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Shelby A. Linton-Keddie
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December 14, 2016

Ms. Rosemary Chiavetta, Secretary
Commonwealth Keystone Building
2nd Floor, Room-N201
400 North Street
Harrisburg, PA 17120

**Re: PECO Energy Company Pilot Plan for an Advance Payments Program and Petition
for Temporary Waiver of Portions of the Commission's Regulations with Respect to
that Plan
Docket No. P-2016-2573023**

Dear Secretary Chiavetta:

Enclosed please find Duquesne Light Company's Comments in the above-referenced proceeding.

Upon receipt, if you have any questions regarding the information contained in this filing, please contact the undersigned.

Sincerely,

A handwritten signature in blue ink that reads "Shelby Linton Keddie /sml".

Shelby A. Linton-Keddie
Manager, State Regulatory Affairs
And Senior Legal Counsel

Enclosure
cc (w/ enc.):
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA FIRST CLASS MAIL

Lauren M. Burge, Esquire
Harrison W. Breitman, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Patrick M. Cicero, Esquire
Joline Price, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101

Richard W. Ballenger, Esquire
Community Legal Services, Inc.
1424 Chestnut Street
Philadelphia, PA 19102

Daniel Clearfield, Esquire
Eckert Seamans Cherin & Mellot, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101

Elizabeth Rose Triscari, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
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Richard A. Kanaskie, Director
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
Harrisburg, PA 17105-3265

Ward L. Smith, Esquire
Richard G. Webster
PECO Energy Company
2301 Market Street
P. O. Box 8699
Philadelphia, PA 19101-8699

Date: December 14, 2016


Shelby A. Linton-Keddie (Pa. I.D. 206425)
Manager, State Regulatory Affairs
Sr. Legal Counsel

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PECO Energy Company Pilot Plan for an
Advance Payments Program and Petition for
Temporary Waiver of Portions of the Commission’s
Regulations with Respect to That Plan** : : **Docket No. P-2016-2573023**

**COMMENTS OF
DUQUESNE LIGHT COMPANY**

On October 26, 2016, PECO Energy Company (“PECO”) filed with the Pennsylvania Public Utility Commission (“PUC” or “Commission”) a Pilot Plan for an Advance Payments Program and Petition (collectively, “Pilot Plan,” “Plan” or “Petition”), requesting temporary waiver of various related regulations.¹ As with other requests for wavier of regulations that are typically evaluated by the Commission without the use of evidentiary hearings,² PECO requested that, in lieu of hearings, comments and reply comments be used to afford due process. Notification of the Pilot Plan filing was published in the *Pennsylvania Bulletin* on November 12, 2016. *See* 46 Pa.B. 7232. As articulated in that notification, interested parties may submit comments on or before December 15, 2016, with reply comments due on or before January 16, 2017. Consistent with this direction, Duquesne Light Company (“Duquesne Light” or “Company”) hereby files comments for the Commission’s consideration.

Duquesne Light is a public utility as defined in Section 102 of the Public Utility Code, 66 Pa.C.S. § 102. Duquesne Light provides electric service to approximately 590,000 customers in the City of Pittsburgh and portions of Allegheny and Beaver Counties in Pennsylvania. As a

¹ PECO seeks temporary waiver of the following regulations: Section 56.17(3)(i), Section 56.17(3)(iii)(B), and Section 56.53. Petition at 15-17.

² *See, e.g., Petition of PECO Energy Company for Temporary Waiver of Regulations Related to the Required Days in a Billing Period*, [Order came from LAW Bureau], Docket No. P-2014-2446292, Order entered December 8, 2016.

certificated electric distribution company (“EDC”) that is installing Advanced Metering Infrastructure (“AMI”) and exploring different ways to leverage this technology and provide more innovative offerings to its customers such as the ability prepay in the future, the Company is particularly interested in the resolution of this proceeding.

COMMENTS

As described in its Petition, PECO intends to leverage the technology and data gathering capabilities of AMI meters as well as existing regulations to make available a prepay option for 1,000 customers on a pilot basis. As indicated on pages 4-6 of its Petition, some of the major components of the proposal include:

- Small initial program size (limited to 1,000 residential [non low-income] customers);
- Waiver of regulations in order to allow more appropriate non-discrimination of residential customers as possible Plan participants (proposed to include shopping/default service, electric-only/dual service, delinquent³ (up to \$1,500)/non-delinquent and customers as well as applicants);
- A \$40 initial payment, with additional payments equaling a minimum of \$15;
- No additional credit deposits to participate;
- Provision of electronic notification when account balance is sufficient to cover an estimated five, three and one days’ worth of usage;
- A five day grace period to “reload” an account when it reaches either zero or a negative balance (with daily notifications during the grace period);
- Remote disconnection, characterized as a discontinuance of service, if a customer does not load sufficient additional funds before the end of the grace period;
- The ability of a customer to, at any time, return to standard payment terms and conditions; and
- Reporting commitments both on the process and the impact of this program.

Petition at 4-6.

³ For customers with delinquencies, PECO proposes to allocate 25% of payments to the delinquency, with 75% of the payment to go toward current usage. Petition at 5.

Copies of the Plan were served on Statutory Advocates, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), as well as Tenant Union Representative Network (“TURN”) and Action Alliance of Senior Citizens of Greater Philadelphia (“Action Alliance”) (collectively, TURN, *et al.*). To date, the Office of Consumer Advocate (“OCA”), CAUSE-PA and TURN, *et al.* have filed Answers to the Petition, in some cases criticizing the program’s possible effect on moderate income and low income customers, requesting hearing, clarification, and in at least one instance, denial of the Plan in its entirety. *See generally* Answers of OCA, TURN, *et al.*, and CAUSE-PA.

Without commenting on the procedural process of this proceeding (other than noting *supra* that the Commission, through notification in the *Pennsylvania Bulletin*, specifically requested comments and reply comments), Duquesne Light urges the PUC to thoughtfully consider the possible numerous benefits to consumers and other EDCs planning to implement this type of innovative option if a limited Pilot Plan with appropriate specificity and consumer protections were allowed to go forward. Not only would this Plan be available to customers who freely enroll, but also it may provide a better customer experience and a possible reduction in energy usage.⁴ However, the answers to these possibilities can only be investigated if a Plan is put in place and PECO, along with interested stakeholders, is given a meaningful opportunity to collect data and analyze the results.⁵ These results can then be used by PECO, stakeholders and other EDCs when moving forward and designing similar programs for each respective territory.

⁴ See PECO Petition at 4.

⁵ Areas of focus in data collection would likely include, but not be limited to: customer satisfaction, demographics of participants, usage behavior, and frequency of connects/disconnects, as well as payment patterns and behaviors.

CONCLUSION

The utility of limited pilot programs by EDCs and the learning experiences they provide to other major utilities with similar plans, including potential identification of best practices, should not be understated. To that end, Duquesne Light encourages the Commission to give due consideration to PECO's Pilot Plan proposal and not reject it outright without further clarification and elaboration because questions have been raised by other interested parties.

Respectfully submitted,

DATE: December 14, 2016

A handwritten signature in blue ink, reading "Shelby Linton-Keddie", is written over a horizontal line.

Shelby A. Linton-Keddie (Pa. I.D. 206425)
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