BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

:

Retail Markets Working Group

Docket No. M-00072009

INITIAL POSITION PAPER OF CONSTELLATION NEWENERGY, INC.

I. INTRODUCTION

In response to the Pennsylvania Public Utility Commission ("Commission") Staff's April 15, 2008 notice ("Notice"), Constellation NewEnergy, Inc. ("CNE") hereby submits its Initial Position Paper for the Retail Markets Working Group ("RMWG") in order to assist the RMWG in developing policy recommendations in certain areas to enhance customer choice and the development of robust and effective retail markets. CNE herein provides its policy recommendations with respect to specific sections of the Commission's Final Policy Statement on Default Service and Retail Electric Markets ("Policy Statement") adopted on May 10, 2007 in the above-docketed proceeding. The positions presented herein stem directly from CNE's practical day-to-day experience in jurisdictions across the nation in which retail customers are actively considering and pursuing competitive shopping opportunities with retail suppliers. CNE appreciates the opportunity to offer these positions in order to promote the continued success of retail acces in the Commonwealth.

As required in Commission Staff's Notice, CNE identifies the following individuals as contacts for each of the positions presented herein:

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II. CNE POSITIONS ON SPECIFIC POLICY STATEMENTS SECTIONS

Policy Statement § 69.1812. Information and data access.

- (a) The RMWG should develop and adopt a standard set of specific and exclusive pieces of information that serve as the required information to be included by an Electric Generation Supplier ("EGS") in its own form of Letter of Agency ("LOA"). Inclusion of this data, regardless of EGS-specific format, shall be acceptable to all Electric Distribution Companies ("EDCs") in the Commonwealth. In the alternative, the RMWG should develop a standard form of LOA that will be acceptable to all EDCs.
- (b) The RMWG should determine that a retail customer shall be allowed to execute LOAs granting ESGs access to customer data, without any requirement to first be included on an EDC's list of "eligible" customers.

- (c) The RMWG should consider the implementation of an electronic, web-based (non-EDI) system for utilities which will allow EGSs to have instantaneous access to databased information at their convenience, once a LOA has been filed.
- (d) The RMWG should require that customer data be provided to EGSs by all EDCs as historical and actual data via the Electronic Data Interchange ("EDI").
- (e) The RMWG should determine that each EDC must provide requested customer data within one (1) business day after an EGS has submitted a request for customer data (including, if not previously provided, a LOA for the customer). In the alternative, the RMWG should determine that each EDC should provide requested customer data no later than two (2) business days after an EGS has submitted a request for data.
- (f) The RMWG should determine that *all* EDCs in the Commonwealth must adopt the prevailing practice of EDCs of providing customer data to EGSs at no cost, given the fact that EGSs are acting as an agent of the customer.
- (g) With respect to hourly data for billing purposes, the RMWG should develop a standard practice (including method and timing) for requesting and receiving hourly customer data. With a standard practice across Pennsylvania, EGSs will be able to adopt standard internal operations for billing, making it easier to do business throughout all EDC zones in the Commonwealth. Standard (and expedited) timing for receipt of customer hourly data will allow

customers to receive invoices prepared by the ESG that reflect the customer's *actual* charges for energy used each month.

Policy Statement § 69.1813. Rate and bill ready billing.

- (a) The RMWG should determine that all EDCs should provide EGSs the option of supplier billing, where a customer can elect to receive one bill *from its EGS*, which includes all charges from both the EGS and the customer's EDC. Restricting invoicing of EDC charges to EDCs only (preventing single billing by EGSs) unnecessarily limits customer choices.
- (b) The RMWG should require that all EDCs offer EGSs the option of bill-ready billing. "Rate ready" billing, where the EDC calculates charges on behalf of an EGS and sends a single bill to customers, is likely to lead to a result where EDCs will calculate charges based only on simplistic formulas, preventing the use of more sophisticated billing structure and product options, and thereby limiting the development and availability of creative tools and solutions for customers.

Policy Statement § 69.1816. Supplier tariffs.

(a) The RMWG should implement the provisions in the Policy Statement to encourage uniform, consistent supplier tariffs for all EDCs. In particular, consistent supplier rules in tariffs should appear in a particular, easily identifiable location in EDCs' tariffs. All stakeholders should provide input for developing uniform supplier tariffs.

(b) In addition to creating uniform *supplier* tariffs, the RMWG should consider developing uniform rules and structures for EDCs' *retail* tariffs, to the extent possible.

Policy Statement § 69.1817. Retail choice ombudsman.

- (a) The RMWG should develop a form of expedited informal dispute resolution process in order to encourage efficient and effective resolution of issues as they arise. The individual tasked to resolve disputes under the process must be able simply to field communications and fix customer problems as quickly as possible.
- (b) In addition to speedy resolution, the individual tasked to resolve disputes should not be an employee from an EDC's supplier services department. The presence of a neutral intermediary will ensure the continued appropriate relationships between EGS and EDC supplier service departments. In addition, it is important that the intermediary be empowered with the proper level of authority to be able to take necessary actions to quickly resolve disputes.

III. CONCLUSION

CNE appreciates this opportunity to submit its Initial Position Paper to the RMWG and looks forward to continued discussions with all stakeholders regarding these and other issues presented in the Policy Statement. CNE is confident that its suggestions presented above will promote development of the Commonwealth's retail markets, for the benefit of Pennsylvania's consumers.

Respectfully submitted,

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On Behalf of Constellation NewEnergy, Inc.

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