

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17105-3265**

**Retail Markets  
Working Group**

**Docket No. M-00072009**

**COMMENTS OF INTEGRYS ENERGY SERVICES, INC. ON SECTION 69.1812  
– 69.1817 PENNSYLVANIA PUBLIC UTILITY COMMISSION’S FINAL  
POLICY STATEMENT**

Integrys Energy Services, Inc. (“Integrys”) is a retail electric supplier in 16 states including Pennsylvania. We have served wholesale and retail electricity customers since 1994 and are held by Integrys Energy Group, Inc. a fortune 500 company and the largest energy company in the mid-west.

As is the case in all industries, the more uniform standards are across all practices, the lower the operating costs to the company will be. This in turn will ultimately result in lower costs to the consumers. Integrys supports the view that rules and supplier requirements should be consistent among all utilities to prevent barriers to competition in one utility territory over another.

The following is Integrys’ position on the six items proposed to be discussed in this working group along with a notice of the participating employees for that discussion.

**69.1812 Information and data access**

In all cases it is to the benefit of the customer and the supplier to require that utility marketing lists be available at little to no cost to the supplier. In some states utilities offer segmented lists by volume, max demand, zip code, etc at no additional costs. In Delaware, Maryland, DC and Virginia utilities such as BGE, Connective and PEPCO and PPL offer not only pre-enrollment data, but also customer data at no charge. This allows suppliers to provide specifically developed offers to customers based on what products will provide the most customer benefits. In terms of load and usage data, once a customer is served by a supplier there should not be additional costs on a supplier to retrieve customer data such as interval data. If the customer has authorized the supplier to receive this data there should not be extra charges in order to receive the data. These charges serve no purpose other than to inhibit shopping by increasing the costs to serve customers.

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### **69.1813 Rate and bill ready billing**

As the market develops and customers become more savvy in their purchasing decisions, the products available will also develop to meet these tastes. Although initially the rate ready bill option may seem the easiest approach, the addition of new product offerings for demand side management and energy efficiency programs especially for larger customers may make the bill ready option a more desirable method. Integrys supports the offering of both billing options, which would allow the greatest flexibility for both the supplier and the customer to choose rate options that don't necessarily fall under a typical fixed vs. variable rate model.

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### **69.1814 Purchase of receivables**

The biggest customer benefit with a purchase of receivables program is that it opens offers to all customers regardless of their credit status. In terms of smaller customers it also eliminates the added cost of doing a credit check on a very small customer, which is a cost ultimately born by the customer. The need to check credit is an unnecessary barrier to entry. By eliminating these costs and the need for a credit check, suppliers will be more likely to make offers to smaller customers and all customers regardless of credit standing.

The purpose of a purchase of receivables program is to put a customer who chooses to shop for electricity on equal footing in terms of payment processing with a customer who remains with the utility. Integrys has experienced in other states without purchase of receivables programs situations where a utility has manipulated the payment process in order to delay payments to suppliers and in some cases caused arrearages on customers bills as a method to inhibit shopping.

Also, a purchase of receivable with a reasonable discount or no discount allows customers to receive a single bill and to more readily access their payment data from a single source. This is especially beneficial to residential and small commercial customers who may not have the resources and time of larger companies to hunt down where multiple payments were sent and when.

Lastly, although the utility discount rate may differ across utilities, the terms and conditions of these programs and how the discount is calculated should be uniform across all utilities to allow not only for consistency but predictability in program costs. For example if the program calls for the utility's rate of bad debt to be used, then the discount may differ among utilities but the calculation and how suppliers are paid would remain consistent. The implementation of a bad debt tracker would also reduce differences across service territories by allowing the utilities to recover bad debt costs evenly and

allow a 0% discount on purchase of receivables thus reducing utility, customer and supplier costs.

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### **69.1815 Customer referral program**

Integrys supports customer referral programs for customers of all sizes. These programs offer customers easy access to retail shopping if they have not experienced it before. The programs should be used to increase customer education on how to shop and their many choices in not only suppliers but product offerings. The programs should not dictate the product to the customer through a one size fits all offering but allow suppliers the flexibility to offer different types of products at the time the customer is referred. Consistent programs should be implemented across all utilities and costs associated with the programs should be passed through to all customers on a uniform basis.

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### **69.1816 Supplier tariffs**

Uniform supplier tariffs allow ease of entry into multiple utility territories. Although there may be some need for differentiation based on ISO membership, the overall supplier codes of conduct and terms and conditions should be uniform. Especially important is a single standard EDI policy across all utilities which would dictate the transactions and not allow utilities the ability to pick and choose which transactions they use. In addition, rules to require consistent switching requirements, billing window, payment timing and usage date among utilities will allow supplier to create economies of scale for statewide offerings rather than barriers to offers crossing utility boundaries. This also allows for customers with multiple locations across multiple EDC's to understand the timing of enrollment and information required to enroll accounts with a single supplier. Lastly this reduces the number of cases before the PUC as all supplier tariffs would remain consistent from a single order.

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**69.1816 Retail choice ombudsman**

Most utilities offer a supplier service center or some form of a supplier representative to answer questions. In some cases however requiring only one person to fill this role can cause confusion and delays when that person is out of the office. The ombudsman should have a designated backup who has the same as or higher authority to handle to issues when the ombudsman is not available. This should avoid delays in resolving issues that would normally be handled by the ombudsman. In addition, although we agree with the idea of an ombudsman as a single source for information, however it should be clear that all communication does not need to be handled strictly through that single person.

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