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**E-File**

May 15, 2024

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North 4<sup>th</sup> Street, 2<sup>nd</sup> Floor North  
Harrisburg, PA 17120

**Re: Guidelines for Eligible Customer Lists**  
**Docket No. M-2010-2183412**

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Dear Secretary Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation (“PPL Electric”) are PPL Electric’s Comments in the above-captioned proceeding. The enclosed Comments are being filed pursuant to the March 1, 2024 Secretarial Letter issued in this matter.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on May 15, 2024, which is the date it was filed electronically using the Commission’s E-filing system.

If you have any questions, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael J. Shafer".

Michael J. Shafer

Enclosure

cc via email: Kimberly Hafner – Office of Special Assistants  
Daniel Mumford – Office of Competitive Market Oversight  
Kriss Brown – Law Bureau  
Patrick Cicero, Esq. – Office of Consumer Advocate  
NazAarah Sabree – Office of Small Business Advocate  
Allison Kaster – Bureau of Investigation & Enforcement

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Guidelines for Eligible Customer Lists                   :     Docket No. M-2010-2183412  
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**COMMENTS OF  
PPL ELECTRIC UTILITIES CORPORATION ON  
THE MARCH 1, 2024 SECRETARIAL LETTER**

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**I.     INTRODUCTION**

On March 1, 2024, the Pennsylvania Public Utility Commission (“Commission”) issued a Secretarial Letter (“Secretarial Letter”) seeking comments from interested parties on the guidelines that govern the Eligible Customer List (“ECL”), “especially the use of electronic methods in communicating with customers, in lieu of written notices sent via the U.S. Postal Service.” (Secretarial Letter at 3.) The Commission “point[ed] parties to the above-noted *January 18, 2024 Order* for additional discussion and guidance on this topic.” (*Id.*) After “review and consideration of the comments filed by the parties, the Commission will determine next steps in updating the ECL guidelines.” (*Id.*) The Secretarial Letter directed Comments to be filed within 60 days of the Secretarial Letter’s publication in *The Pennsylvania Bulletin*. Because the Secretarial Letter was published on March 16, 2024, Comments by interested parties are due by May 15, 2024.

PPL Electric appreciates the opportunity to provide input on the questions raised in the Commission’s Secretarial Letter. The Company fully supports exploring potential improvements to the ECL process. Therefore, PPL Electric respectfully files these Comments in response to the Commission’s Secretarial Letter and asks that the Commission consider them in evaluating its next steps in updating the ECL guidelines.

## **II. BACKGROUND**

On November 12, 2010, the Commission entered an Opinion and Order at Docket No. M-2010-2183412 directing Electric Distribution Companies (“EDCs”) to make available to Electric Generation Suppliers (“EGSs”) a list of utility customers eligible to shop for their retail electric supply. This “Eligible Customer List” was to include customer addresses, rate class, and load information. The November 12, 2010 Order also outlined interim guidelines for the ECLs, including uniform categories of customer information to be provided to EGSs as well as customers’ ability to restrict their data from inclusion on the ECL.

On November 10, 2011, the Commission entered a Final Order on Reconsideration at Docket No. M-2010-2183412, which updated the interim guidelines.

On October 23, 2014, the Commission entered a Final Order at Docket No. M-2010-2183412 requiring a triennial company-wide solicitations of residential and small commercial customers by EDCs in order to update the ECLs (“*Final ECL Order*”). The final guidelines directed EDCs to conduct a solicitation every three years, beginning with the first quarter of 2015, to update ECLs and provide customers with an opportunity to restrict the inclusion of their information in the ECL. Customers who do not respond to a solicitation have their information automatically included in the ECL unless they request to be excluded.

On August 15, 2013, the Commission entered a Final Order at Docket No. M-2012-2324075 establishing analogous requirements for Natural Gas Distribution Companies (“NGDCs”) to provide customer information to Natural Gas Suppliers (“NGSs”).

On October 30, 2020, Duquesne Light Company (“Duquesne”) filed a Petition for a waiver at Docket No. P-2020-3022674 to expand email ECL service to include “e-communication customers” (residential customers who have not registered for electronic billing but have provided

their email address and consented to receive electronic communications) in addition to electronic billing customers for its 2021 ECL solicitation (“Duquesne 2021 ECL Petition”).

On November 10, 2020, PPL Electric filed a similar Petition at Docket No. P-2020-3022803 requesting a waiver of the *Final ECL Order* so that it could use electronic communications to conduct the ECL solicitation for customers who opt to receive electronic billing and other types of electronic communications from the Company (“PPL 2021 ECL Petition”).

The Duquesne 2021 ECL Petition and PPL 2021 ECL Petition were granted by Commission Orders entered on January 14, 2021, and February 25, 2021, respectively. In the February 25, 2021 Order approving the PPL 2021 ECL Petition, the Commission determined that it was in the public interest to allow PPL Electric to serve the 2021 ECL solicitation for e-communications customers, finding, in part, that doing so would “reduc[e] costs, will provide useful analytical information on the effectiveness of ECL solicitation by email, and is consistent with consumer preferences.”<sup>1</sup>

On September 29, 2023, Duquesne filed a Petition at Docket No. P-2023-3043362 requesting similar electronic service relief for the 2024 and subsequent ECL solicitations (“Duquesne 2023 ECL Petition”). Touting the success of its 2021 ECL solicitation, Duquesne requested the Commission permit the continued use of electronic distribution, including the 2024 Solicitation.

On January 18, 2024, the Commission entered an Opinion and Order at Docket No. P-2023-3043362 granting, in part, and denying, in part, the Duquesne 2023 ECL Petition. The

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<sup>1</sup> *Petition of PPL Elec. Utils. Corp. for Limited Waiver of Serv. Requirements of the Eligible Customer List Triennial Solicitation*, Docket No. P-2020-3022803, 2021 Pa. PUC LEXIS 53, at \*8-9 (Order entered Feb. 25, 2021).

Commission permitted Duquesne to provide its solicitations to customers as requested but agreed with the suggestions made by the Office of Consumer Advocate (“OCA”) that Duquesne’s request to expand email solicitation should only apply to the 2024 ECL solicitation period. The Commission also agreed with the OCA’s recommendation to initiate a proceeding to investigate the efficacy of email solicitation during the triennial ECL periods on a statewide basis and consider amendments to the current Interim Guidelines. As such, the Commission directed the Office of Competitive Market Oversight (“OCMO”) to work with the Law Bureau to open a proceeding at Docket No. M-2010-2183412 to update the ECL guidelines.

On March 1, 2024, the Commission issued a Secretarial Letter at Docket No. M-2010-2183412 requesting comments on the ECL guidelines, especially the use of electronic methods in communicating with customers.

As an EDC currently required to develop and provide the ECL and conduct the triennial solicitations of customers, PPL Electric appreciates this opportunity to comment on the ECL guidelines and potential improvements that can be made. The Company respectfully requests that the Commission take these comments into account when determining its next steps with the ECL.

### **III. COMMENTS**

#### **A. EDCS SHOULD NO LONGER BE REQUIRED TO PROVIDE CUSTOMER DATA TO EGSS VIA THE ECL.**

PPL Electric believes it is no longer necessary for EDCs to provide customer information to EGSSs through the ECL. The electric generation supply market is now mature, and any benefit that the ECL may have provided does not outweigh the costs, privacy concerns, and frustration to customers that are caused by the ECL.

The ECL was originally intended to “increase both supplier and customer participation in the marketplace.”<sup>2</sup> Given that the Electricity Generation Customer Choice and Competition Act (“Competition Act”) was passed approximately 28 years ago and that PPL Electric customers have been able to shop for their supplier for more than a decade, the retail electric market has matured sufficiently to no longer justify this requirement. If the ECL is to continue, it should be changed to an “opt-in” program so that only customers making a knowing choice to release their information are included.

In addition, the ongoing costs of the ECL concern the Company. PPL Electric recovers the costs related to the ECL requirement, including the ongoing costs associated with providing the ECL to EGSs and the costs related to the triennial solicitation, from all customers through its Competitive Enhancement Rider. PPL Electric’s 2021 solicitation cost approximately \$800,000, primarily related to postage, printing, shipping, and processing expenses. In 2018, the Company spent approximately \$1 million completing the solicitation. Expecting all distribution customers to subsidize and enhance EGSs’ marketing budgets, even on a triennial basis, is unreasonable. The retail market in Pennsylvania has matured enough that the Commission, EDCs, and customers should feel comfortable in allowing EGSs to shoulder any costs to obtain customers in this Commonwealth. Although electronic communications have helped decrease PPL Electric’s ECL costs to some extent, the ECL solicitation itself remains a costly endeavor, and EDC customers should no longer be forced to bear those costs.

Moreover, the removal of the ECL requirement does not impede EDC’s ability to provide “direct access by retail customers to the competitive market.” 66 Pa. C.S. § 2802(12). Instead, it

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<sup>2</sup> *Interim Guidelines For Eligible Customer Lists*, Docket No. M-2010-2183412, at 18 (Order entered Nov. 12, 2010).

allows a mature market to rely on EGSs to solicit and enroll customers in accordance with statutes, regulations, and policies.

**B. IF REQUIRED TO CONTINUE PROVIDING ECL TO EGSS, GUIDELINES SHOULD BE UPDATED TO ALLOW FOR BOTH ELECTRONIC DELIVERY AND ELECTRONIC RESPONSES.**

Should the Commission retain the requirement for EDCs to continue providing ECLs to EGSs, EDCs should be permitted to issue the triennial solicitation via electronic means for both customers who have consented to receive electronic communications and/or are enrolled in paperless billing. Customers should also be permitted to respond via any channel available to them, including, but not limited to, mail, email, call center, and mobile application.

By using customers' preferred method of communication for conducting the ECL solicitation, EDCs will provide a better customer experience and likely increase the open and response rates for the communication. PPL Electric has approximately 1,281,504 residential customers, of which approximately 465,291 (36.3%) are enrolled in paperless billing and approximately 911,284 (71.1%) have an email address on file and have consented to receiving electronic communications. The Company already sends multiple communications to these customers electronically, including a monthly email newsletter and energy efficiency marketing emails. Based on their income-level or account status, these customers may also receive targeted bill assistance emails that promote payment assistance programs. Sending the ECL to customers via paper mail likely confuses and frustrates these customers who have indicated that they prefer to receive communications electronically. Sending paper solicitations to customers who prefer electronic communication may also discourage responses to and opening of the communication.

Additionally, the electronic communication approach is cheaper, with the cost of sending an email solicitation in 2021 at \$0.00283 per email, compared to the cost of sending paper mail, which is \$0.89 per piece. Moreover, electronic communications provide useful insight into customers' response or lack thereof, as the Company can tell whether the customer opened the email and chose not to respond, or never opened the email at all. For the 2021 solicitation, the Company sent three rounds of electronic communications, with each round resulting in an open rate of between 49.5 and 53.1 percent.

It is also in the public interest to allow customers to respond to the ECL solicitation via any means available to the customer. This should include, but not be limited to, responding via mail, call center, email, text, website, mobile application, and any other secure means by which the customers are able to respond that becomes available in the future.

**C. IF REQUIRED TO PROVIDE THE ECL TO EGSS, GUIDELINES SHOULD BE FURTHER REVISED.**

PPL Electric also recommends that once a customer requests that their data be excluded from the ECL, that customer's data should be excluded from the ECL until the customer affirmatively requests to be reincluded on the ECL. This includes requests made by a customer at any time: both during a formal ECL solicitation and in between solicitations. Said differently, customers should not be required to opt-out multiple times, even years apart, once they have initially opted-out of inclusion on the ECL. Customers who have previously opted out of providing their information should not later have their information included in the ECL due to not responding to a subsequent solicitation. These customers have explicitly indicated their desire to exclude their data and have the ability to contact the utility at any time if they later wish to change that election.



Notwithstanding, if the Commission were to retain the requirement for EDCs to provide the ECL and issue associated solicitations to customers, the requirement should be updated to occur every five years instead of every three years. PPL Electric customers have the ability to change their preference and either include or exclude their data from the ECL at any time by logging into their PPL Electric account. Reducing the frequency of the solicitation will save costs and reduce customer touchpoints, allowing EDCs to focus on other, more vital communications.

Finally, if the Commission wishes to continue requiring EDCs to provide ECL information to EGSs, EGSs should be required to pay for all costs related to managing, updating, and delivering the ECL as well as for the customer ECL solicitations. In other words, these costs should no longer be recovered from all customers by the EDCs. Such an approach would be similar to the referral fee charged to EGSs for the Standard Offer Program. Each EDC should calculate the cost of the ECL fee charged to EGS, and such fee should reflect the costs the EDC incurs for the ECL solicitation and any and all ongoing costs associated with providing the ECL data to EGSs. The fee should be paid annually by EGSs that have access to the ECL.

**IV. CONCLUSION**

PPL Electric appreciates the opportunity to provide these Comments and respectfully requests that the Commission take these Comments into consideration in developing its next steps.

Respectfully submitted,



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Date: May 15, 2024

Counsel for PPL Electric Utilities Corporation