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April 25, 2017

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re: Petition of PPL Electric Utilities Corporation for Approval to Amend the Implementation Date of the Customer Assistance Program Standard Offer Referral Program ("CAP-SOP")  
Docket No. P-2016-2526627

Dear Secretary Chiavetta:

On March 10, 2017, PPL Electric Company ("PPL") filed the above referenced petition to amend the implementation date for the CAP-SOP from June 1, 2017 to September 1, 2017. According to PPL's Petition, it "has determined that additional time is required to design, complete, and test the information technology (IT) and programmatic changes necessary to implement the CAP-SOP."<sup>1</sup> No opposition to PPL's Petition has been filed.<sup>2</sup> To date the Commission has not acted on the Petition and, therefore, PPL is moving forward with a June 1, 2017 implementation date.

The purpose of this letter is to make clear that although the Retail Energy Supply Association ("RESA")<sup>3</sup> has appealed the Commission's Orders approving the CAP-SOP,<sup>4</sup> such appeal does not preclude the Commission from acting on PPL's Petition; and, therefore, RESA respectfully requests that the Commission take action on PPL's Petition as soon as practicable. While RESA would strongly prefer maintaining the status quo pending the outcome of its appeal, moving forward to implement the CAP-SOP requires a level of operational coordination and detail that

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<sup>1</sup> Petition at 1.

<sup>2</sup> To the contrary, both the Office of Consumer Advocate ("OCA") and CAUSE-PA filed letters on March 30, 2017 stating that they do not oppose PPL's proposal.

<sup>3</sup> The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of more than twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at [www.resausa.org](http://www.resausa.org).

<sup>4</sup> Retail Energy Supply Assoc. v. PUC, 230 CD 2017, appeal filed February 27, 2017.

has not yet occurred. Carefully working through these implementation details is essential for managing customer expectations and containing any resulting damage to Pennsylvania's competitive retail electricity market. For these reasons, RESA urges the Commission to act on PPL's Petition as soon as practicable.

Regarding the effect of RESA's appeal on the ability of the Commission to take action, Rule 1701(b)(1) of the Rules of Appellate Procedure permit an agency – after an appeal is taken – to “take such action as may be necessary to preserve the status quo. . . grant supersedeas, and take other action permitted or required by these rules or otherwise ancillary to the appeal or petition for review proceeding.”<sup>5</sup> Through its Petition, PPL is seeking a three month delay of implementing the CAP-SOP. PPL's Petition, therefore, would maintain the “status quo” for a short period of time. As such, the pendency of RESA's appeal does not preclude the Commission from acting on the Petition.

For the reasons stated in its Petition for Review, RESA does not support restricting PPL's CAP participants to default service or the to-be-developed CAP-SOP nor does RESA support the removal of existing CAP participants from their currently selected electric generation supplier (“EGS”). Aside from these legal and policy concerns about the Commission's decision, however, implementation of the Commission's decision presents significant operational issues for EGSs just as it does for PPL – all of which could negatively impact customers if not properly managed. Below is a non-exhaustive list of some of the operational issues preliminarily identified by RESA – all of which will require EGSs to revise internal processes and procedures to operationalize how these issues are to be handled.

- **Managing current EGS customers who are CAP participants.** To date, EGSs do not know which of their existing customers are participating in PPL's CAP program and who will no longer be permitted to continue their agreed-upon EGS service pursuant to existing contract terms in the future. The Commission's regulations require EGSs to provide an initial notice to existing customers 45 to 60 days prior to the expiration of a fixed term contract or the effective date of the proposed change in terms<sup>6</sup> and to provide an options notice 30 days prior.<sup>7</sup> The 45 to 60 day window for sending initial notices for contracts expiring on June 1, 2017 opened April 2, 2017 and closed April 17, 2017. The 30 day window for sending option notices will close on May 2, 2017. This means that these customers have already received or are in the process of receiving EGSs' Commission-required renewal notices since EGSs do not know which of their existing customers are participating in PPL's CAP program. Thus, for existing EGS customers who are CAP participants, PPL will need to coordinate with the EGSs about the notice PPL will provide to those CAP participants. EGSs – like PPL – need time to

<sup>5</sup> Pa.R.A.P. 1701(b)(1)(emphasis added).

<sup>6</sup> 52 Pa. Code § 54.10(1).

<sup>7</sup> 52 Pa. Code § 54.10(2).

operationalize the new processes that will be developed as a result of implementing the Commission's orders (which will alter the status quo).

- **Addressing current EGS customers who may become CAP participants in the future while under contract with EGSs.** As consumers move in and out of PPL's CAP program and their eligibility for EGS provided products and services changes, there needs to be mechanisms in place to relay that information from PPL to the EGSs. With the information and information about how and when it will be provided, EGSs can then begin to develop their internal processes and procedures to accommodate.
- **Marketing to CAP participants who cannot receive EGS service.** In the future, EGSs will inevitably be in the position of marketing products and services to CAP participants who are not eligible for the products and services. Processes need to be developed to limit this possibility (i.e. by giving EGSs access to current data about PPL's CAP participants) and/or to mitigate harms that can occur when the EGS is not able to honor the product or service offered to the consumer because he/she participates in PPL's CAP program. EGSs will need time to develop internal operating processes and procedures once the agreed-to processes are finalized.

As noted above, this is a non-exhaustive list of operational and implementation issues that need addressed and, once addressed will require time for EGSs to operationalize. For these reasons, taking action on PPL's Petition and delaying the implementation of the new processes and procedures involved in implementing the CAP-SOP is reasonable. Therefore, RESA requests that the Commission take action on PPL's Petition as soon as practicable.

Sincerely,



Deanne M. O'Dell

DMO/lww  
Enclosure

cc: Hon. Charles E. Rainey, Jr., Chief Administrative Law Judge w/enc.  
Cheryl Walker Davis, Director, Office of Special Assistants (via email only)  
Daniel Mumford, Director, Office of Competitive Market Oversight (via email only)  
James Mullins, Assistant Counsel, Law Bureau (via email only)  
Cert. of Service w/enc.

**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of RESA's Letter upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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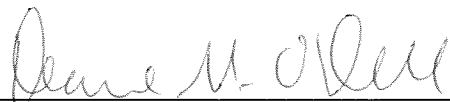
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Dated: April 25, 2017

  
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