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E-FILE

March 10, 2014

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

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

Dear Ms. Chiavetta:

Enclosed for electronic filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is an original copy of PPL Electric's comments in the above-captioned proceeding. These comments are being filed pursuant to the Order entered on February 6, 2014 in the above referenced proceeding.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on March 10, 2014, which is the date it was filed electronically via the Commission's e-filing system.

If you have any questions regarding these comments, please call me at (610) 774-4254 or Renae Yeager, Director Distribution Regulatory and Business Affairs at 610-774-5347.

Very truly yours,

Paul E. Russell

Enclosures

cc: Mr. Matthew Hrivnak
Mr. Kirk House
Mr. John R. Evans

J. Edward Simms, Esq.
Tanya J. McCloskey, Esq.
Donna Clark, Esq.

bcc: Mr. Dennis A. Urban, Jr. – GENN5
Ms. B. Kathryn Frazier – GENN5
Ms. Renae G. Yeager – GENN5
Ms. Cheryl T. Oehler – GENN5
Mr. Mark A Velicer – LEHSC
Mr. Timothy R. Dahl – LEHSC
Ms. Susan G. Peters – LEHSC
Ms. Susan M. Scheetz – GENN5
Mr. Aloysius P. Cannon, Jr. – LEHSC
Ms. Deborah L. Keiser - CCC

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**COMMENTS OF
PPL ELECTRIC UTILITIES CORPORATION
COMMENTS**

I. INTRODUCTION

On February 6, 2014 the Public Utility Commission ("PUC" or the "Commission") entered a Tentative Order requesting parties to file comments regarding recommendations for creating a more supplier-oriented utility consolidated electric bill.

In its Tentative Order, the Commission specified that the comments should address the electric distribution company's ("EDC") plans for implementing three specific mechanisms: (1) inclusion of the electric generation supplier's ("EGS") logo on the EDC bill; (2) expansion of EGS bill messaging space from two to four lines with up to 80 characters each; and (3) inclusion of a Shopping Information Box described in the Tentative Order. The Commission also requested comments on the proposed deadline of June 1, 2015 for implementation of these changes. Finally, the

comments should include the EDC's expected costs and its proposed mechanism for recovering those costs. PPL Electric Utilities Corporation ("PPL Electric" or the "Company") hereby submits its comments, as described in more detail below.

II. COMMENTS

A. Summary

An important issue for PPL Electric is customer acceptance of a joint EDC/EGS bill. Before and after introducing its new bill format in October 2011, the Company conducted customer research, including focus groups and surveys. One key theme from this research was that customers preferred simple, easy-to-understand bills. PPL Electric's proposed approach to complying with the Commission's recommendations maintains current bill design elements for all customers, with overarching consumer friendly, clean and easy to read bills in a cost-effective manner. PPL Electric believes that consistency in the presentation of billing information for all customers is essential. Customers should be able to easily identify important information (billing amount, due date, presentment of charges, etc.) without having to call their utility.

The Company has one basic format for its electric bill, but there are over 150 different variations of the bill due to the circumstances affecting customers' bills (budget billing, payment agreements, Customer Assistance Program participation, area lighting, billing adjustments, etc.). PPL Electric recommends that competitive retail electric market information, as well as EGS information for shopping customers, remain on the back of the first page of the bill. The Company also recommends that the EGS's logo appear prominently on the back of the first

page. For reasons of clarity and ease of understanding by shopping customers, PPL Electric believes it is appropriate to keep the logos and charges of the EDC and EGS on separate pages of the bill. Presenting the information in this fashion will help to support the Commission's objectives of making the EGS's information more noticeable and increasing customers' awareness of their selected EGS's. From a technical viewpoint, including the EGS's logo on the back of the first page of the bill is more practical and cost effective.

In the Tentative Order, the Commission invited discussions of other recommended changes in addition to the three recommendations outlined in the Tentative Order. In this context, PPL Electric suggests the Commission consider modified wording of Price-to-Compare ("PTC") information on a bill. The *"Investigation of Pennsylvania's Retail Electricity Market: Intermediate Work Plan"* (Docket No. I-2011-2237952) provided guidance as to the presentment of PTC information on bills of all customers. However, given the Commission's objective of creating a more supplier-oriented consolidated electric bill, PPL Electric suggests modified wording that provides customers with information on finding the best price for their generation supply, rather than highlighting PPL Electric's PTC. The current wording provides information specific to PPL Electric's PTC, which could appear to be promoting PPL Electric's PTC over other offers available to a customer on www.papowerswitch.com. A proposed PTC message might be, for example, "Find the best price for your generation supply to save money on your electric bill. Visit papowerswitch.com for Supplier offers. Review contract terms so you can make the best choice for your needs."

B. Proposed Implementation Details

1. EGS's Logo on the EDC Bill

For shopping customers, PPL Electric proposes to include the EGS's logo on the second page of PPL Electric's bill within the "Your Supplier Contact Information" box in black and white. See Appendix A for an example of a shopping customer's bill. There is a fixed, one-time charge of \$100,400 to set up the EGS logos. The \$100,400 is based on the current number of EGSs licensed in PPL Electric's service territory. For any EGS logos that would need to be added after initial implementation, the incremental setup fee would be \$4,480 per EGS logo. The second page of PPL Electric's bill is currently printed in black and white. PPL Electric investigated the cost of a color logo. Specifically, if the back of the first page were printed in color for the purpose of displaying the EGS's logo on the monthly customer bill, the estimated net incremental annual cost would be approximately \$102,000. This estimate assumes that all customers' bills use the color printing equipment.

PPL Electric recommends the use of a black and white logo given the incremental costs of printing the second page of PPL Electric's bill in color.

2. Shopping Information Box

PPL Electric evaluated costs associated with including a Shopping Information Box for all customers, shopping and non-shopping. Adding a Shopping Information Box with the wording proposed by the Commission to a non-shopping customer's bill would not require an additional bill page. See Appendix B for an example of a non-shopping customer's bill. However, adding that information to a shopping customer's bill would add an extra physical page to his or her bill. PPL Electric estimated that

the net incremental cost to include a Shopping Information Box for non-shopping and shopping customers (assuming ~700,000 shopping customers) would be approximately \$325,000 annually, including processing and assuming black and white only. If the color option is selected along with the Shopping Information Box for all non-shopping and shopping customers, the estimated net incremental annual cost would be approximately \$785,000 annually (\$102,000 color processing fee + \$683,000 for a third page in color). See Appendix C "Summary of Bill Options" for details. Accordingly, PPL Electric recommends that the Shopping Information Box be included only for customers not currently shopping with an EGS.

The Shopping Information Box will be populated with the recommended messaging and will print in the same location on a customer's bill as the "Your Supplier Contact Information", EGS logo and EGS contact information would print for shopping accounts.

As it relates to the presentation of information for customers with multiple customer/account numbers, PPL Electric has a one-to-one relationship between customer bills and account numbers which will produce consistent placement of the Shopping Information Box on a customer's bill.

3. Expansion of Bill Messaging

PPL Electric currently supports the inclusion of supplier messaging up to 320 characters on its monthly bill. It is important to note that the four (4) lines of bill messaging, up to 80 characters per line, will appear on the bill as one paragraph, consistent with the current implementation. See example in Appendix A. PPL Electric will not require any EDI or bill format changes to include the additional bill

messaging. Supplier messaging is only applicable in the bill ready EDC consolidated billing model consistent within the current framework of the EDC bill. There is no mechanism for supplier bill messaging in the EDC consolidated rate ready billing model within the EDEWG Implementation Guidelines.

4. EGS Bill Inserts

With regard to EGS bill inserts, PPL Electric agrees with the Commission's concerns that it would be both costly and impractical to insert bill stuffers from multiple EGSs. The vendor used by PPL Electric to print customer bills does not have enough inserting machines or the appropriate software to handle multiple bill inserts for different groups of customers on different billing cycles. In addition, bill inserts must be ready a month in advance and any last-minute changes would be difficult and expensive to accommodate. The size of the insert also must conform to the printer's specifications and requirements. A second insert, along with PPL Electric's Connect bill insert, could cause the bill to exceed weight limits and thereby increase postage costs.

It would be a significant burden to manage this process of collecting, printing and inserting bill stuffers from a variety of EGSs. Accordingly, the Company concurs with the Commission's recommendation of not including an insert at this time.

C. Timeline

PPL Electric will implement the proposed Joint Electric Distribution Company – Electric Generation Supplier Bill enhancements by June 1, 2015.

D. Cost Recovery

All of the costs discussed above and summarized in Appendix C are PPL Electric's best estimates at this time. As the Company moves forward with implementation of these recommended changes, its actual costs are likely to differ from these estimates. PPL Electric proposes to recover its actual costs from retail customers. In its Tentative Order, the Commission proposed that "the costs associated with these recommendations be recovered from all distribution customers on a non-bypassable basis through the EDC's Retail Market Enhancements surcharge or some similar mechanism." (Tentative Order, p. 9). PPL Electric agrees and proposes to recover all of the actual incremental costs of implementation through the use of its Competitive Enhancement Rider, which is Commission-approved, non-bypassable surcharge.

III. CONCLUSION

PPL Electric appreciates the opportunity to provide comments to the Commission regarding its proposal to provide a more supplier-oriented consolidated electric bill. The Company was an early proponent of customers shopping for their electric supply and continues its efforts to promote the benefits of shopping. As indicated above, PPL Electric believes it is essential to offer customers a clean and easy-to-understand electric bill. It is also important to be cognizant of cost impacts on customers.

PPL Electric's preferred approach is Option 1 (Black & White logo, with the Shopping Information Box only on non-shopping customers' bills) as set forth on

Appendix C. This option provides for implementation of the three mechanisms at the least incremental cost when compared to Options 2, 3 and 4.

The Company believes that it can implement the Commission's recommendations in a timely, cost-efficient manner and with minimal impact on customers. The Company stands ready to work with the Commission in its efforts to encourage informed shopping by customers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul E. Russell", is written over a horizontal line.

Paul E. Russell (ID # 21643)
Associate General Counsel
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101
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Fax: 610-774-6726
E-mail: perussell@pplweb.com

Appendix A – Shopping Customer Bill Example



Questions? Please contact us by May 6. 1-800-DIAL-PPL (1-800-342-5775) M-F: 8am to 5pm

Visit us online at ppllectric.com

Final Bill

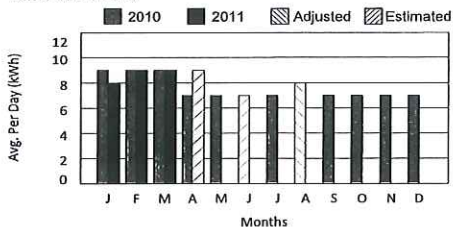
Page 1

Bill Acct. No.	Due Date	Amount Due
99999-99991		NONE

Your Electric Usage Profile

Service to:
CUSTOMER 1
123 STATE RD
ANYTOWN, PA 12345
Meter: 88888888

This section helps you understand your year-to-year electric use by month. Meter readings are actual unless otherwise noted.



Monthly Comparison	Days Billed	kWh	Average kWh/Day	Average Temp.
Apr 2011	31	277	9	37F
Apr 2010	29	289	7	43F

Billing Period	Type	Reading
Apr 4	Actual	21740
Mar 4	Actual	21463
31 Days	kWh Billed	277

Yearly Comparison	Total Use	Avg. Monthly
May 2010 - Apr 2011	2818	235
May 2009 - Apr 2010	2990	249

Billing Summary

(Billing details on back)

Balance as of Apr 20, 2011	\$96.09
Charges:	
Total Supplier ABC Charges	\$2.77
Total PPL Electric Utilities Charges	\$19.02
Total Charges	\$117.88
Automatic Bill Payment	\$117.88
Account Balance	\$117.88

PPL Electric Utilities' price to compare for your rate is \$0.08754 per kWh. This changes the 1st of Mar, Jun, Sept, and Dec. Visit papowerswitch.com or www.oca.state.pa.us for supplier offers.

Your Message Center

- A new price for the quarterly distribution system improvement charge is effective from Oct. 1, 2013 through Dec. 31, 2013
- Supplier text Supplier text Supplier text Supplier text
Supplier text Supplier text Supplier text Supplier text
Supplier text Supplier text Supplier text Supplier text
Supplier text Supplier text Supplier text Supplier text
Supplier text Supplier text Supplier text Supplier text
Supplier text Supplier text Supplier text Supplier text
- Reminder: Did you forget to pay your last bill?
- Although your electricity is off, you are still responsible for this bill. Call us at 1-800-358-6623.

Payment Methods

- Online at: ppllectric.com
- By phone: 1-800-342-5775 or call BillMatrix (service fee applies) at 1-800-672-2413 to pay using Visa, MasterCard, Discover or debit card.
- By Mail: 2 North 9th Street, CPC-GENN1, Allentown, PA 18101-1175
- Correspondence should be sent to: Customer Services, 827 Hausman Road, Allentown, PA 18104-9392

Other important information on the back of this bill →

Bill Acct. No.	Due Date	Amount Due
99999-99991		NONE



CUSTOMER 1
123 STATE RD
ANYTOWN, PA 12345-0241

PPL ELECTRIC UTILITIES
P.O. BOX 25222
LEHIGH VALLEY, PA 18002-5222

1 9600001178860000117884 0000612037

Appendix A – Shopping Customer Bill Example (Continued)

Your Supplier Contact Information

Supplier Name1
 Supplier Name2
 supplier logo Supplier Addr1
 goes here Supplier Addr2
 Supplier City,State,Zip
 1-888-999-1234
 www.supplier.com

Manage Your Account

Visit ppl electric.com for self-service options including:
 -View your bill, payment, and usage history.
 -Make a payment, set up a payment agreement.
 -Start/stop service.
 -Enroll in paperless billing, automatic bill pay, budget billing.
 -Report an outage, check outage status, and more.
 View your rate schedule at ppl electric.com/rates or call 1-800-342-5775 to request a copy.

Billing Details - (Bill Acct. 99999-99991)

Page 2

Previous Balance	\$96.09
Payment Received Apr 2, 2011 - Thank You!	-\$10.00
Balance as of Apr 20, 2011	\$86.09
Charges for - Supplier ABC	
Generation & Transmission Charges	
General Service Rate: ABCPPL for Mar 4 - Oct 4	
Supplier Charge	2.77
Total Supplier ABC Charges	\$2.77
Charges for - PPL Electric Utilities	
Residential Rate: RS for Mar 4 - Oct 4	
Distribution Charge:	
Customer Charge	8.75
200 kWh at 3.30000000¢ per kWh	6.60
77 kWh at 3.30000000¢ per kWh	2.54
PA Tax Adj Surcharge at -0.27600000%	-0.05
Total PPL Electric Utilities Charges	\$17.84
Other Charges for PPL Electric Utilities	
Late Payment Charge	1.18
Total of Other Charges	\$1.18
Automatic Bill Payment	\$117.88
Account Balance	\$117.88

Understanding Your Bill

Customer Charge - Monthly basic distribution charge to cover costs for billing, meter reading, equipment, maintenance and advanced metering when in use.

Distribution Charge - Charge for the use of local wires, transformers, substations and other equipment used to deliver electricity to end-use consumers from the high voltage transmission lines.

kWh (Kilowatt-hour) - The basic unit of electric energy for which most customers are charged. The amount of electricity used by ten 100-watt lights left on for 1 hour. Consumers are usually charged for electricity in cents per kilowatt-hour.

Late Payment Charge - Charge added if you do not pay your bill on time.

Rate RS - Rate for service to a private home.

State Tax Adjustment Surcharge - Charge or credit on electric rates to reflect changes in various state taxes included in your bill. The surcharge may vary by bill component.

Type(s) of Meter Readings:

Actual - Reading by distribution company.

Adjusted - Usage based on an actual reading obtained close to the billing date.

Estimated - Usage based on the weather and your past energy use.

\$21.79

Appendix B – Non-Shopping Customer Bill Example

-*- Demonstration Powered by HP Exstream 02/27/2014, Version 7.0.612 32-bit -*-



Questions? Please contact us by May 11.
1-800-DIAL-PPL
 (1-800-342-5775)
 M-F: 8am to 5pm

Visit us online at ppllectric.com

Corrected Bill Page 1

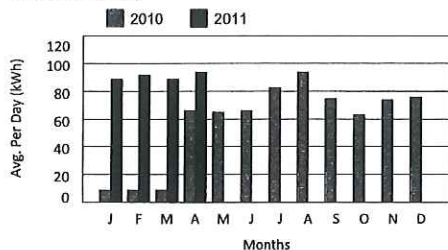
Bill Acct. No.	Due Date	Amount Due
99999-99992		NONE

Your Electric Usage Profile

Service to:
 CUSTOMER 2
 123 STATE RD
 ANYTOWN, PA 12345

Meter: 99999999
 Your next meter reading is on or about May 17, 2011.

This section helps you understand your year-to-year electric use by month. Meter readings are actual unless otherwise noted.



Monthly Comparison	Days Billed	kWh	Average kWh/Day	Average Temp.
Apr 2011	29	2739	94	45F
Apr 2010	29	289	66	53F

Billing Period	Type	Reading
Apr 20	Actual	56029
Mar 22	Actual	53290
29 Days	kWh Billed	2739

Yearly Comparison	Total Use	Avg. Monthly
May 2010 - Apr 2011	29209	2434
May 2009 - Apr 2010	31266	2606

Billing Summary

(Billing details on back)

Balance as of Apr 20, 2011	\$1,272.28
Charges:	
Total PPL Electric Utilities Charges	\$329.91
Total Charges	\$1,602.19
Amount Due By May 11, 2011	\$1,602.19
Account Balance	\$1,602.19

PPL Electric Utilities' price to compare for your rate is \$0.08754 per kWh. This changes the 1st of Mar, Jun, Sept, and Dec. Visit papowerswitch.com or www.oca.state.pa.us for supplier offers.

Your Message Center

- We will deduct \$21.79 from your bank account on May 11, 2011. We will deduct your prior bill amount(s) on the dates shown on your previous bills.
- Trees, bushes, weeds or other plants prevent us from reading your meter. Please trim or remove them.

Payment Methods

Online at: ppllectric.com

By phone: 1-800-342-5775 or call BillMatrix (service fee applies) at 1-800-672-2413 to pay using Visa, MasterCard, Discover or debit card.

By Mail:
 2 North 9th Street
 CPC-GENN1
 Allentown, PA 18101-1175

Correspondence should be sent to:
 Customer Services
 827 Hausman Road
 Allentown, PA 18104-9392

Other important information on the back of this bill →



Bill Acct. No.	Due Date	Amount Due
99999-99992		NONE

CUSTOMER 2
 123 STATE RD
 ANYTOWN, PA 12345

PPL ELECTRIC UTILITIES
 2 NORTH 9TH STREET CPC-GENN1
 ALLENTOWN, PA 18101-1175

1 9600016021960001602196 0005587011

Appendix B – Non-Shopping Customer Bill Example (Continued)

-*- Demonstration Powered by HP Exstream 02/27/2014, Version 7.0.612 32-bit -*-

Shopping Information Box

Visit papowerswitch.com or www.oca.state.pa.us to shop for electricity with an Electric Generation Supplier.

You will need to provide the following when signing up with an Electric Generation Supplier:

Bill Account Number: 99999-99992
Rate Schedule: RS

Billing Details - (Bill Acct. 99999-99992)

Page 2

Manage Your Account

Visit ppllectric.com for self-service options including:

- View your bill, payment, and usage history.
- Make a payment, set up a payment agreement.
- Start/stop service.
- Enroll in paperless billing, automatic bill pay, budget billing.
- Report an outage, check outage status, and more.

View your rate schedule at ppllectric.com/rates or call 1-800-342-5775 to request a copy.

Previous Balance	\$100.00	
Payment Received - Thank You!	-\$100.00	
Balance as of Apr 20, 2011		\$0.00
Charges for - PPL Electric Utilities		
Residential Rate: RS for Mar 22 - Apr 20		
Distribution Charge:		
Customer Charge	8.75	
200 kWh at 3.30000000¢ per kWh	6.60	
600 kWh at 3.30000000¢ per kWh	19.80	
1,939 kWh at 3.30000000¢ per kWh	63.99	
PA Tax Adj Surcharge at -0.27600000%	-0.27	
Transmission Charge:		
2,739 kWh at 0.09200000¢ per kWh	2.52	
PA Tax Adj Surcharge at -0.28600000%	-0.01	
Generation Charge:		
Capacity and Energy		
200 kWh at 9.20500000¢ per kWh	18.41	
600 kWh at 9.20500000¢ per kWh	55.23	
1,939 kWh at 9.20500000¢ per kWh	178.48	
PA Tax Adj Surcharge at -0.28600000%	-0.72	
Total PPL Electric Utilities Charges	\$352.78	
Your Budget Plan Amount		\$314.00
Other Charges for PPL Electric Utilities		
Late Payment Charge	15.91	
Total of Other Charges		\$15.91
Amount Due By May 11, 2011		\$1,602.19
Account Balance		\$1,602.19

Understanding Your Bill

Budget Billing - Plan that provides for equal monthly payments.

Customer Charge - Monthly basic distribution charge to cover costs for billing, meter reading, equipment, maintenance and advanced metering when in use.

Distribution Charge - Charge for the use of local wires, transformers, substations and other equipment used to deliver electricity to end-use consumers from the high voltage transmission lines.

Generation Charge - Charge for the production of electricity.

kWh (Kilowatt-hour) - The basic unit of electric energy for which most customers are charged. The amount of electricity used by ten 100-watt lights left on for 1 hour. Consumers are usually charged for electricity in cents per kilowatt-hour.

Late Payment Charge - Charge added if you do not pay your bill on time.

Rate RS - Rate for service to a private home.

State Tax Adjustment Surcharge - Charge or credit on electric rates to reflect changes in various state taxes included in your bill. The surcharge may vary by bill component.

Transmission Charge - Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

Type(s) of Meter Readings:

Actual - Reading by distribution company.

\$329.91

Appendix C – Summary of Pricing Options

Option	Estimated One-Time Incremental Cost	Estimated Annual Incremental Cost	Cost Components	Logo		Shopping Information Box	
				Black & White	Color	All Customers	Non Shoppers
1	\$100,400	–	One Time \$100,400 (setup) +*	X			X
2	\$100,400	\$102,000	One Time \$100,400 (setup) +* \$102,000 incremental annual processing cost for Color Logo (1,400,000 *\$0.00605 incremental per sheet fee* 12 months)		X		X
3	\$100,400	\$325,000	One Time \$100,400 (setup) +* \$325,000 annual cost for third page (~700,000 shopping customers * \$0.03864 third sheet cost * 12 months)	X		X	
4	\$100,400	\$785,000	One Time \$100,400 (setup) +* \$102,000 incremental annual processing cost for Color Logo + \$683,000 annual cost for third page on color equipment (1,400,000 * \$0.04065 * 12 months)		X	X	

*For any EGS logos that would need to be added after the initial implementation, the incremental setup fee would be \$4,480 per EGS logo.