

CHARGE Conference Call

August 26, 2010 – 9:30 a.m.

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

Topics for Discussion

1. EGS Marketing Activities

- PUC issued tentative order for comment on July 16, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2185981>
- Comments were due on August 16, and reply comments are due on August 31

2. Supplier Consolidated Billing Implementation

- Issues have been raised about recovery of EDC costs incurred to make system changes needed for EGS consolidated billing; topic will likely be addressed in EDEWG document; and cost recovery would probably be sought during a rate case
- Update on status of EDEWG document reviewing these issues

3. Eligible Customer List

- PUC issued tentative order for comment on July 15, 2010, which is available at the following link: <http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2183412>
- Comments were due on August 4; no reply comments are permitted
- Next step will be issuance of final order by PUC; will provide target date during future call

4. Default Service Bid Information

- Staff updated the group on continuing discussions aimed at standardizing release of default service auction and formulation of price to compare, which has involved using First Energy's model as the starting point
 - As to including cost components in procurement result announcements by National Economic Research Associates, Inc. (NERA), staff noted that the calculation sheet shows what is and is not included
 - First Energy has agreed to include percent of supply in procurement result announcements

- Regarding use of Excel rather than PDF document to show results, staff noted that a spreadsheet can easily be created using the PDF document
- First Energy has agreed to explain how and when transmission costs are updated
- First Energy has agreed to explain how spot market component will be estimated
- Staff is drafting a document with recommended approach

5. 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
- Staff has determined that EDC tax components are Capital Stock, Property Tax-Local and PURTA, State Unemployment Compensation, PA State Income Tax, and Gross Receipts Tax.
- Staff is conducting further review of statute and regulations to offer guidance to EGSs on this issue; interested in feedback from group on value of having information on bills about taxes (other than GRT) paid by EGSs

6. Historical Usage Requests

- Questions have arisen as to the obligation of electric distribution companies to provide historical usage information to electric generation suppliers when a customer has previously restricted release of this information but has given the EGS a letter of authorization
- The attached Secretarial Letter clarifying this obligation was issued on August 20 and may be accessed at the following link:

<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2009-2082042>

7. Last-In Enrollments

- 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

8. 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
- Staff has gathered information from stakeholders and is seeking guidance from the Commission; expect to have clarifications no later than the next CHARGE call scheduled for September 9

9. Contract Expiration/Renewal Notices

- Renewal notice regulations at 52 Pa. Code 54.5(g) have been superseded by subsequent guidelines issued in 2001, which are attached and posted on the OCMO's webpage at http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx
 - Staff is offering to informally review proposed renewal notices; please send them to ra-OCMO@state.pa.us at least 10 days prior to issuance to consumers
 - Any questions about these issues may be sent directly to Dan Mumford in BCS at dmumford@state.pa.us or by calling Dan at 717-783-1957
- Staff has gathered input from CHARGE participants on how to address requirement in Commission's order that the price to compare (PTC) be included in renewal notices, which must be issued prior to PTC being available; Staff is developing a recommendation for the PUC, targeting the September 2 Public Meeting for issuance of a tentative order for comments
- Staff has gathered input from CHARGE participants on how to handle situation where customer fails to respond to a renewal notice containing new price and terms and whether the EGS may renew the contract; Staff is developing a recommendation for the PUC, targeting the September 2 Public Meeting for issuance of a tentative order for comments

10. Budget Billing for Variable-Priced Products

- Group has discussed whether it is appropriate or necessary to require EGSs to offer budget billing option to customers in connection with variable-priced products, such as time-of-use or
- Staff appreciates the feedback and will consider it in providing a recommendation to the PUC

11. 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

12. Meeting Schedule for Remainder of 2010

- September 9, **1:30 p.m. - new proposed time**
- September 30, 9:30 a.m.
- October 14, 9:30 a.m.
- October 28, 9:30 a.m.
- November 18, 1:30 p.m.
- December 9, 9:30 a.m.
- December 23, 9:30 a.m.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

August 20, 2010

To: All Jurisdictional Electric Distribution Companies
All Licensed Electric Generation Suppliers

Re: Electric Generation Supplier Access to Restricted Customer Accounts

Docket No.: M-2009-2082042

The Commission, through the Office of Competitive Market Oversight, has become aware of questions as to whether the treatment of licensed Electric Generation Supplier (EGS) access to restricted customer accounts announced in *PPL Electric Utilities Corporation Retail Markets*, Docket No. M-2009-2104271, Order entered August 11, 2009 (*PPL Order*), and *Petition of PECO Energy Company for Approval of Smart Meter Technology Procurement and Installation Plan*, Docket No. M-2009-2123944, Order entered June 3, 2010 (*PECO Order*), apply to all jurisdictional Electric Distribution Companies (EDCs). We are issuing this Secretarial Letter to resolve those questions.

Our treatment of this issue in those two proceedings rests on our interpretation of our regulation at 52 Pa. Code § 54.8 (relating to privacy of customer information) and its operation in the context of EDC/EGS customer information exchange protocols. As such, it is our intent that this regulatory interpretation applies to all jurisdictional EDCs and licensed EGSs.

In the *PPL Order*, we stated that Section 54.8 was intended to operate as follows:

These regulations clearly indicate that they are applicable to both the EDC and EGS. Additionally, it is stated that a customer may restrict either the telephone number or the historical information and that customers shall be permitted to restrict information by so advising the EDC orally, electronically or by returning a signed form. Should a customer give such permission to an EGS to receive historical data by any of these means, it is incumbent upon the EDC to respond to the EGS 867 HU request for this information.

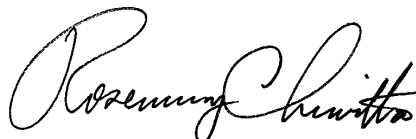
PPL Order at 11.

We again addressed EGS access to restricted customer accounts in the *PECO Order*. There, we discussed our treatment of this issue in the *PPL Order* with approval. We stated, “Consistent with our findings regarding the authorization to release historic usage data for PPL, an EGS will not be required to provide documentation to PECO that the EGS has received authorization of a customer to provide historical usage data to the EGS.” *PECO Order* at 13. We reiterated that EGSs are subject to audit by the Commission and the EDC to ensure that the EGS seeking restricted account information did have customer authorization to initiate the request.

Based upon the foregoing, an EGS will not be required to provide prior documentation to EDCs of a customer’s authorization to provide historical usage data to the EGS in connection with either electronic or manual transactions. The authorization process used by EGSs should convey to consumers that EDCs will release the information only to the EGS to whom the authorization was given; and that the EGS will not release the information to others, unless the EGS is a licensed broker who is obtaining this information for purposes of sharing it with other licensed EGSs and makes that intent clear in communications with the consumers. It is incumbent upon the EGS to retain records of the requisite authorization for a minimum of two years to produce for a Commission or EDC audit.

Any questions about this Secretarial Letter should be directed to the Office of Competitive Market Oversight by email at ra-OCMO@state.pa.us or by calling the Director of Operations at 717-783-5331.

Sincerely,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is fluid and cursive, with the first name being more prominent.

Rosemary Chiavetta
Secretary

cc: Office of Competitive Market Oversight
Office of Consumer Advocate
Office of Small Business Advocate