

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

Petition for Reconsideration of PPL Electric
Utilities Corporation's Default Service Program

Public Meeting held February 26, 2015
2417907-OSA
Docket Nos. P-2014-2417907

STATEMENT OF COMMISSIONER GLADYS M. BROWN

Before the Commission for consideration and disposition is the Petition for Reconsideration of PPL Electric Utilities Corporation's Default Service Program filed by the Office of Small Business Advocate (OSBA) on January 30, 2015 at the instant docket. The program was approved by Commission Order entered on January 15, 2015 at the instant docket.

The issue at center of the OSBA Petition concerns the approved program's expansion of hourly-priced default service from all customers with greater than 500 kW demand to all customers with greater than 100 kW demand. OSBA posits that the Commission permitted this expansion in order to maintain consistency with the Commission's *Retail Market's Investigation Order*, Docket No. I-2011-2237952, February 15, 2013 (*End State Order*). OSBA submits that achieving consistency with the *End State Order* is not the appropriate objective, but rather, that achieving consistency with the relevant statutory requirements is.

OSBA touches on an issue that I am particularly sensitive to, and therefore, I will make my position on this matter clear. The OSBA is correct that achieving consistency with the relevant statutory requirements is the paramount objective when reviewing this case. Indeed, as the OSBA submits, the *End State Order* is merely advisory and does not trump statutory law.

Nonetheless, I conclude from my review of this proceeding that PPL is indeed compliant with the "prudent mix" standard found at 66 Pa. C.S. §2807(e) of the Public Utility Code. I believe this section of the Code does not require a default service provider to procure a "prudent mix" for each specific customer class, but rather, that the entire program in aggregate include a "prudent mix" of products as specified. PPL's program includes spot market products in the large commercial and industrial portfolio; short-term contracts in the residential and small commercial portfolio; and long-term contracts in the residential portfolio.¹

Therefore, I agree with the Staff recommendation to deny this Petition for Reconsideration as, in my opinion, no new or novel arguments have been offered by the OSBA.

February 26, 2015
Date


Gladys M. Brown, Commissioner

¹ The residential portfolio includes a ten-year block energy product grandfathered into this portfolio from past default service procurements. This block product expires on May 31, 2021.