

# CHARGE Conference Call

September 30, 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
- Staff is targeting mid-October for issuance of final order by PUC
- Staff plans to hold a session on November 4 at 1:30 p.m. in Harrisburg which all CHARGE participants are welcome to attend, and EGSs (as well as NGSs) marketing to residential customers will be strongly encouraged to attend; meeting will include:
  - Overview of marketing guidelines
  - Description of marketing practices to avoid, through use of examples received in customer call center
  - Summary of other applicable PUC requirements

### 2. 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, 2010
- General discussion – please see attachment that highlights major pending issues
- Staff envisions a round of informal written comments and more detailed discussion during a future call, leading to submission of staff recommendation to the PUC

### 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 were permitted

- Next step will be issuance of final order by PUC; targeting October 2010

#### **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, 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; expects issuance of Secretarial Letter in October 2010

#### **5. Estimated State Tax Amount on Bills (Placeholder)**

- 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. 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

## **7. 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; will provide update during the call

## **8. 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](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](mailto: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](mailto:dmumford@state.pa.us) or by calling Dan at 717-783-1957
- PUC issued final order on 9/23/10 which may be accessed below, addressing the issues of how to handle the situation where the price to compare is not yet known when renewal notices must be sent and what happens to a customer's contract if the customer does not respond to the renewal notice  
  
<http://www.puc.state.pa.us/general/ConsolidatedCaseView.aspx?Docket=M-2010-2195286>

## **9. Availability of Estimated and Final Prices to Compare**

- Question has arisen as to whether upcoming mailings to consumers by EDCs will include estimated price to compare
- Discussion of when estimated and final prices to compare will be available and how/when both will be provided to consumers and EGSs

## **10. Budget Billing for Variable-Priced Products (Placeholder)**

- 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
- 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](http://www.puc.state.pa.us/electric/electric_CompetitiveMarketOversight.aspx)

- Please send contact information or updates to [ra-ocmo@state.pa.us](mailto: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**

- October 14, 9:30 a.m. *(May be cancelled)*
- October 28, 9:30 a.m.
- November 18, 1:30 p.m.
- December 9, 9:30 a.m.
- December 23, 9:30 a.m.

## Supplier Consolidated Billing (SCB)

### Discussion Document : CHARGE meeting of September 30, 2010

This discussion document highlights some of the major issues identified in EDEWG's "FINAL REPORT OF THE SUPPLIER / EGS, CONSOLIDATED BILLING [SCB], EDEWG SUB-TEAM" issued this summer. The purpose of this document is to initiate a discussion among the CHARGE group on some of the issues involved. It is not intended to be a comprehensive list of all the issues that need to be addressed re: SCB. For a more detailed description and discussion of the issues, please refer to the EDEWG report.

1) Should accounts with past-due EDC balances qualify for SCB? If so, do the unpaid EDC charges follow the customer (are then billed by the supplier via SCB)? (page 3) (C.3.3.01.04) (C.3.3.01.0911)

2) Should EGSs be allowed to pursue termination (physical cessation of service without the consent of the customer) for unpaid charges? Current rules prohibit this. (page 3) (C.3.3.01.08)

3) What happens if the supplier has not received usage information from the EDC in time for billing? Can the supplier estimate the usage, including the EDC charges? (page 3) (C.3.3.02.02)

4) What is the payment obligation of the EDC and EGS to each other? Current tariffs have a "make-the-other-party-whole" requirement. Is there a discount? (page 4 and 7) (C.3.3.03.02 and C.3.3.06)

5) How should utility hardship fund donations be handled? Currently, many utilities allow a customer to add a dollar(s) to their payment for their hardship fund. What is the obligation of the supplier to accommodate this? What if the customer fails to pay the additional dollar (it will still be "billed"...so does this impact the "make-whole" requirement)? (page 4) (C.3.3.03.03)

6) What are the obligations of the supplier to provide PTC information on the bill? (page 4) (C.3.3.03.06)

7) What happens if the customer submits payment to the EDC instead of the supplier? This is likely to happen. (page 4) (C.3.3.03.07)

8) How will SCB impact customer eligibility for LIHEAP assistance (to receive LIHEAP grants, a company has to be a "vendor" certified by DPW; suppliers have not been considered

“certifiable” by DPW). Will SCB impact CAP (Customer Assistance Program) and other assistance programs offered by the EDC? (page 5) (C.3.3.05.05)

9) PECO has many accounts that are combined gas/electric, and reported to EDEWG that they cannot sort-out the two from the summary billing section of their bill. (the gas and electric are ONE account...not two). (page 5) (C.3.3.05.11)

10) What notices (if any) should a customer get of billing changes (going from EDC to SCB or reverse, etc.). If they are to get notices, who is obligated to provide them? (page 5) (C.3.3.05.12)

11) EDC's have some accounts that always require manual intervention to bill properly (often large, complex accounts). EDCs claim that they cannot send EDI for these accounts. EGSs want access to these accounts. Is there a non-EDI option? (page 5) (C.3.3.05.13)

12) Regulatory inserts (bill inserts required by regulation, etc.): What are these? Who is responsible for printing them? Can they be provided to customers electronically? Are there size/weight limitations? What about non-regulatory inserts? For example, are “hardship fund” solicitations “regulatory?” (page 6) (C.3.3.05.16)

13) Disputes: how will billing disputes be addressed, and by whom? What are the obligations of the EDC and the EGS? (page 7) (C.3.3.07.03)

14) Payment Agreements: payment agreements are sometimes required by regulation (such as to pay off a “make-up” bill). These are reflected on the EDC bill. Will this be the case with SCB? What if customer is on a payment agreement at the time they sign-up for SCB? (page 8) (C.3.3.09)

15) Billing agreements: what type of “billing agreements” will be needed to govern the EDC/EGS billing relationship? Use EDC tariffs? (page 8)