

CHARGE Conference Call

February 17, 2011 – 9:30 a.m.

Call-in number: 1-866-618-6746 and Access Code: 6060145

Topics for Discussion

17. EGS Marketing Activities

- PUC adopted final order on November 4, 2010, which is available at the following link:
<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2185981>
- Proposed rulemaking order adopted by PUC at February 10, 2011 Public Meeting; copy of entered order is attached; can be accessed on OCMO page and at the following link:
<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=L-2010-2208332>
 - Comments will be due 60 days after publication in Pa. Bulletin
- Staff is closely monitoring EGS marketing activities to: 1) immediately resolve serious concerns; 2) refer matters as necessary to prosecutory staff for appropriate handling; and 3) prepare report for PUC due in April 2011 about the use of unlicensed independent contractors by licensed EGSs

30. Estimated State Tax Amount on Bills

- Question has arisen about whether the presentation of “estimated total state taxes” on residential bills is required for generation charges of EGS as there is no standard treatment among EGSs; more recently, EDEWG asked CHARGE to resolve issue so that requirement for tax field on EDI 810 Bill Ready Invoice can be eliminated
 - Components of EDC’s “estimated total state taxes” components are Capital Stock, Property Tax-Local and PURTA, State Unemployment Compensation, PA State Income Tax, and Gross Receipts Tax
 - Resolution of this issue will not affect presentation of GRT by EGSs
 - Staff is reviewing statute and regulations to offer guidance to EGSs on issue of whether their state taxes (other than GRT) must be displayed
- EGSs are either not populating the state tax field or are populating it with zero; EGS prices are computed using different methods, raising questions about whether requirement is practical; no party expressed desire to require EGSs to show “estimated total state taxes”
- Staff has gathered information and will seek guidance from Commission

31. Eligible Customer List

- PUC adopted final order on November 12, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2183412>
- OCA and PA Coalition Against Domestic Violence filed Petitions for Review with Commonwealth Court, which has granted stay of November 12, 2010 order; Staff expects Commission to issue Secretarial Letter clarifying effect of stay

33. Last-In Enrollments (Placeholder)

- Spreadsheet was previously circulated to show how EDCs handle multiple enrollments for the same customer before the 16-day cut-off date
- Group has generally discussed value of standardizing enrollment process going forward; benefits of standardization were identified; and issue will remain on the list for further discussion
- Issue was discussed during calls on April 29, May 13, May 27 and June 10, 2010; summary of discussion appears in recaps for those calls

34. Mixed Meter – EGS Authority

- Questions have been raised about whether EGSs must have authority to serve residential customers when a residential customer is served as part of a mixed meter situation
- While the PUC expects EGSs to seek amendments to licensing authority in these situations, Staff has indicated that it may be feasible to exempt compliance with inapplicable residential consumer protection requirements in Chapters 54 and 56; and Staff continues to have questions about how EDCs bill these customers
 - EGSs still desire clarification of whether license must be amended and whether they are required to compliance with Chapters 54 and 56 in these situations
 - Staff will pursue desired clarifications, and has noted that it will be difficult to provide a bright line defining incidental service, especially for purposes of Chapter 56

37. Supplier Consolidated Billing Implementation

- EDEWG document summarizing issues that need to be addressed for full implementation of supplier consolidated billing was circulated on August 25; and Blue Star provided responses based on Illinois experience which were distributed on October 25
- Both documents are available at links next to the agenda for the October 28 call at http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx
- Currently PPL has an interim structure in place allowing Blue Star to implement SCB
- Staff has summarized results of surveys that were done of EGSs regarding interest in SCB and will be reaching out to EDCs to complete the survey process as to capabilities
 - Of 18 EGSs who responded to surveys, 10 noted that they currently utilize SCB in Pennsylvania or another state; 9 said they are definitely interested and would probably utilize SCB if it were available in PA; 2 are possibly interested; and as to timing, 6 indicated they might use it within the next year
- Future work will be coordinated with EDEWG
- Existence and status of SCB mechanisms in restructuring implementation plans will be considered; any interested party is free to formally petition the Commission on this issue in the event that the CHARGE process is deemed too slow
- Staff had to gather some additional information and plans to seek guidance from Commission to gain a sense of the priority nature of this matter and the Commission's preference for how issues are addressed, i.e. through a formal petition by an interested party; a Commission-initiated investigation; or working group discussions/report

41. Budget Billing for Dynamically-Priced Products

- Group has discussed whether it is appropriate or necessary to require EGSs to offer budget billing option to customers in connection with dynamically-priced products
- Staff asked for feedback on January 20, 2011 call regarding draft language which was circulated prior to the call; no concerns were expressed
- Staff expects issuance of Secretarial Letter this week

43. Displaying Prices on PAPowerSwitch

General Discussion

- Prior to addressing specific issues 43 a-d below, Staff noted that:
 - PUC provides this service to assist consumers and that EGSs also benefit from the privilege of listing their offers on the website
 - While it may not be perfect, it has been effective in promoting shopping, and various concerns have been addressed
 - Any further changes will cost money, which the PUC has to take into consideration when deciding on possible enhancements
- The group discussed the possibility of EGSs contributing to funding, which several indicated a willingness to consider

Specific Issues

- a. Suggestion has been made for consistency in the way EGS pricing is displayed on PAPowerSwitch; major concern is that in some instances, an introductory price rather than an average price is being displayed
 - Group has discussed possible remedies, noting the difficulty of making apples-to-apples comparisons due to variations in the components that are included in EGS prices and suggesting that a working group may need to be formed to develop clear guidelines
 - After consultation with the vendor, Staff described short-term solutions to accommodate the ability to show both the introductory and subsequent price
 - Unhide the “Additional Information” so that it is displayed without being clicked on and have either the introductory or subsequent price shown there
 - Use the “Discounts Available” field and re-name to Introductory Price/Discounts Available so that the subsequent price would be shown in the “Price” column
 - Require offer with introductory and subsequent prices to be described as variable
 - After discussion of the pros and cons of these three options, the general consensus of the group was that using the Discounts Available field is the preferred approach

for showing the introductory price; other suggestions were also offered that staff will consider

- Update on staff's discussions with vendor
- b. EDCs now have the ability to indicate that a future price to compare is an estimate and then remove the "estimate" indicator when the actual future price to compare is known
- c. A concern has been expressed about showing EGSs in alphabetical order; suggestions have been made to list in a different order (i.e. by price), provide sorting capabilities to the customer or randomly list the EGSs
 - Most EGSs expressed preference for random rather than alphabetical order
 - OCA is concerned about random order since that would make it difficult for a consumer to find a particular EGS
 - All participants supported sorting capabilities subject to cost
 - Staff update on consultation with vendor
- d. Secretarial Letter will be issued shortly encouraging all EGSs and EDCs to be diligent in updating their pricing information
 - Disclaimers will be soon be displayed on the shopping page and in e-mail alerts highlighting that the pricing information is the responsibility of EGSs and EDCs

44. Net Metering Customers

- Questions have been raised by customers who have net metering arrangements with EDCs and then switched to EGSs without entering into net metering contracts with the EGSs; staff noted the need for customers to make these arrangements with EGSs before they switch
 - PECO and PPL discussed their efforts to educate customers at the time they sign a net metering contract
 - Staff encouraged EGSs to also ensure that customers are aware of this when they switch
 - Brandon indicated that EDEWG is looking at this from the standpoint of having information provided on an EDI transaction so that EGSs are aware that a customer is net-metered
- Follow-up discussion about what steps have been taken or will be taken by EDCs and EGSs to educate consumers

General Matters

A. New Issues

- Any new issues or questions about issues previously discussed on CHARGE calls should be submitted to ra-ocmo@state.pa.us

B. Old Agendas/Recaps

- All agendas and recaps are posted on the OCMO 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.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx

C. CHARGE Distribution List

- To be added to the CHARGE distribution list, please send an email to ra-ocmo@state.pa.us

D. CHARGE Contact List

- Contact list is on website at the following link:
http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx
- Please send contact information or updates to ra-ocmo@state.pa.us; purpose of this list is to enable stakeholders to contact one another directly to resolve issues and is separate from email distribution list

E. Meeting Schedule for 2011

- March 3, 2011, 9:30 a.m.
- March 24, 2011, 9:30 a.m.
- April 7, 2011, 9:30 a.m.
- April 21, 2011, 9:30 a.m.
- May 12, 2011, 9:30 a.m.
- June 2, 2011, 9:30 a.m.
- June 23, 2011, 9:30 a.m.