

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Comments Regarding)
Rate Ready Billing) Docket No. M-2010-2189433

**COMMENTS OF THE PENNSYLVANIA ENERGY MARKETERS COALITION:
AGWAY ENERGY SERVICES, LLC, ENERGY PLUS HOLDINGS LLC, GATEWAY
ENERGY SERVICES CORPORATION, INTERSTATE GAS SUPPLY, INC.,
PENNSYLVANIA GAS & ELECTRIC, AND VECTREN RETAIL, LLC**

INTRODUCTION

Pursuant to Docket No. M 2009 2104271¹ and the resulting August 23, 2010 Secretarial Letter, the Pennsylvania Public Utility Commission ("PUC," or "Commission") seeks comments on the August 6, 2010 Rate Ready Report of its Retail Markets Working Group² ("Report") to assess the consistency in Rate Ready Billing and advise the Commission on how to proceed with this matter. The purpose of Commission Staff in the Report, according to the Report, is to:

"...discuss whether the consensus plan for a Rate Ready billing platform developed for PPL Electric Utilities Corporation (PPL) by the Commission's Electronic Data Exchange Working Group (EDEWG) could serve as a statewide model for Rate Ready billing platforms."³

As independent energy marketers, Agway Energy Services, LLC ("Agway"), Energy Plus Holdings LLC ("Energy Plus"), Gateway Energy Services Corporation ("Gateway"), Interstate Gas Supply, Inc. ("IGS"), Pennsylvania Gas & Electric ("PAG&E"), and Vectren Retail, LLC ("Vectren"), known separately and together for purposes of this filing as the Pennsylvania Energy Marketers

¹ See April 19, 2010 Commission Order directing the Retail Markets Working Group to prepare a report on Rate Ready Billing.

² See August 6, 2010 Retail Markets Working Report on Rate Ready Billing.

³ Commission Report, p. 1

Coalition (“PEMC”)⁴, appreciates the opportunity to comment on the Report. PEMC is a group of like-minded energy marketing companies that serve residential and small commercial natural gas and electricity customers in deregulated markets located throughout the United States.

PEMC has a strong interest in the consistent development and formation of an efficient energy marketplace in Pennsylvania. As such, our Comments on the Report are focused on helping ensure compatible systems between Electric Generation Suppliers (“EGSs”) and Electric Distribution Companies (“EDCs”). This compatibility is essential to the efficiency of the electric choice marketplace across Pennsylvania. To that end, PEMC offers the following specific Comments for consideration.

STAFF CORRECTLY REITERATES DIFFERENCES IN BILLING SYSTEMS

In the Report, Commission Staff note a key difference between rate ready and bill ready systems used by Electric Distribution Companies (“EDCs”).

“**Bill Ready**” means the company doing the billing receives calculated results from the non-billing party for its charges for printing on a consolidated bill. **‘Rate Ready’** means the company doing the billing knows the rates of the other party, calculates its charges, and prints these charges on a consolidated bill.”⁵ (*emphasis added*)

Although most suppliers understand – and at times rely on – the important distinction and different functions of rate ready and bill ready systems, PEMC appreciates the decision by Staff to articulate and emphasize the difference because doing so recognizes that energy suppliers bill in different ways for different reasons. As electricity competition grows in Pennsylvania, so should the options by which the EGSs and EDCs calculate and manage customers’ monthly bills.

⁴ This group of energy marketers, which supply electricity, natural gas, and various other energy services to residential and commercial customers across a large number of utility markets throughout several states, works together collaboratively on non-competitive, regulatory issues to advance competitive markets and consumer choice.

⁵ Commission Report, p. 1

STAFF ACCURATELY CAPTURED HOW BILLING SYSTEMS ARE USED AND HOW EGSs VIEW THEM

Generally speaking, the Report correctly characterizes that the variety of rate ready and bill ready systems used by EDCs throughout Pennsylvania. PEMC agrees with Staff's finding that most EGSs are most interested in ensuring that billing systems provide fast-turnaround times for billing changes affecting the EGS and the customer. The consistency of design among rate ready or bill ready platforms is of lesser concern. EGSs are equally comfortable with web-based access, manual email communication, and EDI transactions for billing systems issues so long as the access is readily available, easy to navigate, and results in prompt and correct EDC action. Again, irrespective of the specific design of a rate ready or bill ready platform, it's also true that some EGSs prefer bill ready platforms because bill ready tends to be more suitable for customers using smart meters and other advanced energy technology. Consequently, the Commission should leave in place both rate ready and bill ready platforms as options for EDCs.

BOTH RATE READY AND BILL READY CAPABILITIES SHOULD BE AVAILABLE

PEMC believes that once EDCs have moved to rate ready billing, they should not be forced to move to a bill ready system; or vice-versa. Both billing systems are important to a vibrant marketplace. Rate ready billing is generally good for competition because of its advanced nature encourages new market entrants and innovative pricing.

Staff expressed concern in the Report about the potential cost of moving EDCs from bill ready systems to rate ready platforms. Again, PEMC believes that EGSs should not be forced to take one single billing system or another, but afforded the opportunity to employ the system that best meets their needs. While some EGSs prefer rate ready billing, others prefer bill ready platforms because they are more suitable for customers wishing to take advantage of Real Time Pricing and

other products requiring bill calculations. In the future, bill ready platforms will allow the leveraging of certain types of advanced technology such as smart meters.

CONCLUSION

The Commission has a very important opportunity to advance electricity choice in Pennsylvania by ensuring that EDCs use diverse billing platforms that enable the development of innovative products and services for EGSs and customers. It is critical that any requirements for billing platforms are approached with a continued commitment to empower consumers so that they have the ability to take control of their energy purchases with products that they believe best fit their individual needs. If done right, the Commission will give EGSs more tools to provide Commonwealth residents and small businesses more choices for electricity supply and more control of their energy future.

We recognize that much work remains to be done on this topic and others related to competition and pledge to the Commission our continued support to help with these efforts.

September 22, 2010

Respectfully submitted



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See PEMC Member Listing Attached

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