

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Investigation of Pennsylvania's Retail
Natural Gas Supply Market**

: Docket No. I-2013-2381742

: M-2015-2474802

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**INFORMAL COMMENTS OF PECO ENERGY COMPANY
ON THE COMMISSION'S FINAL ORDER**

I. INTRODUCTION

PECO Energy Company ("PECO" or the "Company") hereby submits informal comments to the Pennsylvania Public Utility Commission's (the "Commission") December 18, 2014 Final Order¹, which prioritizes and finalizes specific action plans (including the establishment of working groups and regulations) for the Commission's Retail Markets Investigation ("RMI") of the natural gas industry. PECO appreciates the opportunity to provide informal comments to the Office of Competitive Market Oversight ("OCMO") regarding supplier-related elements that are appropriate for inclusion on the utility-consolidated bills. PECO supports the Commission's efforts to develop and implement measures that will increase customer participation in Pennsylvania's retail natural gas marketplace and provides the following comments.

II. COMMENTS

A. Supplier-Related Elements in Utility-Consolidated Bills

As stated in its February 2, 2015 comments to the Commission's Final Order, PECO implemented its *Choice Friendly Bill* for both its electric and natural gas customers in December .

¹ See the *Investigation of Pennsylvania's Retail Natural Gas Supply Market*, Docket No. I-2013-2381742 (Final Order entered on December 18, 2014).

2014. The *Choice Friendly Bill* complied with the Commission's May 22, 2014 Electric RMI Final Order², creating a more supplier-oriented utility consolidated bill.

The components utilized in the *Choice Friendly Bill* (distinguishable supplier logo and a Shopping Information Box) were equally applicable to natural gas customers. These components also were the result of an extensive and detailed industry analysis performed by OCMO. Accordingly, PECO requests that it be allowed to maintain these enhancements in its existing *Choice Friendly Bill*. A copy of a sample *Choice Friendly Bill* is attached as Exhibit A.

PECO supports any supplier's decision to include/not include its logo in the *Choice Friendly Bill*. Additionally, since December 2014, (when PECO implemented these enhancements) 35 suppliers have provided their logos for inclusion in the *Choice Friendly Bill*.

B. Cost Recovery

PECO requests that the Commission permit recovery of implementation costs for the *Choice Friendly Bill* (applicable to gas customers) in a manner similar to the recovery methodology allowed in the Electric RMI proceeding. Specifically, in the Electric RMI, the Commission permitted electric distribution companies to recover costs associated with the "inclusion of the EGS logo, the expansion of bill messaging space and the inclusion of a Shopping Information Box..." from all customers.³ [Citation omitted]. The Commission believed that because these market enhancements benefitted all customers, they could be recovered from all customers. The Commission further stated:

² See *Investigation of Pennsylvania's Retail Electricity Market: Joint Electric Distribution Company – Electric Generation Supplier Bill*, Docket No. M-2014-2401345 (Final Order entered on May 22, 2014).

³ *Id.*

We direct the EDCs to recover, on a full and current basis, the costs of implementation through a non-bypassable mechanism. Many of the EDCs referenced existing surcharges or riders through which recovery could occur. Other EDCs proposed the creation of surcharges meant for the recovery of retail enhancements. We agree with those proposals and direct the EDCs to submit revised tariffs or tariffs for new riders/surcharges, as applicable, for the recovery of the changes included in this Order.

(Final Order at 18).

Accordingly, PECO should be permitted to recover all reasonable costs incurred to implement the *Choice Friendly Bill* for natural gas customers pursuant to existing tariff riders/surcharges or new tariff riders/surcharges, as applicable.

III. CONCLUSION

PECO appreciates the opportunity to comment on the Final Order and asks that OCMO favorably consider its comments. PECO looks forward to working with the Commission, OCMO and other stakeholders as the Investigation progresses.

Respectfully Submitted,

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For PECO Energy Company