

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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September 27, 2018

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: Petition of PECO Energy Company for Temporary Waiver
of Regulations Related to the Required Days in a Billing
Period
Docket No. P-2014-2446292

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Answer in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

A handwritten signature in black ink that reads "Christy M. Appleby".

Christy M. Appleby
Assistant Consumer Advocate
PA Attorney I.D. # 85824
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Enclosures

cc: Certificate of Service
Office of Special Assistants

*259960

CERTIFICATE OF SERVICE

Petition of PECO Energy Company for :
Temporary Waiver of Regulations Related to the : Docket Nos. P-2014-2446292
Required Days In A Billing Period :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Answer, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 27st day of September 2018.

SERVICE BY E-MAIL and INTEROFFICE MAIL

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RESA

/s/ Christy M. Appleby
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PECO Energy Company :
For Temporary Waiver of :
Regulations Related to the : Docket No. P-2014-2446292
Required Days in a Billing Period :

ANSWER OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 5.61 of the Regulations of the Pennsylvania Public Utility Commission (Commission), 52 Pa. Code Section 5.61, the Office of Consumer Advocate (OCA) hereby files this Answer to the Petition of PECO Energy Company (PECO or Company) for Temporary Waiver of Regulations Related to the Required Days in a Billing Period, wherein PECO requests a two-year extension of its temporary waiver granted by the Commission on December 8, 2016 in the above-referenced docket. The OCA submits the following in support of its Answer:

I. Introduction

On September 7, 2018, PECO filed its Petition for Temporary Waiver of Regulations Related to the Required Days in a Billing Period. The Petition provided that the waiver applies to “the issuance of short-term (less than 26 day) off-cycle bills that are necessary when a customer switches generation suppliers during a billing cycle.” Petition at 1.¹ In its Petition, PECO requested a two-year extension until December 31, 2020 of the existing waiver of the

¹ The Company’s 2014 Petition for Waiver described the proposed system of billing as:

Issuing a new bill whenever a customer switches to a new supplier, whether the new supplier is an EGS or PECO. (PECO calls this approach “Bill on Supplier Switch,” or “BOSS.”) If a customer switches between meter read dates, the BOSS approach could result in bills covering only a few days of service within the overall monthly billing period.

Commission's regulations, or until the Commission issues a Final Order in its Notice of Proposed Rulemaking to Amend the Provision of 52 Pa. Code, Chapter 56 to Comply with the Amended Provision of 66 Pa. C.S. Chapter 14, Docket No. L-2015-2508421 (Notice of Proposed Rulemaking), whichever is earlier. Petition at 1. PECO also requested: (1) the continuation of the same reporting requirements approved in the Commission's December 8, 2016 Order in this docket; and, (2) the removal of the requirement for continued semi-annual stakeholder meetings as required by the Commission's December 8, 2016 Order. The Company stated that it would hold stakeholder meetings only when there are material changes of process or there is an issue with BOSS Billing. Petition at ¶ 9.

By Order dated April 3, 2014, the Commission promulgated regulations directing electric distribution companies (EDCs) to develop three business day supplier switching timeframes. See Chapter 57 Regulations Regarding Standards for Changing a Customer's Electricity Generation Supplier, Final-Omitted Ruling Order, Docket No. L-2014-2409383 (April 3, 2014) (Final-Omitted Rulemaking Order). Specifically, the regulations included, *inter alia*, the following requirement:

Time frame requirement:

(a) when a customer has provided the selected EGS [electric generation supplier] or current EGS with oral confirmation or written authorization to select the new EGS or default service provider, consistent with electric data transfer and exchange standards, the EDC shall make the change within 3 business days of the receipt by the EDC of the electronic enrollment transaction.

52 Pa. Code § 57.174(a). Pursuant to the Final-Omitted Rulemaking Order, EDCs were required to implement the switching regulations by December 15, 2014 (or within six months of their effective date), absent good cause shown. In its Final-Omitted Rulemaking Order, the

Commission also specifically acknowledged that multiple off cycle switches are permitted within a single billing period. Final-Omitted Rulemaking Order at 27-28.

In an effort to comply with the Commission's three-day business day switching regulations, on October 1, 2014, PECO filed its initial Petition for Temporary Waiver of Regulations Related to the Required Days in a Billing Period (Initial Petition) in the above-captioned proceeding, requesting the Commission to temporarily waive the definitions of "billing month" and "billing period" as defined in 52 Pa. Code Section 56.2 and the billing frequency requirement at 56.11 as applied to the Company. See Petition Exh. A at ¶¶ 10-12.² At the time, PECO requested a four-year waiver of the Commission's regulations. In its Answer, the OCA generally supported the Company's efforts to comply with the Commission's regulations but expressed concern with the proposed BOSS approach. The OCA submitted that the use of multiple bills may be confusing to customers and could result in payment problems for customers who may have multiple "due dates" that are unanticipated. In its Answer, the OCA maintained that PECO should be required to monitor its operations to determine if customer confusion or payment difficulty results, explore the potential for reflecting multiple switches on a single monthly bill during this waiver period, and report to the Commission and interested parties the understanding and satisfaction with the multiple bill approach and the Company's exploration of a single bill approach throughout the waiver period. On December 14, 2014, the Commission issued an Order granting PECO's Initial Petition through December 31, 2016 and ordering PECO to monitor the results of its BOSS bill approach to determine if significant customer confusion or payment difficulty results, investigate

² Section 56.2 of the Commission's regulations defines "billing month" as "[a] period of not less than 26 and not more than 35 days" and provides that a "billing period" for an electric utility "must conform to the definition of billing month." 52 Pa. Code § 56.2. Section 56.11 provides that "[a] public utility shall render a bill once every billing period to every residential customer in accordance with approved rate schedules." 52 Pa. Code § 56.11.

the potential for reflecting multiple switches on a single bill, provide reports of its monitoring efforts, and hold semi-annual stakeholder meetings.

On July 21, 2016, the Commission issued a Notice of Proposed Rulemaking at Docket No. L-2015-2508421, *supra*. The Commission's Notice of Proposed Rulemaking included a proposed revision to the definition of "billing month" "to allow short-period bills in instances where a customer's change in commodity supplier necessitates the issuance of a short-period bill in order to effectuate a timely switch of supplier." Notice of Proposed Rulemaking, Attachment One at 2; Petition at ¶¶ 3-5.

On September 1, 2016, PECO filed a Petition in this docket requesting an extension of its temporary waiver of the Commission's regulations to allow PECO to continue to issue short-term off-cycle "BOSS" bills in defined situations. Petition at ¶ 6, Exh. B. In its Answer, the OCA supported an additional two-year waiver until December 31, 2018 subject to the same reporting conditions and stakeholder process as the first waiver. On December 8, 2016, the Commission issued an Order granting PECO's Petition through December 31, 2018.

The OCA submits the following Answer in response to PECO's September 7, 2018 Petition for extension of its waiver of the Commission's regulations.

II. Answer

The OCA generally supports PECO's proposed two-year extension of its waiver in order to continue to avoid a gap between the existing temporary waiver and a potential change in the Commission's regulations, which could render PECO's waiver moot. The OCA submits that it would be in the public interest for PECO to continue to utilize its BOSS bill approach in the interim should the Commission implement regulations which would allow for EDCs to issue short-period bills in order to effectuate a timely switch.

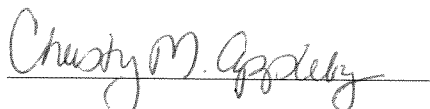
In its Petition, PECO has proposed to continue its semi-annual reporting of BOSS Billing statistics. Petition at ¶ 9. The OCA submits the semi-annual reporting of BOSS Billing statistics should continue to be required, so that the OCA and the Commission can continue to evaluate the impact of the issuance of multiple bills to consumers within a billing period. The continuation of PECO's reporting requirements during the waiver period will provide valuable information about the impacts of this approach.

Finally, the Company has requested to discontinue the requirement for semi-annual BOSS Bill Stakeholder Meetings because the meetings have been sparsely attended and "generate little to no discussion from those who attend." Petition at ¶ 9. PECO has proposed to only hold future meetings when "there is a material change of process or there is an issue with BOSS Billing to discuss with suppliers." Petition at ¶ 9. The OCA does not participate in these stakeholder meetings and takes no position. The OCA agrees, though, that the meetings should continue to be held if new issues arise or if there is a change in the BOSS billing procedures.

III. Conclusion

WHEREFORE, the Office of Consumer Advocate respectfully submits that PECO's request for a waiver of the Commission's regulations should be granted for the requested two-year period, or until the Commission issues its final Rulemaking to Amend the Provision of 52 Pa. Code, Chapter 56 to Comply with the Amended Provision of 66 Pa. C.S. Chapter 14 at Docket No. L-2015-2508421, whichever is earlier.

Respectfully Submitted,



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DATE: September 27, 2018
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