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|  | **PENNSYLVANIA**  **PUBLIC UTILITY COMMISSION**  **Harrisburg, PA 17105-3265** |  |

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|  | Public Meeting held May 6, 2021 |
| Commissioners Present: |  |

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| Gladys Brown Dutrieuille, Chairman | | |
| David W. Sweet, Vice Chairman | | |
| John F. Coleman, Jr. | |
| Ralph V. Yanora | |
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| Supplier Door-to-Door and In-Person Marketing Moratorium, Proclamation of Disaster Emergency – COVID-19 | M-2020-3019254 |

**TENTATIVE ORDER**

**BY THE COMMISSION:**

On March 6, 2020, Governor Tom Wolf issued a *Proclamation of Disaster Emergency* that identified the COVID-19 pandemic as a disaster emergency affecting the entire Commonwealth. On March 16, 2020, relying on the *Proclamation of Disaster Emergency* and the Commission’s authority, Chairman Gladys Brown Dutrieuille issued an Emergency Order prohibiting jurisdictional electric generation suppliers and natural gas suppliers (collectively, suppliers) from engaging in door-to-door, public event, and in-person sales and marketing activities during the pendency of the *Proclamation of Disaster Emergency*, or unless otherwise directed by the Commission. With this Tentative Order, the Commission seeks comments on the eventual modification and lifting of the March 16, 2020 Emergency Order.

**BACKGROUND**

The Governor issued the March 6, 2020 *Proclamation of Disaster Emergency* pursuant to subsection 7301(c) of the Emergency Management Services Code, 35 P.S.   
§§ 7101, *et seq*., and proclaimed the existence of a disaster emergency throughout the Commonwealth for a period of up to 90 days, unless renewed. The *Proclamation of Disaster Emergency*, explicitly authorizes and directs the suspension of “the provisions of any regulatory statute prescribing the procedures for conduct of Commonwealth business, or the orders, rules or regulations of any Commonwealth agency, if strict compliance with the provisions of any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with this emergency.”[[1]](#footnote-1) On June 3, 2020,   
the Governor renewed the *Proclamation of Disaster Emergency* for a period of 90 days and, since then, he has renewed it an additional three times. The most recent renewal   
was on February 19, 2021, and the *Proclamation of Disaster Emergency* will expire in   
May 2021, unless it is renewed again.[[2]](#footnote-2)

The Commission has promulgated residential sales and marketing regulations for suppliers under its jurisdiction at 52 Pa. Code §§ 111.1-111.14. Regarding door-to-door, public event, and in-person sales and marketing activities, the Commission’s regulations at 52 Pa. Code § 111.2 provide the following:

*Door-to-door sales – A solicitation or sales method whereby an agent proceeds randomly or selectively from residence to residence.*

. . .

*Public event – An event in a public location which may facilitate sales and marketing activities or may result in a customer enrollment transaction.*

*Sales and marketing – The extension of an offer to provide services or products communicated orally, electronically or in writing to a customer.*

52 Pa. Code § 111.2.

The Chairman’s March 16, 2020 Emergency Order prohibited jurisdictional suppliers from engaging in door-to-door, public event, and in-person sales and marketing activities during the pendency of the Governor’s *Proclamation of Disaster Emergency*, or unless otherwise directed by the Commission. The Chairman directed the cessation of these sales and marketing activities to protect the health and safety of customers and supplier employees by minimizing social contact to reduce the spread of COVID-19. The Commission ratified the Emergency Order at the above-referenced docket number on March 26, 2020, finding that it was in the public interest.

On March 19, 2020, the Governor issued an *Order Regarding the Closure of All Businesses that are Not Life Sustaining*, which directed the closure of the physical operations of non-life-sustaining businesses to reduce the spread of COVID-19 and required businesses that remained open to adhere to social distancing requirements.[[3]](#footnote-3) Then, on April 22, 2020, the Governor announced a phased plan for reopening businesses and easing social restrictions.[[4]](#footnote-4) The plan categorized counties into three color‑coded phases—red, yellow, and green—based on conditions in the counties with the “red phase” being the most restrictive and the “green phase” being the least restrictive. The first counties moved from the red phase to the “yellow phase” on May 8, 2020, and the first counties moved from the yellow phase to the green phase on May 29, 2020.[[5]](#footnote-5)

On May 21, 2020, NRG filed its first Petition for Partial Rescission of the Commission’s March 16, 2020 Emergency Order establishing a temporary moratorium on door-to-door, public event, and in-person sales and marketing activities by jurisdictional suppliers. NRG requested that the Commission rescind the portion of the Emergency Order that prohibits in-person sales and marketing activities as it pertains to activities at retail businesses open because of directives issued by the Governor.

By Order entered June 4, 2020, at the above-referenced docket number, the Commission granted NRG’s May 21, 2020 Petition for Partial Rescission with modification. The Commission lifted the moratorium on in-person sales and marketing activities for all jurisdictional electric generation suppliers and natural gas suppliers as it pertains to activities at retail businesses open as a result of the Governor’s directives regarding the yellow and green phases. The Commission directed suppliers to report their intent to resume in-person sales and marketing activities at retail businesses to the Commission’s Office of Competitive Market Oversight (OCMO) and the Bureau of Consumer Services (BCS). The Commission also directed suppliers engaging in in‑person sales and marketing activities at retail businesses to comply with all relevant orders and guidance of the Governor and the Secretary of Health.

On June 15, 2020, StateWise Energy Pennsylvania, LLC (StateWise) and SFE Energy Pennsylvania, LLC (SFE) filed a Petition for Partial Rescission, or alternatively, Petition for Waiver, of the Commission’s March 16, 2020 Emergency Order. StateWise and SFE requested relief from the prohibition on door-to-door sales and marketing activities for counties in the yellow and green phases of the Governor’s reopening plan. Then, on June 18, 2020, Interstate Gas Supply, Inc. d/b/a IGS Energy’s (IGS) filed a Petition for Partial Rescission of the Emergency Order seeking relief from the prohibition on door-to-door, public event, and in-person sales and marketing activities.

By Order entered July 16, 2020, at the above-referenced docket number, the Commission denied StateWise and SFE’s June 15, 2020 Petition for Reconsideration as well as IGS’s June 18, 2020 Petition for Reconsideration. The Commission held that StateWise, SFE, and IGS did not offer sufficient justification to rescind the portions of the March 16, 2020 Emergency Order, as modified by the June 4, 2020 Order.

On July 13, 2020 Direct Energy Business, LLC, Direct Energy Services, LLC,   
and Direct Energy Business Marketing, LLC’s (collectively, Direct Energy) filed a Petition for Clarification or Modification of the Commission’s June 4, 2020 Order and March 16, 2020 Emergency Order. Direct Energy requested relief from the portions of these Orders that prohibit in-person sales and marketing activities with commercial, industrial, and governmental customers that have reopened their businesses as result of the Governor’s directives.

Subsequently, on July 24, 2020, IGS filed a Petition for Rehearing and/or Reconsideration of the Commission’s July 16, 2020 Order. IGS sought reconsideration to allow door-to-door and by-appointment in-person sales and marketing activities.

On August 27, 2020, the Commission entered two Orders at the above-referenced docket number. In its first Order, the Commission denied Direct Energy’s July 13, 2020 Petition for Clarification or Modification finding that Direct Energy did not raise compelling reasons to alter the Commission’s June 4, 2020 Order or March 16, 2020 Emergency Order. In its second Order, the Commission denied IGS’s July 24, 2020 Petition for Reconsideration finding that IGS did not present arguments that warranted reconsideration of the Commission’s July 16, 2020 Order.

Subsequently, on October 22, 2020, NRG filed its second Petition for Partial Rescission of the Commission’s March 16, 2020 Emergency Order. NRG requested that the Commission rescind the portion of the Emergency Order that prohibits suppliers from engaging in in‑person sales and marketing activities at public events only as it pertains to outdoor public events held in accordance with orders and directives issued by the Governor and Secretary of Health.

Then, on November 23, 2020, the Governor issued an *Order for Mitigation, Enforcement, and Immunity Protections*.[[6]](#footnote-6) Among other things, the Order modified occupancy limits for outdoor gathering venues, setting a limit of up to 2,500 people under certain circumstances. This represented an increase from a previous limit of 250 people. The Order also required venues to comply with an *Updated Order of the Secretary of Health* *requiring Universal Face Coverings* as well as social distancing and best practices directives. The Governor’s Order became effective on November 27, 2020.

By Order entered December 3, 2020, at the above-referenced docket number, the Commission granted NRG’s October 22, 2020 Petition for Partial Rescission. The Commission lifted the moratorium on in-person sales and marketing activities for all suppliers as it pertains to activities at outdoor public events held in accordance with orders and directives issued by the Governor and Secretary of Health. The Commission also directed suppliers to report their intent to resume in-person sales and marketing activities at outdoor public events to OCMO and BCS. The Commission further directed suppliers engaging in in-person sales and marketing activities at retail businesses to comply with relevant orders and guidance from the Governor and the Secretary of Health.

The Commission’s December 3, 2020 Order did not otherwise impact the moratorium on door-to-door, public event, and in-person sales and marketing activities and, thus, the March 16, 2020 Emergency Order, as modified by the June 4, 2020 Order and the December 3, 2020 Order, remains in place.[[7]](#footnote-7)

**DISCUSSION**

Recently, the Governor revised or lifted a number of previously imposed COVID‑19 mitigation measures and restrictions. On March 15, 2021, the Governor amended his prior *Order for Mitigation, Enforcement, and Immunity Protections*[[8]](#footnote-8) to lift some of the restrictions on restaurants and other businesses, and further increase gathering limits effective April 4, 2021.[[9]](#footnote-9) Restaurants that undergo a “self‑certification” process are now permitted to increase capacity to 75%, while other restaurants are permitted to increase capacity to 50%. Additionally, indoor businesses, including personal services facilities, gyms, and entertainment facilities, are now permitted to increase capacity to 75%. Further, the gathering limit for indoor events is now 25% of maximum occupancy, while the gathering limit for outdoor events is 50% of maximum occupancy. All businesses, however, must continue to strictly comply with the public health safety guidelines and orders of the Governor and the Secretary of Health, including cleaning and mitigation protocols, mask-wearing, and social distancing.

With the Governor’s easing of restrictions,it is now appropriate to initiate a process to address the further modification or lifting the Commission’s March 16, 2020 Emergency Order. While we do not yet know if the Governor’s *Proclamation of Disaster Emergency* will be extended beyond its current expiration in May 2021, it is nonetheless useful to examine when and how the remainder of the marketing moratorium will end, along with any conditions that may be necessary for the safe resumption of currently prohibited sales and marketing activities. This process will help provide regulatory certainty and avoid confusion among suppliers and consumers.

Accordingly, through this Tentative Order, we ask interested stakeholders to comment on a timeline for further modifying or lifting the March 16, 2020 Emergency Order. Stakeholders should identify the metrics that the Commission may use to determine whether to modify or lift the marketing moratorium. Stakeholders should also propose any conditions to which the Commission should subject suppliers when we modify or lift the Emergency Order. We acknowledge the possibility that, even with the eventual modification and lifting of the Emergency Order, public health and safety concerns may remain for the Commission to address if the COVID-19 pandemic has not fully abated. Thus, stakeholders should address measures to ensure public health and safety, the duration of such measures, and the metrics for later eliminating such measures.

We also note that, by the time the marketing moratorium is lifted, well over a year will have elapsed since suppliers last engaged in certain types of sales and marketing activities. For instance, door-to-door sales and marketing activities usually occur during the warm-season and many suppliers, agents, and vendors will not have performed door‑to-door sales and marketing activities since the Fall of 2019. We are concerned that, once suppliers resume the currently prohibited sales and marketing activities after this long lapse, suppliers will rely on new and inexperienced vendors and agents. Therefore, we invite stakeholders to comment on the need for suppliers to attend Commission training to refresh their understanding of the Commission’s marketing regulations before resuming these sales and marketing activities. Any potential training would likely be offered remotely. We also acknowledge that the need for training may differ depending upon customer class since the marketing regulations at 52 Pa. Code Chapter 111 apply only to residential consumers.

The Commission further asks stakeholders to comment on the need for any additional reporting requirements beyond those found at 52 Pa. Code § 111.14[[10]](#footnote-10) as the Commission modifies or lifts the March 16, 2020 Emergency Order. Stakeholders should also comment on the need for any additional monitoring, oversight, or reporting requirements for supplier contractors, vendors, and agents.

Finally, we seek comments on any additional action that may be necessary with regard to (1) the Commission’s June 4, 2020 Order lifting the moratorium on in-person sales and marketing activities for all jurisdictional electric generation suppliers and natural gas suppliers as it pertains to activities at retail businesses open as a result of the Governor’s directives, and (2) the Commission’s December 3, 2020 Order lifting the moratorium on in‑person sales and marketing activities for all suppliers as it pertains to activities at outdoor public events held in accordance with orders and directives issued by the Governor and Secretary of Health.

**CONCLUSION**

With this Tentative Order, we invite all interested stakeholders to comment on the further modification or lifting of the Commission’s March 16, 2020 Emergency Order. The Commission intends to modify or lift the Emergency Order in a manner that provides regulatory certainty, while protecting the public health and safety. We ask all stakeholders to keep these objectives in mind as they prepare and submit their comments. We believe that this stakeholder process will ensure that both customer and supplier interests continue to be considered;

**THEREFORE,**

**IT IS ORDERED:**

1. That the Law Bureau shall publish a copy of this Tentative Order in the *Pennsylvania Bulletin*.

2. That interested stakeholders may file written comments within 30 days of publication of this Tentative Order in the *Pennsylvania Bulletin*. Comments must be e‑filed at this docket number by opening and using an e-filing account through the Commission’s website. If comments contain confidential or proprietary information, they should not be e-filed. Comments containing confidential information should be filed consistent with the Commission’s March 20, 2020 Emergency Order and July 27, 2020 Secretarial Letter at Docket No. M-2020-3019262.

3. The Commission’s Law Bureau, with assistance from the Office of Competitive Market Oversight, shall review any comments received from interested parties and provide a recommendation to the Commission as to the further modification or lifting of the Commission’s March 16, 2020 Emergency Order.

4. That this Tentative Order be served on all jurisdictional electric generation suppliers, natural gas suppliers, electric distribution companies, natural gas distribution companies, the Commission’s Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate.

5. That the Office of Competitive Market Oversight shall electronically send a copy of this Tentative Order to all persons on the contact list for the Committee Handling Activities for Retail Growth in Electricity.

6. That a copy of this Tentative Order shall be posted on the Commission’s website at the Office of Competitive Market Oversight webpage*.*

7. The contact persons for this matter are Daniel Mumford in the Office of Competitive Market Oversight, (717) 525-2084, [dmumford@pa.gov](mailto:dmumford@pa.gov); and Christian McDewell, (717) 787-7466, [cmcdewell@pa.gov](mailto:cmcdewell@pa.gov), and Hayley Dunn, (717) 214-9594, [haydunn@pa.gov](mailto:haydunn@pa.gov), in the Law Bureau.

**BY THE COMMISSION**

Rosemary Chiavetta

Secretary

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ORDER ADOPTED: May 6, 2021

ORDER ENTERED: May 6, 2021

1. *Proclamation of Disaster Emergency*, Commonwealth of Pennsylvania, Office of the Governor   
   (March 6, 2020) available at <https://www.governor.pa.gov/wp-content/uploads/2020/03/20200306-COVID19-Digital-Proclamation.pdf>. [↑](#footnote-ref-1)
2. *Amendment to Proclamation of Disaster Emergency*, Commonwealth of Pennsylvania,   
   Office of the Governor (February 19, 2021) available at <https://www.governor.pa.gov/wp-content/uploads/2021/02/TWW-COVID-disaster-emergency-amendment-digital-sig-2-19-21.pdf>. [↑](#footnote-ref-2)
3. *Order Regarding the Closure of all Businesses that are Not Life Sustaining*, Commonwealth of Pennsylvania, Office of the Governor (March 19, 2020) available at <https://www.governor.pa.gov/wp-content/uploads/2020/03/20200319-TWW-COVID-19-business-closure-order.pdf>. [↑](#footnote-ref-3)
4. *Reopening Targeted for May 8 in North-Central, Northwest*, Commonwealth of Pennsylvania, Office of the Governor (April 22, 2020) available at <https://www.governor.pa.gov/newsroom/gov-wolf-reopening-targeted-for-may-8-in-north-central-northwest/>. [↑](#footnote-ref-4)
5. *Gov. Wolf Adds Eight Counties to Yellow and 17 to Green on May 29, Remainder to Yellow on June 5*, Commonwealth of Pennsylvania, Office of the Governor (May 22, 2020) available at <https://www.governor.pa.gov/newsroom/gov-wolf-adds-eight-counties-to-yellow-and-17-to-green-on-may-29-remainder-to-yellow-on-june-5/>. [↑](#footnote-ref-5)
6. *Order for Mitigation, Enforcement, and Immunity Protections*, Commonwealth of Pennsylvania,   
   Office of the Governor (November 23, 2020) available at <https://www.governor.pa.gov/wp-content/uploads/2020/11/20201123-TWW-mitigation-enforcement-immunity-order.pdf>. [↑](#footnote-ref-6)
7. On March 29, 2021, the Retail Energy Supply Association (RESA) filed a Petition for Partial Rescission of the Commission’s March 16, 2020 Emergency Order requesting that the Commission rescind the portion of the Emergency Order that prohibits in-person sales and marketing activities with commercial and industrial customers. The Commission will address RESA’s Petition by separate order. We expect stakeholders filing comments in response to this Tentative Order to be cognizant of the Commission’s determination on RESA’s Petition. [↑](#footnote-ref-7)
8. *Amended Order for Mitigation, Enforcement, and Immunity Protections, Commonwealth of Pennsylvania*, Office of the Governor (March 15, 2021) available at <https://www.governor.pa.gov/wp-content/uploads/2021/04/2021.4.1-TWW-v2-amended-mitigation-enforcement-immunity-order.pdf>. [↑](#footnote-ref-8)
9. *Effective April 4, More Options for Restaurants and Other Businesses, Mass Gathering Maximums Increase*, Commonwealth of Pennsylvania, Office of the Governor, available at <https://www.governor.pa.gov/newsroom/gov-wolf-effective-april-4-more-options-for-restaurants-and-other-businesses-mass-gathering-maximums-increase/>. [↑](#footnote-ref-9)
10. Section 111.14 of the Commission’s regulations, 52 Pa. Code § 111.14, addresses notification regarding marketing or sales activity and states in pertinent part:

     (a)  When a supplier engages in door-to-door sales and marketing activity, the supplier shall notify the Bureau of Consumer Services no later than the morning of the day that the activity begins. The notification shall include general, nonproprietary information about the activity, the period involved and a general description of the geographical area.

     (b)  A supplier shall provide the local distribution company with general, nonproprietary information about the door-to-door sales and marketing activity that caused the supplier to provide notice to the Commission in accordance with subsection (a). The supplier shall provide this general information to the distribution company no later than the morning of the day that the sales and marketing activities begin. The distribution company shall use this information only for acquainting its customer service representatives with sales and marketing activity occurring in its service territory so that they may knowledgably address customer inquiries. Consistent with §  54.122 (relating to code of conduct) for an EDC and §  62.142 (relating to standards of conduct) for an NGDC, a distribution company may not use the information for other purposes.

    52 Pa. Code § 114.14(a)-(b). [↑](#footnote-ref-10)