

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

**Petition for Reconsideration of PECO Energy
Company's Default Service Program**

**Public Meeting held February 26, 2015
2409362-OSA
Docket No. P-2014-2409362**

STATEMENT OF COMMISSIONER GLADYS M. BROWN

Before the Commission for consideration and disposition is the Petition for Reconsideration of PECO Energy Company's Default Service Program filed by the Office of Small Business Advocate (OSBA) on December 19, 2014. The program was approved by Commission Order entered on December 4, 2014 at the instant docket.

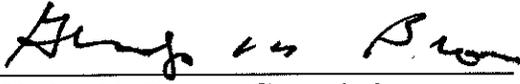
The issue at center of the OSBA Petition concerns the approved program's expansion of hourly-priced default service from all customers with greater than 500 kW demand to all customers with greater than 100 kW demand. OSBA posits that the Commission permitted this expansion in order to maintain consistency 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 PECO 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. PECO's program includes spot market products in the residential, medium commercial, and large commercial and industrial portfolio; short-term contracts in the residential and small commercial portfolio; and, long-term contracts in the residential, medium commercial, and large commercial portfolio.¹

Therefore, I agree with the Staff recommendation to dismiss 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 five-year block product, as described on page 8 of PECO's Statement in Support of the Joint Petition. Additionally, any products that are not full requirements will be allocated a portion of the alternative energy credits PECO has previously procured, including a 10-year contract for solar credits approved by the Commission at Docket P-2009-2094494.