

**COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Review of Rules, Policies and Consumer :
Education Measure Regarding Variable : **Dockets No. M-2014-2406134**
Rate Retail Electric Products :
March 28, 2014

**COMMENTS OF THE
ELECTRONIC DATA EXCHANGE WORKING GROUP (EDEWG) LEADERSHIP
ON THE TENTATIVE ORDER ENTERED MARCH 4TH 2014**

I. BACKGROUND

There was Commission direction, Docket M-2011-2270442 entered October 24, 2012, that stated Electronic Data Exchange Working Group (EDEWG) was awaiting guidelines to be provided by Office of Competitive Market Oversight (OCMO) no later than October 1, 2013. Additionally, the final Docket, I-2011-2237952 entered February 15, 2013, stated the following:

“Based on the general agreement of the parties, we will proceed with our previously announced intention of initiating a rulemaking by the end of 2013 to revise the switching regulations, with the intent of accelerating the switching process. A rulemaking will provide all interested parties with the opportunity to participate and will allow the Commission to make fully informed decisions on the complex issues involved. The use of a formal rulemaking should also help clarify any cost-recovery issues. Because the resulting costs will flow as a result of a final Commission order and regulatory requirements, cost recovery for these changes should be handled the same as any costs a utility incurs as a result of a Commission mandate.”

Additionally, there was Commission direction in the tentative order entered March 4, 2014 implying the standards are consistent:

“When a customer or authorized party has provided the EGS offering the selected EGS product with oral confirmation or written authorization to select the new EGS product or move from default service, or a customer or authorized party has provided the current EGS with oral confirmation or written authorization to return the customer to default service, consistent with electric data transfer and exchange standards, the EDC shall make the change within 3 calendar days of the receipt by the EDC of the electronic enrollment transaction.”

Is it the Commission’s intent to provide additional rulemaking after review of comments is complete? To date, the EDEWG group has been unable to establish standards around mid-cycle switching since the discussion was pending guidelines to be provided by OCMO. As such, EDEWG currently does not have mid-cycle switch support as part of the 2014 business plan. EDEWG

Leadership respectfully asks the Commission for clarification on these guidelines in regard to if and when they will be provided. Based on the need to establish standards prior to implementing, the EDEWG group would expect an impact to the proposed 6 month timeframe proposed. Due to the impact on launch time, the EDEWG group would like to request that publishing in the Pennsylvania Bulletin be delayed until the associated standards are defined and approved through the EDEWG group.

II. COMMENTS

With that said, EDEWG Leadership respectfully seeks guidance and clarification from the Commission on the following issues, which need to be addressed before a finalized approach for mid-cycle switching can be developed.

- 1) In the Review of Rules, Policies and Customer Education the term “mid-cycle switch” is used by the Commission. However, in the Final Docket, I-2011-2237952 entered February 15, 2013, the term “off-cycle switch” is used. Since these terms are not necessarily interchangeable and no specific definition of the term was provided, EDEWG Leadership respectfully asks the Commission for guidance and clarification in regard to the definition of mid-cycle switch. EDEWG Leadership believes this will help clarify questions Electric Generation Suppliers (EGS) and Electric Distribution Company (EDC) representatives may have regarding how many switches can be allowed in a month and if there are any limitations. Additionally, this may help clarify questions regarding any impact the existing Confirmation Period laws have on the new policy along with date range parameters and billing cycle expectations.

- 2) With regard to required functionality for supporting a mid-cycle switch process, questions related to customer bills quickly follow. EDEWG Leadership respectfully asks the Commission for guidance and clarification on expectations related to presentation of a bill for a customer that has more than one EGS in a single billing period. For utility consolidated billing, should the customer receive one bill with multiple EGS charges listed separately, or should a customer receive one bill for each unique period served by an EGS from the utility? Subsequent trade-offs in return for shortened switching timeframe could impact a customer’s billing experience. The possibility of significantly longer utility consolidated bills in order to accommodate all supplier charges and text, or possibly less concise EDC consolidated bills due to the need for EDEWG to shrink the available amount of charge line and text allowed for an EGS on an EDC consolidated bill depending on EDC billing limitations. If the customer is to receive an individual bill for each unique supplier, a customer could receive between 6 – 10 bills per month depending on how many switches a customer makes in that month service period. Under dual billing, we assume each EGS would bill the customer directly for EGS charges specific to the time period they served the customer within a particular bill cycle. The most likely approach for an EDC to handle this bill option under the new switching standards is for an EDC to render a bill for an entire service period with multiple EGSs servicing an account. This poses an issue if Dual billing is not elected for all of

the EGSs under this billing period. This also creates cancel/rebill issues for bill periods of this nature where it would be possible for an EDC to create cancel/rebills for all EGS charges when only one actual bill was affected. Each approach impacts the development of new standards including but not limited to: the number of billing line items supported by an EDC for an EGS charges on utility consolidated billing, number of usage and billing EDI transactions, methodology for cancel/rebills, and handling of bill windows with multiple EGS. All impacts have financial impacts on both EGS and EDC communities in order to support.

- 3) New stacking rules need to be established in order to handle multiple pending standard enrollment requests and off cycle requests for a single billing period to determine which switch will be honored in what order. Additionally, language clarification and stacking rules are requested regarding the rescission period and how to handle a rescission request that is received after a customer has already switched to a new EGS. How to handle if a “final bill” has already been rendered by the previous EGS, the handling of capacity/transmission costs at the wholesale level if reassignment has passed are examples of areas that are of high importance needing further clarification.
- 4) As new business process and transaction standards are contemplated to support mid-cycle switching the potential for privacy concerns related to historical usage become apparent. Currently, historical usage is based on billed usage information. If the new billing expectation is for a customer to receive a separate bill for each service period with a different EGS, the historical usage could potentially show a customer’s switching history. EDEWG Leadership would suggest that historical usage would continue to be the customer’s billed usage by the EDC on the customer’s monthly bill cycle. There were similar concerns regarding billed usage discussed in the EDEWG Web Portal Working Group (WPWG) meetings.
- 5) Consideration for the parameters associated with EDCs in order to support mid-cycle switching for Advanced Metering needs further clarification. Standards need to be established in the event an AMI account doesn’t provide an actual meter read, and further clarification on the handling of estimated reads and subsequent true up needed when actual read is rendered.
- 6) Based on proposed revisions to Chapter 57 Subchapter M Standards § 57.174 Timeframe Requirement, EDEWG Leadership respectively asks the Commission to confirm the mid-cycle switch would be available for all customer classes to switch electric service within 3 calendar days. If there will be different new rules applied to residential, Small Commercial & Industrial (C&I) or Large C&I customer classes other than §57.174 Timeframe Requirement the three day rescission period, transactions would need to be developed to appropriately handle the variations. In addition, the proposed revisions to § 57.174 does not use the term “mid-cycle” switch when describing the new three calendar day timeline for effectuating a customer switch, but rather speaks generally to all switching activity. Is this three calendar day switch

requirement intended to replace the existing 10 day switching timeline currently in place for traditional on meter read cycle switches, or is this three calendar day timeline only to be used for mid-cycle switch situations?

- 7) The overarching concern with regard to all of the new mid-cycle business rules and implementation requirements would be market consistency among the EDCs. The implementation of the mid-cycle switch will impose significant changes to existing systems and process for all EDCs, EGSs and service providers, and consistency is of the utmost importance. An adequate lead time would need to be provided, as this change will result in complex changes, to business processes and EDI model. If designed with utility consolidated billing, additional complexities are introduced.

III. Conclusion

EDEWG Leadership appreciates this opportunity to provide comments on the proposed mid-cycle switching process and looks forward to continued discussions with all stakeholders regarding these and other issues associated with mid-cycle switching. EDEWG is interested in the development of the Commonwealth's retail markets for the benefit of Pennsylvania's consumers.

Respectfully submitted,

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On behalf of Pennsylvania
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