BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Investigation of Pennsylvania's Retail Electricity Market: Joint Electric Distribution Company -Electric Generation Supplier Bill Docket No. M-2014-2401345

<u>Comments of the</u> <u>National Energy Marketers Association</u>

The National Energy Marketers Association (NEM)¹ hereby submits comments in support of the Commission proposals to create a more supplier-oriented utility consolidated bill, specifically, the inclusion of the electric generation supplier's (EGS's) logo on the bill; the expansion of the bill messaging space from the current two lines to four lines; and the inclusion of a Shopping Information Box. NEM additionally requests that the Commission consider the use of bill inserts and additional EGS billing line items. These comments are submitted pursuant to the February 6, 2014, Tentative Order issued by the Commission. This Commission has been a steadfast proponent of competitive retail energy markets, and in that regard, it has adopted market rules and processes that facilitate choice and informed consumer shopping. NEM strongly supports the Commission's additional efforts in the instant proceeding to achieve this result.

¹ The National Energy Marketers Association (NEM) is a non-profit trade association representing both leading suppliers and major consumers of natural gas and electricity as well as energy-related products, services, information and advanced technologies throughout the United States, Canada and the European Union. NEM's membership includes independent power producers, suppliers of distributed generation, energy brokers, power traders, global commodity exchanges and clearing solutions, demand side and load management firms, direct marketing organizations, billing, back office, customer service and related information technology providers. NEM members also include inventors, patent holders, systems integrators, and developers of advanced metering, solar, fuel cell, lighting and power line technologies.

OCMO examined the issue of the creation of a more supplier-oriented UCB, one of the recommendations in the Commission's Order concluding the electric Retail Market Investigation. NEM submitted informal comments to OCMO during its review. Having received stakeholder input through the OCMO process, the Commission is now requesting comment on proposed changes to the Utility Consolidated Bill (UCB) to make it more supplier-oriented:

 inclusion of the electric generation supplier (EGS) logo on the bill, in black and white or color;
expansion of bill messaging space allotted to EGSs from the current 2 lines to 4 lines; and
the inclusion of a Shopping Information Box.

The Commission made these recommendations because it, "believes that these three proposals will aid the customer in not only developing a stronger recognition of, and relationship with, his or her EGS, but will also increase customer awareness when participating in the competitive retail electric market." (Order at 1-2). NEM agrees. The Commission declined to recommend the inclusion of an EGS bill insert but requested additional comment on the related costs, benefits and complexities of same. The Commission also recommends that the costs of these changes be recovered in a nonbypassable mechanism. NEM supports this proposal as well.

1. EGS Logo

The Commission proposes that the EGS logo be included on the UCB, in black and white or in color. NEM supports this recommendation and notes that this would be in accordance with practice in other retail choice jurisdictions. Inclusion of the EGS logo on the bill is necessary to reinforce to consumers that that the bill that they receive is collecting charges from two separate entities, for both the competitive commodity supply service as well as the utility delivery service.

2. Bill Messaging Space

The Commission proposes that the messaging space allotted to EGSs be increased from the current two lines to four lines. NEM supports this recommendation inasmuch as the bill message allows the EGS to communicate specific information to the consumer that it cannot convey elsewhere about the programs the consumer is participating in. Increasing the line allotment will allow the EGS to communicate information in a more understandable fashion because the content will not have to be as abbreviated. In addition, the utility is not losing much space on the bill to provide this commensurate benefit.

3. Shopping Information Box

The Commission recommends that UCBs contain a conspicuously placed Shopping Information Box that would include the customer account/customer number (whichever is required to effectuate a switch), customer Rate Schedule, and an explanatory statement that this information is needed when shopping for an EGS. NEM suggested this concept in its informal comments to OCMO and supports its implementation. For instance, the customer number that is required to enroll with an EGS can be different than the account number that appears on the bill, which acts as a hindrance to consumer shopping. Alternatively, some utilities require the POD (point of delivery) number instead of the account number. This Shopping Information Box will facilitate consumer switching by making the necessary information more readily accessible and understandable. Indeed, all utility bills should include this type of disclosure.

4. Bill Inserts

The Commission recognized that the inclusion of EGS bill inserts would aid in providing consumers with valuable information but declined to adopt the recommendation citing concerns with costs, complexity and staleness of the information. NEM submits that a bill insert is a significantly better way for EGSs to communicate with consumers. Moreover, bill inserts would not be used to convey information which ages quickly. The inserts would be used to convey messages that were fixed for extended periods, thus alleviating the concern about outdated information. With respect to the issue of the costs and complexity, EGSs would need to be provided with an understanding of the process the utility currently uses to produce the bill insert and the associated costs in order to understand its relative value.

5. Bill Line Items

The Tentative Order did not address the issue of providing EGSs with additional billing line items. NEM requests that the Commission consider requiring that the UCB include additional supplier line items to facilitate the provision of increased value-added services to consumers such as energy efficiency products, rebates, discounts, and the like. Suppliers would be better able to provide consumers with innovative products if they had additional billing line items for their presentation.

6. Cost Recovery

NEM supports the Commission recommendation that the costs of these changes be recovered through a nonbypassable mechanism from all customers. Since the billing changes will benefit all current and future shopping energy consumers, it is appropriate to recover these costs in this manner.

Conclusion

For the foregoing reasons, NEM supports the Commission's three recommended changes to create a more supplier-oriented utility consolidated bill. NEM additionally requests the Commission consider the use of bill inserts and additional billing line items in furtherance of its goal of strengthening consumer recognition of, and relationships with, their EGS.

Sincerely,

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