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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

 **August 13, 2014**

To: All Jurisdictional Electric Distribution Companies

 All Licensed Electric Generation Suppliers

 Electric Retail Markets Investigation Participants

 Committee Handling Activities for Growth in Electricity

Re: EDC plan filings for Seamless Moves and Instant Connects

Docket No.: M-2014-2401127 Duquesne Light Company

 M-2014-2401085 PECO Energy Company

M-2014-2401103 PPL Electric Utilities

M-2014-2401119 Pike County Light and Power

M-2014-2401130 Metropolitan Edison Company

M-2014-2401155 Pennsylvania Electric Company

M-2014-2401151 Pennsylvania Power Company

M-2014-2401148 West Penn Power Company

M-2014-2401126 UGI Utilities – Electric Division

 The purpose of this Secretarial Letter is to inform all interested parties of the modification of the implementation timelines for EDCs and the plans for seamless moves and instant connects. The filings submitted by the Electric Distribution Companies (EDCs) in response to the Commission’s directives in the *Retail Markets Investigation Final Order*[[1]](#footnote-1) concerning these processes are available for review on the Commission’s website by using the “Search For Documents” webpage (link: <http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true> ) and inputting the appropriate docket number (the docket numbers for each EDC are listed above).

In the Final Order, the Commission directed the EDCs to file, by the end of 2013, plans for implementing *seamless moves* and *instant connects* in their service territories by June 2015. A *seamless move* is the ability of a customer’s choice of supplier to move with the customer to a new address without interruption. *Instant connect* is the ability of supply service to start on “day one” of new utility service – without the customer first having to go on default service.

Upon review of the filings, it is clear that *seamless moves* and *instant connects* will be worthwhile enhancements to the competitive marketplace and should be pursued at some point. However, subsequent events have caused the Commission to modify the implementation timelines for these new market enhancements. Specifically, on April 3, 2014, the Commission promulgated new regulations directing the EDCs to develop 3-business day supplier switching timeframes.[[2]](#footnote-2) These new regulations were published in the Pennsylvania Bulletin on June 14, 2014. Implementation of the 3-business day switch is to go into effect six months from the effective date of June 14, 2014, on December 14, 2014.

The Commission acknowledges that the implementation of 3-day supplier switching within six months will require significant effort by the EDCs. The EDCs’ information technology departments will be especially busy developing the modifications needed to accomplish the 3-business day switch. The EDCs have informed Commission staff that many of the staffing resources needed to develop 3-business day switching are the same resources needed to develop *instant connects* and *seamless moves*.

The timely development of 3-business day switching is the highest priority for jurisdictional EDCs at this point in time. Accordingly, that development must supersede the directed implementation time frame for *instant connects* and *seamless moves*.

The Commission, by means of this Secretarial Letter, will allow EDCs to delay the development of *instant connects* and *seamless moves* if an EDC determines that developing these processes at this time could hinder or delay the development of 3-business day supplier switching. This delay is at the option of the EDC; the EDCs are encouraged to proceed with the development of *instant connects* and *seamless moves* if doing so does not impede the development of 3-business day switching. The previously stated June 2015 deadline is no longer in effect. EDCs that decide to postpone implementation of *instant connects* and/or *seamless moves* must notify the Office of Competitive Market Oversight (OCMO) via email to the OCMO account at ra‑OCMO@state.pa.us.

Notably, while we are allowing a delay in the creation of these two market enhancements, those two mechanisms have merit to enhance Pennsylvania’s retail electric market. Accordingly, we will direct the OCMO to submit a recommendation to the Commission no later than December 31, 2014, with a proposed implementation timeframe for *seamless moves* and *instant connects*. OCMO is directed to consult with the EDCs in the preparation of that report and proposed implementation timeframe. Upon review of that recommendation, the Commission will finalize the revised implementation dates for these two market enhancements.

Any questions about this Secretarial Letter should be directed to the Office of Competitive Market Oversight by email at ra-OCMO@state.pa.us.

Sincerely,

Rosemary Chiavetta

Secretary

cc: Office of Competitive Market Oversight

 Office of Consumer Advocate

 Office of Small Business Advocate

1. *See, Investigation of Pennsylvania’s Retail Electricity Market: End State of Default Service*, Docket No. I-2011-2237952 (Order entered February 15, 2013), pages 69-75, 112. [↑](#footnote-ref-1)
2. *See Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 57 Regulations Regarding Standards for Changing a Customer’s Electricity Generation Supplier*, Docket L-2014-2409383 (entered April 3, 2014). [↑](#footnote-ref-2)