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| Pennsylvania Public Utility Commission  **Office of Competitive Market Oversight**  **CHARGE Call Summary**  **Friday, April 21, 2017 10:00 am** |

**1) EGS Bonding: Guidance on Electric Generation Supplier Licensee Financial Security: Renewal of Financial Security and Reduction of Financial Security.**

* Docket No. M-2013-2393141  
  <http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=M-2013-2393141>
* Refer to the Commission’s April 8, 2016 Secretarial Letter (available at this web link:   
  [**SEC LETTER Guidance on Electric Generation Supplier License Financial Security.docx**](http://www.puc.pa.gov/pcdocs/1430562.docx))
* Technical Utility Services Deputy Director Darren Gill discussed the process and answered questions.
* 3 most common reasons a bond is rejected:

1) The name on the bond has to **EXACTLY** match the name on the license. This includes commas, apostrophes, LLC, INC, LLP, etc.   
2) An original, wet signature must be included (no electronic signatures).   
3) A raised seal must be included.

* Do not wait until the bond expires to file. EGSs are required to file the renewal of their currently approved security **at least** thirty (30) days prior to current security’s expiration date.
* Failure to keep the bond current will result in the supplier being listed in a public Tentative Order seeking to cancel or suspend the supplier’s license for failure to maintain adequate security.
* What if a bond self-renews or is “evergreen”? Does a supplier have to refile?   
  Answer: A supplier needs to look at their Gross Receipts Tax (GRT). If the GRT has not changed – then no action is needed. However, if the GRT liability has increased – then an increased security amount will be needed.

**2) Supplier Notification of Changes to the PUC.**

* It is a supplier’s responsibility to file any name changes, changes in its current contact information or the structure of its company with the Commission.
* Mailing address:
  + - Secretary of the Commission   
      Rosemary Chiavetta  
      400 North Street, Harrisburg PA 17120
* To contact Secretary Chiavetta by email: [rchiavetta@pa.gov](mailto:rchiavetta@pa.gov).
* Secretary Chiavetta discussed these requirements and answered questions.
* Failure to maintain current contact information can endanger a supplier’s license. If a supplier fails to respond to the Commission or to a complainant due to a failure to receive a served document, consequences can include loss of a license.
* Please designate a specific individual for receiving served documents.
* Service address/individuals have to be in the U.S.A. Documents cannot be served to foreign locations.
* Be careful in maintaining consistency with contact information – avoid providing the Commission with conflicting information.
* If you are using a consulting firm to process applications, bonds, etc. please carefully monitor the consultant to ensure there are no problems.
* Question: Can confidential material be e-filed?  
  Answer: No, not at this time. The Commission is exploring expanding e-filing capability to include confidential filings. However, this will not be a reality until the Secretary is convinced that any such filing system is secure and that confidentiality can be assured.   
  Reminder: When filing confidential information – it is your responsibility to clearly and prominently label the filing CONFIDENTIAL.
* Question: Can name changes and contact information be updated via a letter and/or email?  
  Answer:  
  CONTACT INFORMATION: this can be changed by emailing the Secretary at the email address provided above.   
  NAME CHANGE: this has to be done more formally. For NAME CHANGES, please note the following:

• The company must file a $350 filing fee.

• Using the EGS/NGS application on the Commission’s website, complete the appropriate parts of the EGS/NGS application.

**3) PaPowerSwitch.com and PaGasSwitch.com Update:**

Cyndi Page from the Commission’s Office of Communications provided an update on PaPowerSwitch.com and PaGasSwitch.com – and answered questions about the websites.

* + <http://www.papowerswitch.com/>
  + <http://www.pagasswitch.com/>

Current top three consumer/user complaints concerning the websites:

* Confusion over fees such as “enrollment fees” or “monthly fees.” Please use the LEARN MORE ABOUT THIS OFFER feature to describe your product and the fees clearly and prominently.
* Outdated pricing: consumers can determine when the price was last updated by hovering their cursor over the “Estimated per month.” Please update prices and keep them current.
* The offer the customer ends up with differs than what is on the website. We expect suppliers to honor the price/product they have posted on the website. When a customer clicks on “SIGN UP FOR THIS OFFER” – the price/product should match what is posted on PaPowerSwitch/PaGasSwitch. Suppliers are free to provide access to other offers via the “VIEW ALL OFFERS” link.

If you have a problem accessing the website, contact the webmaster directly: Cyndi Page at [CYPAGE@pa.gov](mailto:CYPAGE@pa.gov).

Only one account per supplier is allowed. Your account holder can be generic email address – it does not have to be a specific individual – whichever you prefer.

QUESTION: Does the estimated cost per month include monthly fees?  
ANSWER: Yes, the calculation is supposed to include MONTHLY fees (it does not include one-time fees such as enrollment or cancellation fees). If you see an instance where this does not appear to be occurring or calculating properly – please contact Cyndi ASAP with details (which supplier in which market, which product etc. – send a screen shot if you can.)

**4) Reminder: Reporting Requirements and Annual Fees:**

* As a result of Act 155 of 2014, the following are due each year to the Commission from each licensed EGS and each licensed NGS:
  + Payment of a $350 annual fee due July 1 of each year.
  + **The reporting of Pennsylvania Intrastate Revenues on form RR-15 due by April 30th.** This is only applicable to “SUPPLIERS” (licensees that are only Broker/Marketers do not report).  This form was mailed 3/24/17 and is not available on line.  Please e-mail Yvonne Hess [yhess@pa.gov](mailto:yhess@pa.gov) if you need a copy of this form/report.
  + Payment of a supplemental assessment for SUPPLIERS in September of each year.
* EDCs and EGSs are also reminded of the reporting requirements at 52 Pa. Code § 54.201 -204 (Retail Electricity Choice Sales Activity Reports). <http://www.pacode.com/secure/data/052/chapter54/subchapHtoc.html>   
  52 Pa Code §54.39 (Gross Receipts, electric sold, etc.): <http://www.pacode.com/secure/data/052/chapter54/s54.39.html>   
  Online reporting forms for the electric industry are available: <http://www.puc.pa.gov/filing_resources/electric_online_forms.aspx>   
  Information on retail choice activity reports:   
  <http://www.puc.pa.gov/utility_industry/electricity/retail_choice_activity_reports.aspx>
* NGSs (including Brokers/Marketers) are reminded of the reporting requirements at 52 Pa Code §62.110):   
  <http://www.pacode.com/secure/data/052/chapter62/s62.110.html>   
  Online reporting forms for the gas industry are available:  
  <http://www.puc.pa.gov/filing_resources/online_forms/natural_gas_online_forms.aspx>

**5) Door – to – Door Marketing Reminders:**

Matt Hrivnak, Manager of Compliance with the Commission’s Bureau of Consumer Services discussed the Commission’s door-to-door marketing regulations and reporting requirements:

* On March 30, the Commission issued a press release regarding door-to-door sales – available at this web link: <http://www.puc.pa.gov/about_puc/press_releases.aspx?ShowPR=3832>
* At the same time, the Commission also released a consumer education fact sheet and interview with Chairman Brown- available at this weblink: <http://papuc.isebox.net/electricity/puc-offers-tips-on-door-to-door-sales-by-energy-suppliers>  
  <http://www.puc.pa.gov/General/consumer_ed/pdf/Door-to-Door_Tips.pdf>
* Suppliers engaged in door-to-door residential marketing are reminded of the Commission’s regulations at 52 Pa Code Chapter 111: <http://www.pacode.com/secure/data/052/chapter111/chap111toc.html>
* Suppliers are advised to contact local authorities to let them know who you are and what you are doing (some municipalities have permit ordinances that require this). Local ordinances supersede PUC Chapter 111 regulations.
* All door-to-door agents must have criminal background checks (including the “Megan’s Law”) performed prior to being on the street.  See 52 Pa. Code § 111.4 – available at this weblink:   <http://www.pacode.com/secure/data/052/chapter111/s111.4.html>
* 52 Pa Code § 111.14 requires suppliers to notify the Commission and the local utility of door-to-door operations. Notices to the Commission should be directed to our door-to-door inbox : [RA-PCDOORTODOOR@pa.gov](mailto:RA-PCDOORTODOOR@pa.gov). The notices should include geographic location (municipalities) and dates of operations. Questions about these notices can be directed to Annette Falcone in the Bureau of Consumer Services at [anfalcone@pa.gov](mailto:anfalcone@pa.gov).
* § 111.9 is very specific as to how an agent is to introduce themselves to a potential customer:   
  *(d)  When engaging in door-to-door sales or marketing activities, an agent shall comply with the following: (1)  After greeting the customer, the agent shall immediately identify himself by name, the supplier the agent represents and the reason for the visit. The agent shall state that he is not working for and is independent of the local distribution company or another supplier. (2)  The agent shall offer a business card or other material that lists the agent’s name, identification number and title, and the supplier’s name and contact information, including telephone number. This information does not need to be preprinted on the material. When the information is handwritten, it shall be printed and legible.*<http://www.pacode.com/secure/data/052/chapter111/s111.9.html>   
    
  A similar rule also applies to telemarketing – see § 111.10: <http://www.pacode.com/secure/data/052/chapter111/s111.10.html>
* We occasionally receive reports of agents misrepresenting themselves as being affiliated or “working with” the local utility. Also the use of opening statements like *“May I see your bill? I am here to check your bill to make sure you are receiving the discount/rebate you are entitled to.”* Such statements are inappropriate and possibly contrary to the above-mentioned regulations.
* We urge all suppliers, when using vendors to perform door-to-door and/or telemarketing, to closely monitor the vendor and to have quality assurance mechanisms in place.

**6) EGS Disclosure Rulemaking:**

* The current EGS disclosure regulations are at 52 Pa. Code § 54.5: <http://www.pacode.com/secure/data/052/chapter54/s54.5.html>
* These rules were last revised in 2014 as part of the Commission’s Polar Vortex market reforms.
* The Commission has directed OCMO to revisit these rules – looking at some issues that were not addressed in 2014, but were addressed in the rulemaking that revised the NGS disclosure rules in 2016 (NGS rules 52 Pa. Code § 62.75: <http://www.pacode.com/secure/data/052/chapter62/s62.75.html> ).
* There are now some inconsistencies between the electric and natural gas disclosure rules. The natural gas rules differences include:  
  + Introductory Pricing: “*If the price is introductory, the variable pricing statement must include a statement that the price is an introductory price, the duration of the introductory period and the price for the first billing cycle after the introductory period*.”
  + If prices change (variable)…when and how does a customer get informed of this? “*A description of when and how the customer will receive notification of price changes*.”
  + Assignment of contracts: Electric is currently guided by 1998 Interim Guidelines - see weblink: [**Order on Interim Guidelines Regarding Notification by an EGS**](http://www.puc.pa.gov/electric/pdf/OCMO/Order-IG_Not_EGS_OCACSC081398.pdf) .   
    The NGS rule at 52 Pa. Code § 62.75(j):  “*If the contract is assignable, the NGS shall inform the customer at the time the parties enter into the contract. Prior to a contract assignment, the NGS shall provide notice to the affected customer, the affected NGDC and the Commission. The customer notice must include the name of the new NGS, the contact information for the new NGS and language informing the customer that contract terms and conditions remain unchanged.”*
  + Most references to the NGDC were removed from the NGS disclosure.
* **OCMO is inviting stakeholders to submit informal comments on possible revisions to the EGS disclosure rules at 52 Pa. Code § 54.5. These informal comments can be submitted to the OCMO email inbox at** [**ra-ocmo@pa.gov**](mailto:ra-ocmo@pa.gov) **and note in the subject line “*EGS Disclosure Comments*” Please submit any informal comments by Friday, June 30, 2017.**
* Upon review of the informal comments, OCMO will determine next steps and will communicate such to CHARGE. OCMO intends to submit a proposed NOPR for the Commission’s consideration by the end of 2017.

**7) Informal Review of PJM Non-Market Based Charges:**

* See the May 1, 2015 Secretarial Letter attached to this agenda for details of this review.
* “*The intent of this informal investigation is to determine if there is a need to address these non-market based wholesale market charges in a more uniform and comprehensive way that would facilitate and enhance the retail electric market during future proceedings*.”
* OCMO put this review on hold while the most recent round of Default Service Plans (DSPs) were being litigated.
* Now that the most recent round of DSP litigation has been concluded, OCMO is resuming this review and would like to broaden it by inviting any interested party to submit informal comments on the issues and questions raised in the Secretarial Letter.
* **These informal comments can be submitted to the OCMO email inbox at**[**ra-ocmo@pa.gov**](mailto:ra-ocmo@pa.gov) **and note in the subject line “*NMB Charges Review Comments*.” Please submit any informal comments by Monday, July 31, 2017 and include contact information with your comments.**
* Upon review of the informal comments, OCMO may follow-up with individual parties for further discussion.
* If any party prefers to discuss this matter in lieu of (or in addition to) comments – please contact OCMO at the above email address and we can set something up (either an in-person meeting or a conference call).

**8) Web Portals – Smart Meter Data Availability:**

* A reminder to suppliers that as smart-metering deployment advances among the EDCs – please stay in contact with the EDCs as to what data is available via the web-portals that were established in late 2016.
* QUESTION: Has OCMO/CHARGE considered further examination customer consent procedures for accessing smart-meter data?   
  ANSWER: staff will look at the statute, regulations and relevant orders and if further examination is needed – will bring the matter to CHARGE.

**9) Update on Current Commission Proceedings:**

* **NGS Accelerating Switching Rulemaking (L-2016-2577413)**: Advance Notice of Proposed Rulemaking Order adopted at the December 22, 2016 Public Meeting to revise the regulations at 52 Pa. Code § 59.91-99. Initial comments are in.   
    
  At the Commission’s April 20 Public Meeting, the Commission issued a follow-up order seeking further comment on a number of issues and proposals the parties raised in their initial comments (parties are also free to provide further comment on any issue). This order was emailed to the CHARGE distribution list on April 20.

See ordering paragraph # 2 for instructions on filing comments:

2.  That written comments referencing Docket No. L-2016-2577413 be submitted within 30 days of publication in the *Pennsylvania Bulletin* to the Pennsylvania Public Utility Commission, Attn: Secretary, P.O. Box 3265, Harrisburg, PA 17105-3265.    Comments may also be filed electronically through the Commission’s e-File System.

Per ordering paragraph # 6 – questions can be directed to the following:

6.    The contact persons for this matter are Daniel Mumford, Office of Competitive Market Oversight (717) 783-1957; [dmumford@pa.gov](mailto:dmumford@pa.gov), Matthew Hrivnak in the Bureau of Consumer Services (717) 783-1678, [mhrivnak@pa.gov](mailto:MHRIVNAK@pa.gov), and Kriss Brown in the Law Bureau (717) 787-4518, [kribrown@pa.gov](mailto:kribrown@pa.gov).

We will send an email to the CHARGE distribution list when this order appears in the *Pennsylvania Bulletin*.

These orders, along with all the comments filed to date, are available at this weblink:   
<http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=L-2016-2577413>

* **Chapter 56 Rulemaking (L-2015-2508421):** Notice of Proposed Rulemaking Order adopted at the July 21, 2016 Public Meeting to revise the standards and billing practices for residential utility service at 52 Pa. Code § 56.1 – 461.Comment window is now closed. Staff will now be carefully reviewing the comments and determining next steps. CHARGE will be notified of any future steps in the process. <http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=L-2015-2508421>
* **PECO CAP Shopping**: **(P-2016-2534980).** Order adopted at the March 16, 2017 Public Meeting. Conclusion: *“…we shall (1) grant, in part, the Petitions; (2) consolidate the proceeding at Docket No. P-2016-2534980 with the proceeding at Docket No. P‑2012-2283641, pursuant to 52 Pa. Code § 5.81(a); and (3) refer the consolidated proceeding to the Office of Administrative Law Judge for further proceedings as may be necessary and a decision on the merits of PECO’s 2016 CAP Rule Change Filing, the CAP-SOP proposed in this DSP IV proceeding, and all issues relating to the ability of CAP customers to shop for electric generation supply in PECO’s service territory.”*   
  A prehearing conference order was issued on April 12 for a May 1 hearing. <http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2016-2534980>
* **PPL CAP Shopping**: **(P-2016-2526627).** PPL has filed petition seeking to delay start of the CAP-Standard Offer Program (SOP) until September 1, 2017. This petition is pending Commission review. Collaborative to develop CAP-SOP scripting held on April 7. We urge all suppliers interested in the PPL CAP-SOP to stay in contact with PPL as they work towards addressing the implementation issues that may arise as they approach implementation.   
  <http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=P-2016-2526627>
* **Comprehensive Review of Universal Service and Energy Conservation Programs**: ([**M-2017-2596907**](http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=M-2017-2596907)). This review will explore the framework and structure of existing universal service programs and gather stakeholder feedback addressing concerns and suggestions for amending or improving these programs. The current portfolio of PUC-required universal service programs includes payment programs intended to help reduce the size of monthly bills and make service more affordable (often referred to as CAP); weatherization and usage reduction programs to assist low-income families in lowering their consumption and energy costs (LIURP); referral programs to connect consumers with other assistance programs they may be eligible for; and hardship funds.  
  <http://www.puc.pa.gov/about_puc/consolidated_case_view.aspx?Docket=M-2017-2596907>
* **UPCOMING PROCEEDINGS (Natural Gas Retail Markets Investigation)**:  
    
  **Natural Gas Operational Issues** (the “Beast” working group from the Retail Markets Investigation): ANOPR concerning capacity assignment, penalties, imbalances, etc.   
    
  **Natural Gas Seamless Moves – Instant Connects**: Tentative Order.
* **To track a PUC formal case:** set up an e-filing account on the Commission’s website, and use the SUBSCRIPTION service to be notified of filings on specific dockets:

<http://www.puc.pa.gov/efiling/default.aspx>   
  
(Please note that you do not have to be a party of record in a proceeding to subscribe to that proceeding. Likewise, subscribing to a proceeding does not make you a party of record of that proceeding.)

**General Matters**

1. **New Issues**

* Any new issues or questions about issues previously discussed on CHARGE calls should be submitted to [ra-ocmo@pa.gov](mailto:ra-ocmo@pa.gov)

1. **Old Agendas/Recaps**

All agendas and recaps are posted on the CHARGE page of the website along with various other documents that have been distributed or relied upon during CHARGE discussions, at the following link –   
<http://www.puc.pa.gov/utility_industry/electricity/office_of_competitive_market_oversight/charge.aspx>   
  
Office of Competitive Market Oversight webpage:<http://www.puc.pa.gov/utility_industry/electricity/electric_competitive_market_oversight.aspx>

Office of Competitive Market Oversight (Natural Gas) webpage:  
<http://www.puc.pa.gov/utility_industry/natural_gas/committees_and_working_groups/ocmo.aspx>

Retail Markets Investigation (Natural Gas) webpage:  
<http://www.puc.pa.gov/utility_industry/natural_gas/natrual_gas_rmi.aspx>

1. **CHARGE Distribution List**

* To be added to the CHARGE distribution list, please send an email to [ra-ocmo@pa.gov](mailto:ra-ocmo@pa.gov)

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| PUC logo | COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

**May 1, 2015**

To: All Jurisdictional Electric Distribution Companies

Re: Informal Review of PJM Non-Market Based Charges

The purpose of this Secretarial Letter is to inform the electric distribution companies (EDCs) that the Commission has directed its Office of Competitive Market Oversight (OCMO) to perform an informal review of the non-market based charges imposed on load serving entities (LSEs) by PJM Interconnection, LLC (PJM). Examples of identified non-market based charges include, but may not be limited to, network integration transmission services (NITS), regional transmission expansion plans (RTEP), expansion cost recovery charges (ECRC), generation deactivation zonal cost allocation (also known as reliability must run or RMR), transmission enhancement costs and non-firm point-to-point transmission service credits.

Specifically, the Commission has directed OCMO to perform an informal review that includes, but is not limited to, answering the following questions:

* Are there any other PJM non-market based charges in addition to those noted above?
* Are there any PJM charges that may, for whatever reason, be considered market based in some instances and non-market based in other instances or that are not generally agreed upon as either being market- or non-market based?
* Generally, how often and in what manner are these charges imposed on LSEs? When do these charges change during the calendar year?
* What is the approximate average annual cost of these charges: 1) on an EDC basis, and 2) on a customer class basis?[[1]](#footnote-1)
* What are the different methods utilized by the EDCs for the recovery of these costs in relation to default service?
* Would it be possible, and if so, appropriate, to develop a competitively-neutral methodology for the collection of such charges on behalf of all LSEs serving load in a given EDC service territory?

The Commission recognizes that the recovery of such charges have been litigated and established during the EDCs’ default service plan proceedings. The intent of this informal investigation is to determine if there is a need to address these non-market based wholesale market charges in a more uniform and comprehensive way that would facilitate and enhance the retail electric market during future proceedings.

As part of its informal review, OCMO will be contacting the EDCs to discuss their various cost recovery methodologies for non-market based charges and to attain EDC input on the questions included herein. OCMO anticipates seeking further feedback from other parties as it progresses with its review.

Any questions about this Secretarial Letter should be directed to OCMO by email at [ra-OCMO@](mailto:ra-OCMO@)pa.gov.

Sincerely,



Rosemary Chiavetta  
Secretary

cc: Office of Competitive Market Oversight

1. Express costs in $/MW, if applicable, but in all cases in $/MWH, and state any applicable load factor assumptions. [↑](#footnote-ref-1)