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January 20, 2022

**VIA ELECTRONIC FILING**

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

RE: Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company for Approval of their Default Service Programs for the Period From June 1, 2023 through May 31, 2027; Docket Nos. P-2021-3030012, P-2021-3030013; P-2021-3030014; P-2021-3030021; **PREHEARING CONFERENCE MEMORANDUM**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is the Prehearing Conference Memorandum of Shipley Choice, LLC d/b/a Shipley Energy in the above-captioned proceedings. Copies of this Memorandum have been served in accordance with the attached Certificate of Service.

Thank you for your attention to this matter. If you have any questions related to this filing, please do not hesitate to contact me.

Very truly yours,

Todd S. Stewart  
Counsel for  
Shipley Choice, LLC d/b/a Shipley Energy

TSS/jld

Enclosure

cc: Administrative Law Judge Jeffrey A. Watson (via email – [jeffwatson@pa.gov](mailto:jeffwatson@pa.gov))  
Nick Miskanic, Legal Assistant (via email – [nmiskanic@pa.gov](mailto:nmiskanic@pa.gov))  
Per Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

### VIA ELECTRONIC MAIL ONLY

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Todd S. Stewart

DATED: January 20, 2022

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition of Metropolitan Edison Company,	:	
Pennsylvania Electric Company, Pennsylvania	:	
Power Company, and West Penn Power	:	Docket Nos. P-2021-3030012
Company for Approval of their Default Service	:	P-2021-3030013
Programs for the Period from June 1, 2023,	:	P-2021-3030014
through May 31, 2027	:	P-2021-3030021

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**PREHEARING CONFERENCE MEMORANDUM  
OF SHIPLEY CHOICE, LLC  
D/B/A SHIPLEY ENERGY**

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**TO THE HONORABLE JEFFREY A. WATSON:**

Shipley Choice, LLC d/b/a Shipley Energy (“Shipley”), by and through its counsel, Hawke McKeon & Sniscak, LLP, hereby submits the following Prehearing Conference Memorandum in accordance with the Order of Presiding Administrative Law Judge Jeffrey A. Watson (“Presiding ALJ”) to address certain required subjects that will be addressed at the Prehearing Conference to be held on Friday, January 21, 2022. Shipley states as follows:

**I. BACKGROUND**

1. On December 14, 2021, Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company (the Companies or Joint Petitioners) filed a Joint Petition for Approval of Default Service Plan (Petition or Joint Petition) at the Docket Numbers identified above. The Petition was filed pursuant to Section 2807(e) of the Public Utility Code. Notice of the Petition was provided in the *Pennsylvania Bulletin* on January 1, 2022.

2. By Prehearing Conference Order dated January 3, the Presiding ALJ required prospective parties to file an answer, protest, or petition to intervene on or before January 18, 2022, if they desired to participate in this proceeding.

3. Shipley filed and served its Petition to Intervene in these matters on January 18, 2022.

4. The Prehearing Conference Order also required each party to prepare and distribute a Prehearing Conference Memorandum, on or before 12:00 p.m. on Thursday, January 20, 2022. This Prehearing Conference Memorandum is submitted in conformity with the requirements of that Order and in anticipation of the Prehearing Conference now scheduled for Friday, January 21, 2022, at 10:00 a.m.

## **II. COUNSEL AND SERVICE LIST**

5. Shipley is a licensed electric generation supplier (“EGS”) that serves customers in the service territories of the Companies. It filed and served its Petition to Intervene in these matters on January 18, 2022. Shipley is represented in this matter by the following counsel who should be included on the service list:

Todd S. Stewart  
PA Attorney I.D. No. 75556  
Hawke McKeon & Sniscak, LLP  
100 North Tenth Street  
Harrisburg, PA 17101  
Telephone: (717) 236-1300  
Facsimile: (717) 236-4841  
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Please direct all correspondence in this matter, including documents previously served, to the above counsel. For purposes of the electronic service of documents, please include the following:

Todd S. Stewart – [tsstewart@hmslegal.com](mailto:tsstewart@hmslegal.com)  
Laura Greenholt – [lgreenholt@shipleenergy.com](mailto:lgreenholt@shipleenergy.com)

### III. WITNESS AND ISSUES

6. Shipley presently intends to offer the testimony of a single witness, Ms. Laura Greenholt, Vice President of Marketing for Shipley Group LP, (the immediate corporate parent of Shipley Choice LLC). Ms. Greenholt's contact information is:

Ms. Laura Greenholt  
Vice President, Marketing (Shipley Group LP)  
415 Norway Street  
York, PA 17403  
717.771.1858  
[lgreenholt@shipleenergy.com](mailto:lgreenholt@shipleenergy.com)

7. Ms. Greenholt is expected to testify, at a minimum, regarding the Companies' proposed changes to the reconciliation period for default service – proposing to change from the current 3-month rate/reconciliation to a 6-month rate/reconciliation -- and how such changes will negatively impact the ability of suppliers such as Shipley to participate in the market and particularly, certain programs such as the Customer Referral Program (“CRP”). Ms. Greenholt reserves the right to address other issues as well, as such may become apparent during the course of this proceeding.

8. As discussed above, Shipley is primarily interested in the period of time over which default rates are reconciled, and for which offered rates remain effective. The Companies currently reconcile rates on a quarterly basis and the default service rate is established on the same schedule. That means that differences between what the Companies pay for the electricity that they deliver to default service customers and what customers are charged for the electricity they use, are currently reconciled every three months, and any over or under collection is recovered by adding or subtracting some amount to or from the default service rate in the next quarter. This practice is intended to ensure that the rates being charged to customers will reflect the actual prices paid by the Companies at the time the energy is consumed, which may or may not be the case. However,

with the proposed change to a six-month default service rate duration, suppliers that participate in programs that are tied to the default service rate, (also known as the “price to compare”), such as the CRP, will be forced to hold open a particular price for that entire six-month period -- which will become precarious at best. Shipley believes that a better alternative is to modify the CRP program being proposed in this case, to allow suppliers to opt-in and opt-out on a 30-day basis as opposed to the proposed six-month opt-in/out period. Shipley also is concerned that the CRP program will become less relevant moving forward, because the Companies have not upgraded the customer sign-up process to allow for online enrollment in the CRP, as other EDCs have done. Shipley will propose changes to the CRP to address these concerns.

#### **IV. SETTLEMENT**

9. Shipley is open to the prospect of seeking a settlement of some or all of the issues in this case and will participate in any such negotiations in good faith so long as such discussions are productive and do not delay the procedural schedule.

#### **V. LITIGATION SCHEDULE**

10. In response to the question posed in the Prehearing Order whether it is possible to address the issues in the instant matter without the need for a fully litigated case; it is Shipley’s belief that this matter cannot be resolved on briefs alone, and that testimony will be required to support the Petitions, as filed, as well as the opposition thereto. Shipley has had communications with the other parties regarding the litigation schedule that was initially proposed in the Companies’ Petition. Several parties have proposed revisions. While Shipley was able to accept the initially proposed schedule Shipley’s witness is not available on the suggested hearing date of April 14. Shipley informed the parties that it will need an accommodation to allow its witness to testify on the 13<sup>th</sup> if the hearing dates were moved to April 13-14. So far, no party has objected to

Shipley's proposed accommodation. With that condition, Shipley can agree to the currently proposed schedule:

Other Parties' Direct Testimony	February 25, 2022
Rebuttal Testimony	March 24, 2022
Surrebuttal Testimony	April 7, 2022
Rejoinder Outline	April 12, 2022
Oral Rejoinder and Hearings	April 13-14, 2022
Main Briefs	May 6, 2022
Reply Briefs	May 16, 2022
Recommended Decision	July 1, 2022
Commission Order	August 25, 2022

Shipley will continue to cooperate with Your Honor and the other parties to develop a schedule that addresses the time requirements of the Companies and other parties, and yet does not deprive parties of the right to due process by unnecessarily and/or prejudicially accelerating the procedural timeline.

## **VI. DISCOVERY**

11. As with most cases with the number parties expected to participate here, and the breadth of the issues that will be addressed, the most efficient path forward is the require written testimony of all witnesses on a schedule that allows adequate time for discovery between rounds. To that end, Shipley would support modifications to the Commission's discovery regulations proposed by the Office of Consumer Advocate that would require, among other things, responses to discovery requests in 10 days rather than the 20 days required by the Commission's Regulations and other modifications that are typically adopted in proceedings of this scale.

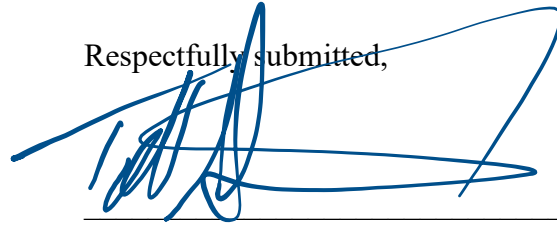
## **VII. CONCLUSION**

12. Shipley intends to participate in the Prehearing Conference on Friday, January 21, 2022, through its counsel, Todd Stewart.



**WHEREFORE**, Shipley respectfully submits this Prehearing Conference Memorandum for Your Honor's consideration.

Respectfully submitted,



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*Counsel for  
Shipley Choice, LLC d/b/a Shipley Energy*

DATED: January 20, 2022