

CHARGE Conference Call

September 30, 2010 – 9:30 a.m.

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

Recap of 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 October 2010 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
- Group generally discussed document attached to the agenda, which highlighted major pending issues relating to SCB implementation; Blue Star will provide responses based on Illinois experience which will be distributed prior to next call on October 28, 2010
- During next call on October 28, group will discuss timeline and process for moving forward, ultimately leading to submission of staff recommendation to the PUC
- Currently PPL has an interim structure in place allowing Blue Star to implement SCB

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 is issuance of final order by PUC; staff 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; during call, Staff noted that issues are still under discussion but clarifications are expected within the next several days

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
 - 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
- 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 Actual Prices to Compare

- Group discussed availability of estimated and actual prices to compare for inclusion in EGS renewal notices and EDC mailings to consumers
 - PPL expects to have an estimated PTC (based on roughly 95% of the auction results) available by the end of October for the first 5 months of 2011; an actual PTC will be available in mid-December for the first 5 months of 2011

- PECO expects to have an actual PTC for the first quarter of 2011 and an estimated PTC for the second quarter of 2011 by October 14
- FirstEnergy expects to have an actual starting PTC for 2011 available by the end of October
- Duquesne was not on the call but staff believes that an actual PTC for residential customers is already known for 2011 and will follow-up
- Allegheny was not on the call; staff will follow-up
- Some EGSs noted that they will be sending renewal notices to PPL customers in mid-October due to contracts expiring on December 1, prior to PPL making the estimated PTC (based on roughly 95% of the auction results) available in late October
 - Staff suggested that PPL should immediately provide estimated PTC (based on roughly 80% of the auction results) so that EGSs needing to send renewal notices in October will have this information to include in notices
 - Alternatively, Staff suggested that the affected EGSs wait until approximately 30 days prior to expiration of the contracts to send renewal notices to customers whose contracts are expiring on December 1 so they will have the estimated PTC based on roughly 95% of the auction results to include in notices
- Group also discussed the need for EDCs to provide estimated and actual PTCs on websites for consumers and EGSs to access and to send to EGSs via supplier distribution lists

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
- 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

- October 14, 9:30 a.m. (**CANCELLED**)
- October 28, 9:30 a.m.
- *November 4, 1:30 p.m. – Special In-Person Meeting to Discuss Marketing Guidelines/Consumer Protections*
- November 18, 1:30 p.m.
- December 9, 9:30 a.m.
- December 23, 9:30 a.m.