, though it did not recommend such inserts at this time. Furthermore, the Commission requested cost estimates and recovery proposals associated with the above recommendations. Lastly, the Commission proposed that its recommendations be implemented no later than June 1, 2015, and requested comments on this proposed timeline. The Order directed interested parties to submit comments to the Commission within 30 days of the

entry date of the Order. In response to the Commission's Order, several parties, including Pike County Light & Power Company ("PCL&P" or the "Company"), filed comments on March 10, 2014. PCL&P sets forth below its reply comments on certain topics raised in other parties' comments.

#### Inclusion of the EGS's Logo

The Retail Energy Supply Association ("RESA") proposes (RESA Comments, p. 2) that EGS logos appear on all pages of customers' bills, as well as on envelopes. PCL&P opposes RESA's bill proposal for two reasons. First, as PCL&P stated in its initial comments, including EGS and EDC logos on the same page of customer bills will increase the potential for customer confusion. To minimize this possibility, all EGS information, including logos, charges and contact information should appear on the same EGS-dedicated page and separate from the EDC information. Second, PCL&P's logo appears on its bills only once (on the first page of customer bills). There is no reasonable basis for requiring PCL&P to include EGS logos on every page of its bills if its own logo appears once.

RESA's proposal regarding envelopes should also be rejected. PCL&P's pre-printed envelopes are purchased in bulk through its parent, Orange and Rockland Utilities, Inc. ("O&R") and are used in the O&R, Rockland Electric Company and PCL&P service territories. The purpose of these bulk purchases is to take advantage of discounts that reduce operating costs and benefit customers. The Company currently does not have the ability to print on its envelopes. PCL&P has not had the opportunity to assess fully the cost impact of including EGS logos on its envelopes. However, requiring EGS logos on envelopes will result in significantly increased

<sup>&</sup>lt;sup>1</sup> The Order was adopted and entered on February 6, 2014.

Company costs. Not only will specific envelopes be required, additional enhancements will be needed to computer systems to recognize unique marketer envelopes and additional mail stations will be required for mailing equipment to distribute the unique envelopes.

### **Expansion of EGS Bill Messaging Spacing**

RESA proposes (RESA Comments, p. 4) that EGSs should be able to include graphics in their bill messaging space. PCL&P opposes this proposal because PCL&P's current platform for bill messaging only supports text and numbers. The Company notes that this limitation also applies to PCL&P's bill messaging and that, therefore, EGSs are in no way disadvantaged.

#### Other

RESA proposes (RESA Comments, p. 9) including value-added charges on EDC bills.<sup>2</sup> PCL&P opposes this proposal because it would require significant Customer Information System changes, including modifications to EDI. The changes would be necessary in order to allow the Company to separately track commodity versus non-commodity costs for each EGS operating in its service territory. While customers' service may be terminated for non-payment of commodity costs, service may not be terminated for non-payment of non-commodity costs. Moreover, the Company's current purchase of receivables payment processes are not equipped to handle the partial payment posting methodology recommended by RESA as a mechanism for processing these payments.

<sup>&</sup>lt;sup>2</sup> The Company notes that other parties, including Pennsylvania Energy Marketers Coalition ("PEMC") and National Energy Marketers Association ("NEMA"), made similar arguments in their respective comments. These Reply Comments also apply to the arguments made by PEMC and NEMA.

Conclusion

PCL&P respectfully requests that the Commission: adopt the recommendations in the

Order, subject to the parameters discussed above and in PCL&P's initial comments; not

recommend the inclusion of EGS inserts in EDC bills; order EGSs to pay the costs associated

with the Order's recommendations; and issue any final order on or before December 1, 2014.

Respectfully submitted,

John J. Gallagher, Esq.

7/1 Forrest Road Harrisburg, PA 17112

(717) 599-5839

jgallagher@jglawpa.com

Enver Acevedo

Senior Attorney

Consolidated Edison Company, Inc.

4 Irving Place

New York, New York 10003

Phone: (212) 460-3762

Fax: (212)677-5850

acevedoe@coned.com

Counsel for Petitioner

Pike County Light & Power Company

Date: March 24, 2014

[4]