

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

PPL Electric Utilities Corporation
Retail Markets

Public Meeting held May 14, 2009
2104271-LAW*
Docket No. M-2009-2104271

STATEMENT OF VICE CHAIRMAN TYRONE J. CHRISTY

The instant Tentative Order is a directive to PPL Electric Utilities Corporation (PPL) to implement substantive requirements in eight areas that have been identified by the Commission as necessary to promote the goals of Chapter 28 and to ensure an orderly transition to a competitive market. PPL is required to file tariff supplements to implement these requirements within 30 days of this Tentative Order becoming final. Today's Tentative Order is self-executing, i.e., it will become final without further action of the Commission absent the filing of adverse comments.

I have several concerns regarding both the procedure and substance of the Commission's directive. First, the requirements that the Commission tentatively is promulgating via this Tentative Order are not ministerial in nature and are not limited to PPL. Rather, they are substantive requirements that subsequently will be imposed on all EDCs. *See* Tentative Order at 3. In my view these are regulatory requirements that should have been fully vetted through a proposed rulemaking proceeding.

Second, I question whether it is appropriate to *mandate* that PPL establish a purchase of receivables (POR) program by January 1, 2010. To date, the Commission has encouraged EDCs and NGDCs to establish POR programs, but has not mandated them. In PPL's case, there is a joint petition for settlement currently pending before the Commission at Docket No. P-2008-2060309, pursuant to which PPL has agreed to file a revised *voluntary* POR plan no later than July 1, 2010, with an effective date of January 1, 2011. The Tentative Order in effect would reject this portion of the settlement.¹ In addition, I question some of the POR program requirements that are being established. For example, the Tentative Order mandates that there be "little or no discount" in the purchase of receivables. I question whether this requirement inappropriately would require PPL's customers to subsidize EGSs' business activities, and look forward to reviewing comments on this issue.

Third, I have reservations regarding the requirement that PPL release customer information to EGSs unless a customer affirmatively acts to restrict access to their information. Historically, the Commission's policy has been to discourage or prohibit "negative check offs" in recognition of the fact that they unnecessarily burden customers

¹ It should be noted that the settlement was signed by the Retail Energy Supply Association and several EGSs.

and often are overlooked.² It seems likely that this aspect of the Tentative Order may result in unsuspecting customers receiving unwelcome solicitations from EGSs and entering into agreements to purchase power that are not to the customers' advantage. On the commercial side, I also am concerned that electric consumption data that the customer may consider to be confidential business information may find itself into the hands of a competitor.

For all of these reasons, I will concur in the result only for the purpose of seeking comments from interested parties on these and other issues.

DATE

TYRONE J. CHRISTY, VICE CHAIRMAN

² Ironically, PPL recently proposed a pre-payment plan that would have included an opt-out provision. This particular provision engendered a large amount of controversy, and eventually PPL agreed to a settlement under which customers who wanted to participate had to affirmatively opt-in to the program. *Petition of PPL Electric Utilities Corporation for Approval of a Rate Stabilization Plan*, Docket No. P-2008-2021776 (August 7, 2008).