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January 12, 2018

Via Electronic Filing

Rosemary Chiavetta, Secretary PA Public Utility Commission PO Box 3265 Harrisburg, PA 17105-3265

Re:

Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of Their Default Service Program (DSP-V) – Docket Nos. P-2017-2637855; P-2017-2637857; P-2017-2637858; and P-2017-2637866

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Retail Energy Supply Association's Prehearing Memorandum with regard to the above-referenced matters. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

Sarah C. Stoner

Enclosure

cc:

Hon. Mary D. Long w/enc. Cert. of Service w/enc.

#### **CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of RESA's Prehearing Memorandum upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

#### Via Email and/or First Class Mail

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Dated: January 12, 2018

Sarah C. Stoner, Esq

### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Petition Of Metropolitan Edison

Docket No. P-2017-2637855

Company, Pennsylvania Electric Company,

Docket No. P-2017-2637857

Pennsylvania Power Company and West

Docket No. P-2017-2637858

Penn Power Company for Approval of

Docket No. P-2017-2637866

Their Default Service Program

:

## PREHEARING MEMORANDUM OF RETAIL ENERGY SUPPLY ASSOCIATION

Subject to the granting of its Petition to Intervene filed on January 12, 2018 and pursuant to 52 Pa. Code §§ 5.72-5.75, the public notices published in the Pennsylvania Bulletin on December 23, 2017, and the Prehearing Conference Order dated December 21, 2017, the Retail Energy Supply Association ("RESA")<sup>1</sup> submits this Prehearing Memorandum.

#### I. SERVICE OF DOCUMENTS

RESA requests that all documents be served on:

Deanne M. O'Dell, Esquire Eckert Seamans Cherin & Mellott, LLC 213 Market St., 8th Floor Harrisburg, PA 17101 717.237.6000 Fax 717.237.6019 dodell@eckertseamans.com

RESA also agrees to receive service of documents electronically in this proceeding. To the extent that materials are available electronically, it is requested that copies be served upon:

Daniel Clearfield – dclearfield@eckertseamans.com

The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of more than twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

Deanne O'Dell – dodell@eckertseamans.com Sarah C. Stoner – sstoner@eckertseamans.com

#### II. SETTLEMENT

RESA is willing to participate in settlement discussions with any party to narrow the issues in this matter.

#### III. PROPOSED PLAN AND SCHEDULE OF DISCOVERY

RESA is amenable to working with the other parties in this matter to adopt a reasonable proposed plan and schedule of discovery. RESA does not have any proposals regarding discovery modifications.

# IV. SCHEDULE FOR SUBMISSION OF TESTIMONY, HEARINGS AND BRIEFS

RESA will cooperate with the other parties and the ALJ to facilitate a workable litigation schedule.

#### V. WITNESSES

At this time, RESA anticipates presenting testimony in this matter addressing consistent with Section VI below. Although RESA has not yet identified a witness, it will provide the Presiding Officer as well as the other parties in this matter reasonable notice. RESA also reserves its right to add additional witnesses or change the identity of its witnesses at any time upon appropriate notice to the Presiding Officer and the parties.

#### VI. PRESENTLY IDENTIFIED ISSUES

RESA is a trade association of power marketers, independent power producers, and a broad range of companies within the Mid-Atlantic marketplace, each of whom support the electric services industry and seek to develop a more competitive power industry. RESA

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members are licensed to sell electric energy in the markets of Pennsylvania's major electric distribution companies ("EDCs"), including the service territories of the Companies.

RESA has identified the following issues that should be examined in this proceeding:

- Whether the Companies' overall default service supply plan is consistent with the Commission's regulations and the Public Utility Code.
- The effectiveness of the Companies' default service plan to promote retail market development for the benefit of consumers in the Companies' service territories.
- Whether the Companies' proposed rate design and tariffs for default generation service, including recovery of all of the Companies' costs associated with the provision of default service, is consistent with the Commission's regulations and the Public Utility Code.
- The appropriateness of the Companies' proposal to transition the hourly-priced threshold to 100 kW.
- Whether the Companies' proposal to modify their Price to Compare Default Service Rate Riders to include a non-bypassable retail market enhancement rate mechanism is appropriate.
- The appropriateness of the Companies' proposal to continue their Customer Referral Programs from June 1, 2019 through May 31, 2023 without modification.
- Whether the Companies' proposal to continue utilizing the clawback clause of its purchase of receivables programs is appropriate.

At this time, RESA continues to evaluate its position on and will refine its position based on further study of the proposals, review of discovery and additional input from other parties.

RESA reserves the right to address other issues identified through its continued review and analysis of the filing or raised by other parties.

Respectfully submitted,

Daniel Clearfield, Esquire

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Deanne M. O'Dell, Esquire

Attorney ID 81064

Sarah C. Stoner, Esquire

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Date: January 12, 2018

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