

# CHARGE Conference Call

February 4, 2010 – 9:30 a.m.

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

## Recap of Discussion

### 1. Gross Receipts Tax (GRT)

- As to questions of whether GRT for EGS charges needs to be on bills for residential, small business, or large commercial and industrial customers, OCMO is reviewing the applicable provisions in the statute and regulations and consulting with other relevant staff at the PUC; clarifications will be forthcoming
  - In the interim, OCMO advised that since existing regulations support inclusion of state tax information on bills for at least residential customers, EGSs should follow that practice
- Resolution of the issue as to whether the GRT should be calculated according to PPL's methodology for all customer classes may be affected by clarifications of above
- On the question of how taxes are shown on the generation portion of the bill, PPL advised that if the information is supplied on the EDI 81 invoice transaction, an indication will appear on the bill under the generation charge
  - Attachment contains information from a sample bill
  - It was also noted that EGSs have other fields where text can be included if they wish to explain that their charge includes the state tax amount
- Obligation to remit state taxes – PPL asked that EGSs be reminded that is the EGSs' obligation

### 2. Budget Billing

- Discussion of EGSs' budget billing obligations as addressed in the Commission's June 18, 1998 Order and March 31, 1999 Secretarial Letter issued on March 31, 1999
  - Commission directives are clear on EGSs having budget billing obligation but waivers are available
  - Suggestion was made for blanket waiver until PPL's permanent solution is available but it does not appear to be a widespread problem

- Penn Power does not offer budget billing for generation charges and cited SAP as the obstacle, which will also be faced by Met Ed and Penelec; Dominion noted that it is an obstacle in signing up customers; PS&G in NJ may be a model that can be followed
  - OCMO has referred this issue to the Retail Market Working Group and EDEWG
- 814 change does not have a code to support budget bill status; PPL advises customers to contact EGS for budget billing; this will remain on radar screen for other EDCs, and also be referred to RMWG and EDEWG

### 3. Price to Compare

- IECPA expressed desire to have large commercial and industrial price quotes/offers from EGSs contain specific components
  - 54.1 requires that information be provided to customers in an understandable format that enables them to compare prices and services on a uniform basis
  - IECPA will propose components

### 4. Confirmation Letters

- Discussion held about standardizing the EDC 10-day confirmation letter to make clear that it is intended to avoid an unauthorized switch and not to provide customer with a penalty-free right to rescind or cancel their EGS contract
  - Proposed language circulated by OCMO was discussed
  - New proposed language submitted to OCMO after call is: **“Your contract with A/S name might have provisions that impact you if you cancel your enrollment. If you have questions about your enrollment or terms of service with A/S name, please contact them at phone number 1.”**
    - Will be discussed during Feb. 18 call
- PPL’s reference on website to rescission during the confirmation period will be corrected soon

### 5. EGS Marketing Activities

- PUC staff continues to receive complaints from consumers about the direct marketing tactics of some EGSs
- OCMO noted that Commission has expressed an interest in developing best practices for EGSs to follow when engaging in direct marketing, such as uniforms, photo IDs, criminal background checks, etc.; input from EGSs about their practices and other states’ models are welcome

## **6. Residential Thermal Storage (RTS) Rate**

- PUC has heard reports that some or maybe all EGSs who offer percentage discounts from PPL rate will offer a discount rate from the RTS rate but do not advertise it and only offer it if asked
  - On the call, EGSs were understandably reluctant for marketing reasons to indicate their willingness to offer a discount rate
  - OCMO encouraged EGSs to let consumers know upfront if they are offering it

## **7. New York Service Addresses**

- About 140 PPL accounts on the eligible customer list have service addresses in NY; questions have arisen as to whether these accounts are subject to PPL tariffs and PA regulations and laws, including GRT
  - An example of these accounts are billboards that are located in PA but do not have service addresses so their billing address is used; they are covered by PA rules

## **8. 90 Days in Arrears**

- Issue was raised during the call about customers who are 90 days in arrears being blocked from switching to an EGS
  - This practice was implemented when EDCs in consolidated billing scenario had to pay EGSs in full irrespective of whether customer paid
  - Practice is no longer necessary under Purchase of Receivables Program
  - PPL is eliminating this block and will give a status report on the next call

Your Bill Account Number
9 [REDACTED]-900 [REDACTED]
Use when calling or writing

# Electric Service

For:

[REDACTED]  
WILLIAMSPORT PA 17701

## Final Bill

[REDACTED]

Customer Service

[REDACTED]

1-888-[REDACTED]-[REDACTED]

PPL Electric Utilities  
Customer Service  
827 Hausman Rd.  
Allentown, PA  
18104-9392  
1-800-342-5775  
(1-800-DIAL-PPL)  
www.pplelectric.com

Total from Last Bill \$84.54  
Payment Received Jan 4 - Thank You! \$43.61

## Billing Details

Amount You Still Owe as of Jan 21, 2010 \$40.92

## Current Charges

Charges for - [REDACTED]  
General Service Rate: [REDACTED] for Dec 30 - Jan 19  
Electric Chg - [REDACTED] Kwh @ \$ [REDACTED] 0.95  
Electric Chg - [REDACTED] Kwh @ \$ [REDACTED] 15.80  
Gross Receipts Tax \$0.93  
Estimated Pa State Tax \$0.00

Total [REDACTED] Charges \$16.71

## Current Charges

Charges for - PPL ELECTRIC UTILITIES  
Residential Rate: RS for Dec 30 - Jan 19  
Distribution Charge:  
Customer Charge 5.63  
133 KWH at 2.90530000¢ per KWH 3.86  
54 KWH at 2.63950000¢ per KWH 1.43  
PA Tax Adj Surcharge at 0.09465000% 0.01  
Transition Charge:  
133 KWH at -0.17890000¢ per KWH -0.24  
54 KWH at -0.15820000¢ per KWH -0.09

Total PPL ELECTRIC UTILITIES Charges \$10.60

Other Charges for PPL Electric Utilities  
Excess Credit -134.04

Total of Other Charges \$-134.04

Account Balance \$-65.70