



Michael Zimmerman
Senior Counsel, Regulatory

411 Seventh Avenue
Mail drop 15-7
Pittsburgh, PA 15219

Tel: 412-393-6268
mzimmerman@duqlight.com

October 30, 2020

Via Electronic Filing

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, PA 17120

Re: **Petition of Duquesne Light Company For Limited Waiver of Service Requirements
of the Eligible Customer List Triennial Solicitation
Docket Nos. M-2010-2183412; P-2020-_____**

Dear Secretary Chiavetta,

Enclosed for filing, please find a copy of the Petition of Duquesne Light Company for Limited Waiver of Service Requirements of the Eligible Customer List Triennial Solicitation. Copies are being provided as indicated in the enclosed certificate of service. Please feel free to contact me with any questions, comments, or concerns.

Best Regards,

A handwritten signature in blue ink that reads "Michael Zimmerman".

Michael Zimmerman

Enclosures

cc: 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):

ELECTRONIC MAIL

Bureau of Investigation & Enforcement
Richard Kanaskie
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265
rkanaskie@pa.gov

Office of Small Business Advocate
John Evans
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
jorevan@pa.gov

Office of Consumer Advocate
Tanya McCloskey
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
TMcCloskey@paoca.org

Pennsylvania Utility Law Project
Elizabeth R. Marx
118 Locust Street
Harrisburg, PA 17101
Emarxpulp@palegalaid.net

Hawke McKeon & Sniscak, LLP
Todd S. Stewart
100 North Tenth Street
Harrisburg, PA 17101
tsstewart@hmslegal.com
On behalf of RESA



Michael Zimmerman
Duquesne Light Company
411 Seventh Avenue, 15-7
Pittsburgh, PA 15219
Phone: 412-393-6268
Email: mzimmerman@duqlight.com

Dated: October 30, 2020

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company
for Limited Waiver of Service Requirements
of the Eligible Customer List Triennial
Solicitation

:
:
:
:
:
:

Docket No. P-2020-_____
M-2010-2183412

VERIFICATION

I, Edwin J. Schuck, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief, and I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Edwin Schuck

Dated: October 30, 2020

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company	:	
for Limited Waiver of Service Requirements	:	Docket No. P-2020-_____
of the Eligible Customer List Triennial	:	M-2010-2183412
Solicitation	:	
	:	

PETITION OF DUQUESNE LIGHT COMPANY

I. INTRODUCTION

Pursuant to 52 Pa. Code §§ 5.41 and 5.43, Duquesne Light Company (“Duquesne Light” or “Company”) hereby Petitions the Pennsylvania Public Utility Commission’s (“Commission”) for a waiver of certain Eligible Customer List (“ECL”) solicitation requirements provided under *Interim Guidelines for Eligible Customer Lists*, Final Order entered October 23, 2014 at Docket No. M-2010-2183412 (“ECL Order”).

The ECL Order instructs Electric Distribution Companies (“EDCs”) to conduct triennial customer solicitations to update their ECLs, through which EDCs make customer information available to electric generation suppliers (“EGSs”). EDCs traditionally serve the solicitation on customers via a hard-copy mailing, except for those customers who have opted to receive their bills via electronic means (“e-billing customers”), whom EDCs are permitted to serve electronically.¹ The next triennial ECL solicitation will occur in the first quarter of 2021.

¹ ECL Order at 13.

By this Petition, the Company requests a limited waiver of the ECL Order's solicitation service requirements to the extent necessary to effect expanded electronic service of the 2021 ECL solicitation. Specifically, the Company seeks the Commission's authorization to initially serve the 2021 ECL solicitation via electronic means on customers who have consented to receive electronic communications from the Company, in addition to e-billing customers. For the reasons explained herein, Duquesne Light's waiver petition is in the public interest and should be approved.

Because the next ECL solicitation is scheduled for the first quarter of 2021, the Company respectfully asks that the Commission approve this Petition no later than its January 14, 2021, Public Meeting. In the alternative, if the Commission does not act on this Petition by January 14, 2021, the Company should be allowed to delay the 2021 ECL solicitation to the second quarter of 2021, to allow for further consideration of the Petition.

II. BACKGROUND

1. Duquesne Light Company is a public utility and electric distribution company ("EDC") as defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa.C.S. §§ 102, 2803. Duquesne Light provides electric supply service to approximately 603,000 customers in its certified service territory, which includes portions of the City of Pittsburgh and Allegheny and Beaver Counties of Pennsylvania.

2. The name and address of Duquesne Light's attorney for purposes of this filing is as follows:

Michael Zimmerman (Pa. I.D. 323715)
Senior Counsel, Regulatory
Duquesne Light Company
411 Seventh Avenue
MD: 15-7
Pittsburgh, PA 15219

Phone: (412) 393-6268
Email: mzimmerman@duqlight.com

Counsel consents to electronic service of any documents associated with this Petition.

3. The Commission implemented the ECL via Order entered November 12, 2010, at this docket, which outlined interim guidelines for EDCs' provision of ECLs. That Order provided for uniform categories of customer information to be made available to EGSs by EDCs, and addressed customers' ability to restrict the inclusion of their information in the ECL.

4. On November 10, 2011, the Commission entered a Final Order on Reconsideration updating the interim ECL guidelines.

5. On October 23, 2014, following subsequent process including informal and formal comments, the Commission adopted final ECL guidelines through the ECL Order.

6. In relevant part, the ECL Order directs EDCs to conduct a solicitation every three years, beginning in the first quarter of 2015, to update their ECLs. These solicitations provide customers an opportunity to restrict the inclusion of their information in the ECL and provided to EGSs. Customers who do not respond to a solicitation are automatically included in the ECL unless they otherwise request to be excluded.

7. The ECL Order does not mandate specific means of service for the triennial ECL solicitations. The ECL Order provides in relevant part at pp. 13-14:

Therefore, we direct the EDCs to perform company-wide solicitations, on a triennial basis, to refresh their ECLs. We believe such solicitations will be beneficial in reminding customers of the benefits of the electric ECL and the competitive retail electric market, while also providing customers with the ability to opt-out of including any, or all, of their information. ***We agree with FirstEnergy's proposal to allow the solicitation to be served electronically to those customers who have opted to receive their bills via electronic means and will allow the EDCs to do so.*** We direct the EDCs to perform their next company-wide solicitation by the end of the first quarter of 2015, with solicitations occurring on a three-year basis after that.

(Emphasis added.) By implication, this portion of the ECL Order suggests that customers who have not opted to receive e-bills should be served the ECL solicitation via other means.

8. Duquesne Light conducted triennial ECL solicitations in 2015 and 2018 via hard-copy mail.

9. The next triennial ECL solicitation is scheduled for the first quarter of 2021.

III. PROPOSED CHANGE TO 2021 TRIENNIAL ECL SOLICITATION

10. As indicated above, the Company proposes to initially serve its 2021 ECL solicitation via email to all “e-communication customers” in addition to e-billing customers.

11. E-communication customers are those residential customers who have not signed up for e-billing, but who have otherwise voluntarily provided their emails to the Company² and have consented to electronic communications with the Company.

12. The Company has approximately 540,000 residential customers. Of these, approximately 115,000 are enrolled in electronic billing. An additional 200,000 are e-communication customers.

13. The Company uses email to communicate with e-communication customers for several service-related purposes, including:

- High usage alerts
- Weekly usage updates
- Energy efficiency tips
- Safety tips and storm preparedness

² The Company only collects customer email addresses on a voluntary basis. The Company maintains several avenues by which customers can provide their email addresses, including but not limited to electric service applications, program enrollment forms, and the Company call center. The Company does not currently require customers to provide email addresses as a prerequisite of any Company program.

- Energy Assistance program information

14. All of the Company's emails to e-communication customers include a link by which customers can unsubscribe from future emails from the Company. In practice, customers seldom unsubscribe; the Company's customer email opt-out rate is currently only about 0.1%. Additionally, where the Company receives an alert that an email to an e-communication customer is returned as undeliverable, the Company stops using that email address, and unsubscribes the customer from future emails if it has no alternate email address for the customer.

15. The Company proposes to employ the same process for electronically serving e-communication and e-billing customers with the ECL solicitation. Specifically, the Company will email the ECL solicitation to all e-communication and e-billing customers. The email will clearly state – in its subject line and in multiple places within the email – that the customer is expected to respond. Additionally, the Company will send a second email to all e-communication and e-billing customers who do not open the initial email. Where the ECL solicitation email to a customer is returned as undeliverable, or where the customer requests a hard-copy ECL solicitation, the Company will send an ECL solicitation to the customer via standard mail.

16. The Company will also track analytics associated with electronic ECL service, including email open rates and customer response rates and methods. These data will help the Company refine future customer communications, and will allow the Company to monitor and evaluate the effectiveness of the electronic ECL solicitation.

17. No later than December 31, 2021, the Company will file a public report with the Commission regarding electronic ECL solicitation. The report will include email analytics (e.g., email receipt and open rates) and an evaluation of overall effectiveness.

IV. GRANTING THE E-SERVICE WAIVER IS IN THE PUBLIC INTEREST.

18. The Company's proposal to expand electronic service of the 2021 ECL solicitation advances the public interest because it will (1) better align the ECL solicitation method with customer expectations and preferences; (2) enable enhanced solicitation tracking and messaging; and (3) substantially reduce the costs of the solicitation borne by customers.

19. Expanded e-service is consistent with evolving customer expectations, particularly for those customers who have already made the choice to engage with the Company via electronic communication. Ninety-one percent of Americans check their email at least daily,³ and as noted above, more than half of the Company's residential customers have already opted to receive email communications from the Company. Electronic communication is increasingly becoming customers' "default" communication method, particularly during the COVID-19 pandemic, during which many entities (including the Company and the Commission) have largely transitioned to telework.⁴

20. Additionally, the rates at which customers open and read electronic communications have accelerated during the COVID-19 pandemic. For example, the Company's marketing partner, Questline, reports a 22% year-over-year increase in energy utility e-newsletter open rates from May-July 2019 to May-July 2020.⁵

21. Electronic service of the ECL solicitation also facilitates customer engagement. All customers, regardless of how they are served the ECL solicitation, have the option of responding via the Company's website, telephone, or mail. For those customers who tend to prefer to engage

³ <https://nonprofitssource.com/online-giving-statistics/email-direct-mail/>.

⁴ See, e.g., *Suspension of Regulatory and Statutory Deadlines; Modification to Filing and Service Requirements*, Emergency Order issued March 20, 2020 at Docket No. M-2020-3019262 (implementing telework, electronic service, and e-filing during the COVID-19 emergency).

⁵ "How COVID-19 Transformed Email Communications," available at <https://www.questline.com/blog/covid-19-transformed-email-communications/>.

electronically – such as e-communication customers – it is simpler to respond to the ECL solicitation by clicking a link in an email, rather than typing a URL into their internet browser. The Company therefore expects that increased electronic service may yield a higher overall customer engagement rate.

22. Electronic service yields distinct analytical benefits compared to hard-copy service. For example, the Company’s email platform provides real-time alerts when a customer opens an email. These data will help distinguish between those customers who choose not to respond to the ECL, and those who did not read the ECL solicitation. The data will also help the Company refine its electronic communications to improve customer understanding and engagement.

23. The improved analytics associated with electronic service may also help inform future Commission action, as electronic communication increasingly becomes the norm across industries. As indicated above, the Company will provide a report to the Commission and stakeholders with an evaluation of electronic ECL solicitation and lessons learned.

24. The Company’s proposal will also produce operational efficiencies and customer savings. The Company estimates that serving e-communication customers via email instead of hard-copy mailing will save approximately \$100,000 in printing and postage costs, thereby reducing the Company’s revenue requirement in future base rate proceedings.⁶ Moreover, to the extent expanded electronic service leads to a corresponding shift in how customers respond to the solicitation, it may also reduce the Company’s back-office costs of processing hard-copy customer responses.

⁶ See ECL Order at 22.

V. **CONCLUSION**

WHEREFORE, for all of the foregoing reasons, Duquesne Light Company respectfully requests that the Pennsylvania Public Utility Commission approve the Company's request for a limited waiver of the ECL Order's triennial ECL solicitation service requirements, as set forth in this Petition; and to render a decision on this Petition no later than January 14, 2021, or in the alternative, delay the Company's 2021 ECL solicitation to the second quarter of 2021.

Respectfully submitted,



Michael Zimmerman (Pa. I.D. 323715)
Senior Counsel, Regulatory
Duquesne Light Company
411 Seventh Avenue
MD 15-7
Pittsburgh, PA 15219
Phone: (412) 393-6268
mzimmerman@duqlight.com

DATE: October 30, 2020