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 **PRESS RELEASE**

 Date: Sept. 22, 2011

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**PUC Finalizes Rulemaking, Policy Statement on Default Service, Retail Electric Markets**

HARRISBURG – The Pennsylvania Public Utility Commission (PUC) today approved a final rulemaking and policy statement on default service electricity service, which brings the PUC’s regulations and policy statements in line with the requirements of Act 129 of 2008.

The Commission voted 5-0 on a [motion](http://www.puc.state.pa.us/general/pdf/Comm-SM/Coleman_Motion_LAW2095604_092211.pdf) by Commission Vice Chairman John F. Coleman Jr. to adopt the final changes to its default service regulations. In separate action, the Commission voted 5-0 to finalize a policy statement also related to default service electricity service.

The final default service rulemaking amends the following areas of the regulations:

* Provider obligations;
* Service programs and periods of service;
* Procurement and implementation plans;
* Rate design and the recovery of reasonable costs; and
* Commission review of default service program and rates.

The rulemaking now goes to the state’s Independent Regulatory Review Commission for consideration.

The final policy statement revisions add certain definitions, address electric generation supply procurement and alternative energy portfolio standards. It also called for the default service provider to procure electric generation supply for default service customers in compliance with Act 129, which requires that default service be purchased at the lowest cost to consumer over the long term.

On Oct. 15, 2008, HB 2200 was signed into law as Act 129 of 2008.  The Act adds several new sections to, and amends several existing sections of, the Public Utility Code.  In order to comply with the Act in an orderly and efficient manner, the Commission will implement the Act in phases that include energy efficiency and conservation programs; smart meter technology; time-of-use rates; real-time pricing plans; market misconduct; and cost recovery.

The Pennsylvania Public Utility Commission balances the needs of consumers and utilities to ensure safe and reliable utility service at reasonable rates; protect the public interest; educate consumers to make independent and informed utility choices; further economic development; and foster new technologies and competitive markets in an environmentally sound manner. For recent news releases, audio of select Commission proceedings or more information about the PUC, visit our website at [www.puc.state.pa.us](http://www.puc.state.pa.us/).

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Docket nos. L-2009-2095604; M-2009-2140580