

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company for	:	
Approval of its Default Service Program	:	
For the Period from June 1, 2015 through	:	DOCKET NO. P-2014-2409362
May 31, 2017	:	
	:	
	:	

**STATEMENT OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND
ENERGY EFFICIENCY IN PENNSYLVANIA
IN SUPPORT OF
THE JOINT PETITION FOR PARTIAL SETTLEMENT**

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), one of the signatory parties to the Joint Petition for Partial Settlement (“Joint Petition” or “Settlement”), which resolves all but two issues in the above-captioned proceeding, respectfully requests that the terms and conditions of the Settlement be approved by the Honorable Administrative Law Judge Cynthia W. Fordham (“ALJ”) and the Pennsylvania Public Utility Commission (“Commission”) without modification. For the reasons stated more fully below, CAUSE-PA believes that the terms and conditions of the Settlement are in the public interest.

I. INTRODUCTION

CAUSE-PA intervened in this proceeding to (a) address its concerns about the effect that the Default Service Program, and the continued offering of or any potential changes by the Company to its Standard Offer Program (“SOP”) for residential customers, would have on the

long-term affordability of service for economically vulnerable households within its service territory, (b) ensure that the Company's low-income customers are not harmed, and (c) make certain that the programs put forth are in the public interest. Although CAUSE-PA presented no testimony in this proceeding, it closely monitored the testimony and participated in the negotiations leading to the Settlement. The Settlement, which was arrived at through good faith negotiation by all parties, is in the public interest in that it addresses issues of concern to CAUSE-PA, balances the interests of the parties, and fairly resolves a number of important issues. If approved, the Settlement will avoid substantial litigation and associated costs and will eliminate the possibility of further Commission litigation and appeals, along with their attendant costs.

II. BACKGROUND

CAUSE-PA adopts the background as set forth in Paragraphs 1-10 of the Joint Petition for Settlement.

III. CAUSE-PA'S REASONS FOR SUPPORT OF THE SETTLEMENT

The following terms of this Settlement address issues of concern to CAUSE-PA on behalf of low-income consumers, and reflect a carefully balanced compromise of the interests of all the Joint Petitioners in this proceeding:

Paragraph 53 provides that within ninety days of the Commission's approval of the Settlement, PECO will revise its SOP scripts, with review by the Office of Competitive MO to include the following disclosures:

- The initial discount of 7% is based on the current PTC;
- The PTC will change quarterly with the next change in [month];

- The percentage savings a customer will experience will vary as the PTC changes; and
- The SOP rate may be higher or lower than the next PTC.

These disclosures are important to more clearly inform a potential SOP participant about the SOP and to assist them in evaluating the potential benefits or risks in choosing to participate in the SOP. Informing, educating, and disclosing of this information is in the public interest and CAUSE-PA supports its inclusion.

Paragraph 54 provides that the required disclosures provided for by SOP script changes in paragraph 53 will result in no additional costs to EGSs or customers. Providing this beneficial information without additional cost to consumers is in the public interest and CAUSE-PA supports its inclusion.

Paragraph 56 provides that PECO will conduct quarterly briefings of PECO customer service representatives about providing information regarding the SOP during customer contacts with PECO's call center. There will be no additional cost to EGSs or customers for these quarterly briefings. CAUSE-PA supports periodic briefings by the company with its customer service representatives for the purpose of educating and reinforcing the importance, during customer contacts with the call center, of clearly and correctly informing and assisting a potential SOP participant in evaluating the potential benefits or risks of the SOP. The requirement of quarterly briefings, provided for at no additional costs to residential consumers, is within the public interest.

Paragraph 57 requires PECO, to convene a stakeholder process and hold at least three stakeholder meetings during the period January 2015 through March 2015 (with at least one meeting in person) to discuss the SOP.. A stakeholder process which permits a free exchange of

viewpoints directed toward constructive ends and avoids litigation has proven to be an efficient and productive method of resolving disputes and reaching consensus. The requirement for at least three meetings during a three month period focuses the parties toward a meaningful exchange of information and ultimate resolution of issues and is in the public interest.

Paragraph 58 provides that, to facilitate discussion at the stakeholder meetings, PECO will provide participants the following information: (1) SOP scripts; (2) customer enrollment figures by supplier with supplier names redacted and SOP prices for the period August 1, 2013 to July 31, 2014; (3) statistics regarding EGS participation in the SOP from inception through the enrollment period beginning December 1, 2014; (4) a report of all informal or formal complaints related to the SOP filed with the Commission during the period August 1, 2013 through November 30, 2014; and (5) detailed historical and projected implementation and ongoing cost data. As a result of this directive, all stakeholders will be provided a basic level of information regarding the SOP from which they will be able to engage in constructive and productive dialogue.

Paragraph 59 provides an agenda as well as the respective responsibilities of parties for moving the issues identified in the agenda forward at the stakeholder meetings. It directs that the stakeholder meetings will address, at a minimum, the following issues:

- Recommendations by EGSs and other parties that would improve administration of the SOP and increase participation levels;
- EGS proposed changes to the SOP product composition that might improve the customer experience as well as increase EGS participation;

- The OCA's recommended changes to the SOP scripts, administrative process and product composition that might improve the customer experience as well as increase EGS participation; and
- Steps to reduce the costs of the program, including administrative cost savings measures.

This direction is in the public interest in that it focuses the purpose and structure of the stakeholder meetings and creates the opportunity and environment for productive outcomes.

Paragraph 61 ensures that any changes or modifications agreed upon by all parties at the stakeholder meetings will be presented to the Commission by PECO in a petition to modify the SOP, and PECO shall implement the modifications contained therein within six months of final approval of such petition by the Commission. Thus, any consensus determinations of the parties that result from the stakeholder meetings will be presented to the Commission and acted upon by the company in a timely fashion.

IV. CONCLUSION

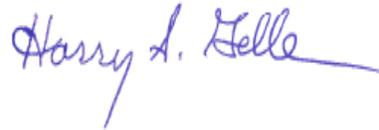
CAUSE-PA submits that the Partial Settlement, which was achieved by the Joint Petitioners after an extensive investigation of the Company's filing, including informal and formal discovery, and the submission of extensive testimony, is in the public interest.

Acceptance of the Settlement avoids the necessity of further administrative and possibly appellate proceedings regarding the settled issues at what would have been a substantial cost to the Joint Petitioners and the Companies' customers.

Accordingly, CAUSE-PA respectfully requests that the ALJ and the Commission approve the Settlement.

PENNSYLVANIA UTILITY LAW PROJECT

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