

Richard G. Webster, Jr.  
Vice President

Telephone 215.841.4000  
Fax 215.841.6208  
www.peco.com  
dick.webster@peco-energy.com

PECO  
Regulatory Policy and Strategy  
2301 Market Street  
S15  
Philadelphia, PA 19103

July 19, 2016

**Via E-filing**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105-3265

RE: Petition of PECO Energy Company for Approval of its Default Service Plan, Docket No. P-2012-2283641

Dear Secretary Chiavetta,

This letter responds to the May 11, 2016 Secretarial Letter in this docket. In this letter, PECO Energy Company (“PECO” or the “Company”) sets forth its plans for complying with the directives contained in that Secretarial Letter as they relate to implementing shopping for PECO’s Customer Assistance Program (“CAP”) Customers.

The Secretarial Letter implements the July 14, 2015 decision of the Commonwealth Court of Pennsylvania with respect to PECO’s CAP Shopping Plan. The Court’s decision: (1) affirmed the Commission’s Order rejecting a price ceiling on Electric Generation Suppliers (EGSs) that wished to participate in the PECO CAP Shopping Program; (2) reversed the portions of the Orders which rejected a rule that would prohibit CAP participants from entering into any contract with an EGS that imposes early cancellation/termination fees; and (3) remanded the matter back to the Commission with instructions that the Commission approve a rule revision to the PECO CAP Shopping Plan that would impose such a prohibition of early cancellation/termination fees.<sup>1</sup> (Several parties, including the Commission, requested the Pennsylvania Supreme Court to have further proceedings on this matter, but the Supreme Court denied allocatur on April 5, 2016.)

The Commission’s Secretarial Letter directed PECO to file a “proposed rule revision” to its CAP Shopping Plan that will implement the Commonwealth Court’s Order.<sup>2</sup> The Secretarial letter directed PECO to make its filing in its DSP III docket (P-2014-2409362). The Secretarial Letter states that PECO’s filing is to include the

---

<sup>1</sup> *Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania, et al. v. Pa. PUC*, 1020 A.3d 1087, 1104 (2015).

<sup>2</sup> PECO’s DSP III for June 1, 2015 through May 31, 2017 was approved by Commission Order at P-2014-2409362. PECO’s proposed DSP IV for June 1, 2017, through May 31, 2019 was filed March 17, 2016, at P-2016-2534980.

Rosemary Chiavetta, Secretary  
July 19, 2016  
Page 2

following: (1) proposed language of the rule; (2) a proposed timeline and effective date; and (3) a proposed plan to collect data upon which to base an analysis of the CAP shopping program experiences, evaluations, and recommendations. PECO's filing will be subject to public comment and final review and approval by the Commission.

PECO is currently reviewing the operational implications of the Commonwealth Court's Order and revising its CAP Shopping Plan to implement that Order. Based on its analysis thus far, PECO expects to file the proposed rule revision by September 1, 2016. PECO currently anticipates that it will recommend implementation of CAP Shopping, with the Commonwealth Court Order integrated into the CAP Shopping plan, during the first quarter of 2017, which is within the DSP III operational period.

PECO will also adhere to the requirements made in the PUC Order dated January 9, 2014 which states:

1. PECO must file tariff supplements, including a revised Electric Generation Supplier Coordination Tariff, which reflect the following revisions, or as otherwise set forth in this Opinion and Order.
2. PECO shall convene a collaborative of interested stakeholders and the Commission's Office of Competitive Market Oversight and Office of Communications to address the specific components of the education plan associated with the Customer Assistance Program customer shopping.
3. PECO, in consultation with the Commission's Office of Competitive Market Oversight and Bureau of Consumer Services, shall submit semi-annual reports to the Commission that reflect the net benefits of allowing Customer Assistance Program customers to purchase their generation supply from electric generation suppliers. PECO will work with EGSs to compile and include those benefits, services, and incentives provided to CAP customers that are not reflected in PECO's bills.

Rosemary Chiavetta, Secretary  
July 19, 2016  
Page 3

PECO looks forward to working with all stakeholders to enable its CAP customers full access to the benefits of the competitive electric retail market.

Sincerely

A handwritten signature in blue ink that reads "Richard G. Webster, Jr. / me". The signature is written in a cursive style.

Richard G. Webster, Jr.  
Vice President  
Regulatory Policy & Strategy  
PECO Energy Company  
2301 Market St, S15-2  
Philadelphia, PA 19103

CC: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PETITION OF PECO ENERGY COMPANY : Docket No. P-2012-2283641  
FOR APPROVAL OF ITS DEFAULT :  
SERVICE PLAN :**

**CERTIFICATE OF SERVICE**

I hereby certify and affirm that I have this day served a copy of the **Response of PECO Energy Company (“PECO”)** to the **May 11, 2016 Secretarial Letter regarding PECO’s Customer Assistance Program Shopping Plan** on the following persons in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54:

**VIA ELECTRONIC MAIL AND FIRST CLASS MAIL**

Christy M. Appleby  
Candis A. Tunilo  
Lauren M. Burge  
Aron J. Beatty  
Assistant Consumer Advocates  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
[cappleby@paoca.org](mailto:cappleby@paoca.org)  
[ctunilo@paoca.org](mailto:ctunilo@paoca.org)  
[lburge@paoca.org](mailto:lburge@paoca.org)  
[abeatty@paoca.org](mailto:abeatty@paoca.org)

Elizabeth Rose Triscari  
Assistant Small Business Advocate  
Office of Small Business Advocate  
Suite 202, Commerce Tower  
300 North Second Street  
Harrisburg, PA 17101  
[ctriscari@pa.gov](mailto:ctriscari@pa.gov)

Richard A. Kanaskie  
Philip C. Kirchner  
Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
[rkanaskie@pa.gov](mailto:rkanaskie@pa.gov)  
[phikirchne@pa.gov](mailto:phikirchne@pa.gov)

Daniel Clearfield  
Deanne M. O’Dell  
Sarah C. Stoner  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street, 8th Floor  
Harrisburg, PA 17101  
[dclearfield@eckertseamans.com](mailto:dclearfield@eckertseamans.com)  
[dodell@eckertseamans.com](mailto:dodell@eckertseamans.com)  
[sstoner@eckertseamans.com](mailto:sstoner@eckertseamans.com)  
*Counsel for RESA and Direct Energy Services, LLC*

Charis Mincavage  
Adeolu A. Bakare  
Alessandra L. Hylander  
McNees Wallace & Nurick LLC  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
[cmincavage@mcneeslaw.com](mailto:cmincavage@mcneeslaw.com)  
[abakare@mcnceslaw.com](mailto:abakare@mcnceslaw.com)  
[ahylander@mcneeslaw.com](mailto:ahylander@mcneeslaw.com)  
*Counsel for PAIEUG*

Patrick M. Cicero  
Elizabeth R. Marx  
Joline Price  
Pennsylvania Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101  
[pulp@palegalaid.net](mailto:pulp@palegalaid.net)  
*Counsel for Coalition for Affordable Utility  
Services and Energy Efficiency in  
Pennsylvania*

David P. Zambito  
Cozen O'Connor  
305 North Front Street, Suite 400  
Harrisburg, PA 17101-1236  
[dzambito@cozen.com](mailto:dzambito@cozen.com)  
*Counsel for FirstEnergy Solutions Corp.*

Amy M. Klodowski  
FirstEnergy Solutions Corp.  
800 Cabin Hill Drive  
Greensburg, PA 15601  
[aklodow@firstenergycorp.com](mailto:aklodow@firstenergycorp.com)  
*Counsel for FirstEnergy Solutions Corp.*

Thomas J. Sniscak  
Todd S. Stewart  
Judith D. Cassel  
Hawke, McKeon & Sniscak LLP  
P.O. Box 1778  
100 North Tenth Street  
Harrisburg, PA 17105-1778  
[tjsniscak@hmslegal.com](mailto:tjsniscak@hmslegal.com)  
[tsstewart@hmslegal.com](mailto:tsstewart@hmslegal.com)  
[jdcassel@hmslegal.com](mailto:jdcassel@hmslegal.com)  
*Counsel for NextEra Energy Power  
Marketing, LLC*

Thu B. Tran  
Robert W. Ballenger  
Josie B. H. Pickens  
Community Legal Services, Inc.  
1424 Chestnut Street  
Philadelphia, PA 19102  
[ttran@clsphila.org](mailto:ttran@clsphila.org)  
[rballenger@clsphila.org](mailto:rballenger@clsphila.org)  
[jpickens@clsphila.org](mailto:jpickens@clsphila.org)  
*Counsel for TURN, et al.*

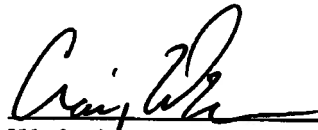
Michael A. Gruin  
Stevens & Lee  
17 North Second Street, 16th Floor  
Harrisburg, PA 17101  
[mag@stevenslee.com](mailto:mag@stevenslee.com)  
*Counsel for PECO Energy Suppliers Group*

Todd S. Stewart  
Hawke, McKeon & Sniscak LLP  
P.O. Box 1778  
100 North Tenth Street  
Harrisburg, PA 17105-1778  
[tsstewart@hmslegal.com](mailto:tsstewart@hmslegal.com)  
*Counsel for Interstate Gas Supply, Inc.*

Becky Merola  
Government Affairs East  
Noble Americas Energy Solutions LLC  
5325 Sheffield Avenue  
Powell, OH 43065  
[bmerola@noblesolutions.com](mailto:bmerola@noblesolutions.com)  
*Counsel for Noble Americas Energy  
Solutions LLC*

Charles E. Thomas, III  
Thomas, Long, Niesen & Kennard  
212 Locust Street, Suite 500  
P.O. Box 9500  
Harrisburg, PA 17108-9500  
[cet3@thomaslonglaw.com](mailto:cet3@thomaslonglaw.com)  
*Counsel for Noble Americas Energy  
Solutions LLC*

Respectfully submitted,



---

W. Craig Williams (Pa. No. 306405)  
PECO Energy Company  
2301 Market Street  
Philadelphia, PA 19103  
215.841.5974 (bus)  
215.568.3389 (fax)  
[craig.williams@exeloncorp.com](mailto:craig.williams@exeloncorp.com)

*Counsel for PECO Energy Company*

Date: July 19, 2016