

## CHARGE Conference Call

April 21, 2011 – 9:30 a.m.

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

### Recap of Discussion

#### 17. EGS Marketing Activities

- PUC adopted guidelines 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; publication has not yet occurred due to questions from the Office of Attorney General; staff will advise the group when the proposed regulations are published
- 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
  - Staff appreciates the information provided by EGSs and EDCs about complaints involving the use of unlicensed independent contractors for marketing activities

#### 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 is seeking 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
- Commission issued Secretarial Letter on February 15, 2011 clarifying effect of stay (Docket No. M-2010-2183412) and has filed an Application for Remand with Commonwealth Court

**34. Mixed Meter – EGS Authority**

- Secretarial Letter issued on March 25, 2011

**43. Displaying Prices on PAPowerSwitch**

- Column has been added for EGSs to show introductory price, if applicable, to promote consistency in the way prices are displayed
- Sorting capability has been added so that customers may view EGSs in an order that differs from alphabetical
  - It was noted that sorting only seems to be possible by price or reverse alphabetical order
  - Staff will look into status of sorting by all columns
- Question arose about availability of weekly shopping statistics on PAPowerSwitch; they are available at the top of the page in a PDF document (“View Detailed Report”) underneath the number of Pennsylvanians who have switched

**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
  - Staff has encouraged EDCs to educate customers at the time they sign a net metering contract and during the enrollment process

- Staff has encouraged EGSs to also ensure that customers are aware before they switch that if they are on a net metering tariff, they will no longer receive energy credits from the EDC; it is up to EGSs if they want to offer energy credits to the customer
- EDEWG is seeking to get approval to provide information in an EDI segment on enrollment response and in historical usage transaction so that EGSs are aware that a customer is net-metered; will be addressed during EDEWG's April 7 meeting
  - Brandon updated group on EDI Change Control 85 which has been discussed by EDEWG and still requires some more work
- PECO has inserted language into confirmation letter: "If you are a PECO Net Metering/Renewable Service customer, you will no longer receive net meter credits from us after switching to an EGS. PECO will provide you with a final credit for any energy you produced prior to the switch. You should contact your EGS to find out if they offer any credits for energy produced."

**45. Accelerating Supplier Switching Timeframes**

- Group discussed enrollment process/supplier switching timeframes
- As outlined in the attachment (revised to include points from today's discussion), the process currently takes 16-45 days
  - Includes the 10-day confirmation period required by the PUC's anti-slamming regulations
  - No mid-cycle switches are done, so that if the enrollment is not submitted at least 16 days prior to the next meter read, the switch is delayed to the next meter read 30 days later
- Staff has done outreach with EDCs and other states, including Texas and Maryland; it was suggested that Connecticut's process also be reviewed
  - Staff suggested that EGSs should be mindful of customers' meter read dates and strive to send enrollments at least 16 days prior to those dates, and communicate the timeframes for switching to customers
  - Staff also asked for feedback on reducing the 10-day confirmation period and on the possibility of mid-cycle switches
- EGSs expressed support for changes that would accelerate the switching timeframe

- Waiting period could be eliminated, with economic penalties for slamming that would result in customers being held harmless
- Confirmation process could be electronic
- Smart meters should make it technically feasible to do mid-cycle switches
- EDCs expressed concerns about changes that would accelerate the switching timeframes
  - Easier to unwind slamming prior to the customer being switched
  - Billing systems are built around meter read dates and would need expensive IT changes
  - PJM settlement process may not support mid-cycle switches
- OCA agrees with looking for a cost-effective mechanism to accelerate the switching process but views the confirmation letter as a key to maintaining credibility of the process; would be open to discussing a shorter confirmation period
- Staff appreciates the input and will continue discussing the issue and gathering more information as necessary to report back to the Commissioners
- Further status report will be provided during next call

**46. Statewide Investigation**

- PUC will launch statewide investigation this spring, per FirstEnergy merger order, Docket No. A-2010-2176520, to ensure properly functioning and workable competitive retail electricity market exists in the Commonwealth
- Investigation will examine both the legislative and regulatory framework behind Pennsylvania's retail market, including an analysis of the current default service model and whether, as currently structured, that model is hindering competition
- Staff expects Commission action by early May

**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](mailto: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](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](mailto: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](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

**E. Meeting Schedule for 2011**

- May 12, 2011, 9:30 a.m.
- June 2, 2011, 9:30 a.m.
- June 23, 2011, 9:30 a.m.
- July 21, 2011, 9:30 a.m.
- August 18, 2011, 9:30 a.m.
- September 15, 2011, 9:30 a.m.
- October 20, 2011, 9:30 a.m.
- November 17, 2011, 9:30 a.m.
- December 22, 2011, 9:30 a.m.