



March 25, 2014

RECEIVED

**VIA FEDERAL EXPRESS**

MAR 25 2014

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

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Re: Proposed Rulemaking: Standards For Changing a Customer's Electric  
Generation Supplier; Docket No. L-2014-2409383**

Dear Secretary Chiavetta:

Enclosed please find the comments of UGI Energy Services, LLC in response to the Commission's Secretarial Letter dated March 18, 2014, in the above-captioned proceeding.

Should you have any questions concerning this submission, please feel free to contact me at (610)-992-3750 or [elatiehm@ugicorp.com](mailto:elatiehm@ugicorp.com).

Respectfully yours,

Melanie J. El Atieh  
Attorney for UGI Energy Services, LLC

Enclosure

Cc: Office of Competitive Market Oversight (via e-mail at [ra-OCMO@state.pa.us](mailto:ra-OCMO@state.pa.us))

RECEIVED

MAR 25 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

**Proposed Rulemaking:** :  
**Standards For Changing a Customer's** :  
**Electric Generation Supplier** : **Docket No. L-2014-2409383**  
:  
:

COMMENTS OF UGI ENERGY SERVICES, LLC

I. INTRODUCTION

UGI Energy Services, LLC d/b/a UGI EnergyLink ("UGIES" or the "Company"),<sup>1</sup> a licensed Electric Generation Supplier ("EGS") at Docket No. A-2013-2369288,<sup>2</sup> hereby submits comments to the Pennsylvania Public Utility Commission's ("Commission's") Secretarial Letter issued March 18, 2014, in the above-captioned docket. In the Secretarial Letter, the Commission informed interested stakeholders of its intent to promulgate a rulemaking to amend existing Regulations at 52 Pa. Code, Chapter 57 to accelerate switching time frames through off-cycle meter reads in a fashion that will permit Pennsylvania retail electric customers to switch suppliers within three (3) days or less, which would require implementation within six months of publication in the Pennsylvania Bulletin, absent good cause shown. The Commission stated that

<sup>1</sup> As background, UGIES markets electricity, natural gas and liquid fuels to approximately 43,000 customers in nine eastern states, including over 7,500 retail electric customers in Pennsylvania. It also owns and operates 252 MW of electric generation assets as well as various natural gas storage and peaking assets located in Pennsylvania. In addition, UGIES markets liquefied natural gas to mobile and stationary end users and operates and develops midstream projects in the Marcellus Shale region.

<sup>2</sup> The Company, formerly known as UGI Energy Services, Inc. d/b/a UGI EnergyLink, was initially licensed by the Commission as an EGS on July 24, 1998 at Docket Nos. A-110076. Effective October 1, 2013, the Company underwent an intra-corporate merger solely for the purpose of converting its corporate form of organization from a Pennsylvania corporation to a Pennsylvania limited liability company ("LLC"), changing its name to UGI Energy Services, LLC while maintaining its trade name, UGI EnergyLink (the "LLC Conversion"). In connection therewith, the Company sought and obtained prior Commission approval to transfer the Company's EGS license to the successor LLC entity, UGI Newco, LLC ("Newco"). Specifically, on September 12, 2013, the Commission entered an Order at Docket No. A-2013-2369288, authorizing the transfer of and issuing an EGS license to Newco, and in the same docket, the Commission issued a Secretarial Letter on November 15, 2013, approving a name change on the EGS license to UGI Energy Services, LLC d/b/a UGI EnergyLink.

due to the recent impact of wholesale electricity market price increases on Pennsylvania consumers, and concerns that similar events could occur again in the immediate future, the Commission has determined that for good cause and to serve the public interest the rulemaking will take the form of a “final-omitted” proceeding pursuant to 45 P.S. § 1204(3); 71 P.S. §§ 745.5a and 745.6. The Commission attached a draft of the proposed regulations to the Secretarial Letter in order to provide opportunity for interested stakeholders to provide comments, which the Commission required be filed no later than seven (7) days of the date of the Secretarial Letter.

The Company commends the Commission’s efforts to respond to the recent electricity market events and appreciates the opportunity to provide comments on this important rulemaking. UGIES believes the conditions of this winter have served to highlight the importance of effectuating timely customer switching to their supplier of choice and generally supports the implementation of accelerated switching rules, subject to the modifications proposed herein, as a positive enhancement to the customer shopping experience.

## **II. COMMENTS TO PROPOSED REGULATIONS**

### **A. Elimination of the Ten-Day Waiting Period**

Under section 57.123(2) of the Commission’s proposed rulemaking, the Commission has proposed to modify the current rules to eliminate the ten day waiting period within which the utility holds an enrollment request during which time the customer can dispute whether consent was given to the transfer to the EGS. The Commission granted a temporary waiver of Code Sections 57.173 and 174 to shorten the current ten day confirmation period to five days. The confirmation letter sent by the utility including notice of the waiting period would be reformulated as a notice to the customer of the transfer of service. UGIES supports the

elimination of the ten day waiting period. The Company believes the Commission's regulations and penalty provisions provide appropriate safeguards against slamming without the waiting period. The waiting period has served to unnecessarily delay the customer switching process, creating consumer confusion and dissatisfaction at the very early stages of exposure to energy shopping. Accordingly, UGIES supports the elimination of the ten day confirmation waiting period.

### **B. Off-Cycle Meter Reads**

Section 57.174(2) of the Commission's proposed rulemaking would require the utility to make use of off-cycle meter reads. The language in proposed Section 57.174(2) provides as follows:

“The EDC shall obtain a meter read to effectuate the switch of EGS service within the time period provided for in paragraph (1). In instances where the EDC does not have advanced or automated metering capability, the EDC shall obtain an actual meter read, use an estimated meter read or use a customer-provided meter read. In instances where estimates are used, the estimated meter read shall be updated when an actual meter read is obtained to reflect the customer's actual usage through the customer's normal meter read cycle.”

UGIES fully recognizes that not all EDCs in Pennsylvania currently have smart meters in place to effectuate actual off-cycle meter reads and further recognizes that there may be significant implications to EDCs from a cost and systems processes and information standpoint to effectuate these changes, which may require more time to be fully considered and explored by interested stakeholders and the Commission. Furthermore, UGIES is very concerned with EDCs providing customers with estimated meter reads and proposes to eliminate this component of the proposal. From a practical perspective, using an estimated meter read in the switching process could be the source of customer confusion and complaints. Moreover, as commented upon by UGIES in its comments submitted on March 24, 2014, in Docket No. L-2014-2409385, we believe it is important that customers understand in such circumstances that the actual price the

customer will pay will be calculated at the end of the applicable billing cycle and that any indicative pricing provided to the customer mid-billing cycle is only an estimate and may not reflect the actual price the customer will be required to pay at the end of the applicable billing cycle.

In recognition of the issues above, UGIES recommends a compromise approach that would support a customer's request to switch by the next meter read date. Currently, under the current process, a customer who requests to switch 14-days prior to the customer's next meter read date will not be switched until the customer's meter read date following the next meter read date. Such a customer should be switched by its next meter read date. While we recognize this suggestion may require vetting by interested stakeholders, we believe it will serve to accelerate the switching process between billing cycles without unduly burdening the existing process or causing confusion for EDCs, EGSs and consumers.

### **C. Customer Switching from EGS Service to Default Service**

Section 57.172(2) of the Commission's rulemaking governs the process to be used when a customer seeks to change from its current EGS to default service, and provides as follows:

"(2) When a customer or person authorized to act on the customer's behalf orally contacts the default service supplier to request a switch from the current EGS product to default service, the default service supplier shall notify the customer that there may be a financial penalty associated with terminating service with the current EGS product. Subsequent to this notice and given express oral consent from the customer, the default service supplier shall enroll the customer onto default service."

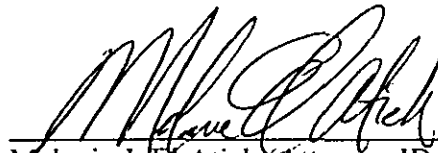
We support the language requiring the EDC to notify the customer that there may be a financial penalty associated with switching to default service and concurrently terminating service with the current EGS. We believe it is important that customers be made aware of and understand that their right to switch does not supersede their contractual obligations with the

EGS, namely the payment of an early termination fee associated with an early termination to the extent provided for in the EGS's disclosure statement with the customer.

### III. CONCLUSION

UGIES appreciates this opportunity to submit comments on the Commission's proposed rulemaking to effectuate accelerated customer switching.

Respectfully submitted,



---

Melanie J. El Atieh (Attorney ID # 209323)  
Associate Counsel, Energy & Regulation  
UGI Corporation  
460 N. Gulph Road  
King of Prussia, Pennsylvania 19406  
T: 610.992.3750  
F: 610.992.3258  
E-mail: elatiehm@ugicorp.com

Attorney for UGI Energy Services, LLC

Date: March 25, 2014

From: (810) 768-3620  
Melanie El Ablah  
UGI Corporation  
480 North Gulph Road  
King of Prussia, PA 19406

Origin ID: KPDA



Ship Date: 25MAR14  
ActWgt: 1.0 LB  
CAD: 1045173281NET3480

Delivery Address Bar Code

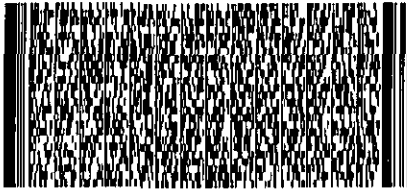


SHIP TO: (717) 772-7777 **BILL SENDER**  
**Rosemary Chiavetta, Secretary**  
**PA Public Utility Commission**  
**Commonwealth Keystone Building**  
**400 North Street**  
**HARRISBURG, PA 17120**

Ref # 0411  
Invoice #  
PO #  
Dept #

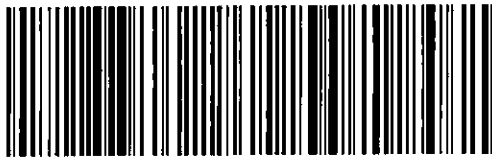
**WED - 26 MAR 10:30A**  
**PRIORITY OVERNIGHT**

TRK# 7983 3328 0983  
0201



**EN MDTA**

**17120**  
PA-US  
MDT



522G11004F/P220

**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

**RECEIVED**

**MAR 25 2014**

**PA PUBLIC UTILITY COMMISSION**  
**SECRETARY'S BUREAU**