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May 24, 2018

Via Electronic Filing

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

Re: Pennsylvania Public Utility Commission v. PECO Energy Company,
Office of Consumer Advocate v. PECO Energy Company
Office of Small Business Advocate v. PECO Energy Company
Docket Nos. R-2018-3000164; C-2018-3001112; C-2018-3001043

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Retail Energy Supply Association's ("RESA") Reply to PECO Energy Company's Answer to RESA's Petition to Intervene with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Deanne M. O'Dell

DMO/lww
Enclosure

cc: Hon. Christopher P. Pell w/enc.
Hon. F. Joseph Brady w/enc.
Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of RESA's Reply to PECO Energy's Answer to RESA's Petition to Intervene upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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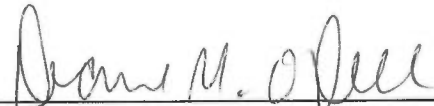
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Dated: May 24, 2018



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	R-2018-3000164
Office of Consumer Advocate	:	C-2018-3001112
Office of Small Business Advocate	:	C-2018-3001043
v.	:	
	:	
PECO Energy Company – Electric Division	:	

**REPLY OF THE RETAIL ENERGY SUPPLY ASSOCIATION (“RESA”)
TO PECO ENERGY COMPANY’S ANSWER TO RESA’S PETITION TO INTERVENE**

The Retail Energy Supply Association (“RESA”)¹ submits this Reply to PECO Energy Company’s (“PECO” or “Company”) Answer to RESA’s Petition to Intervene. PECO seeks to limit RESA’s intervention to dictate the specific issues RESA may raise in this proceeding. PECO cited no precedent for such issue limiting at this stage of the proceeding and doing so unfairly deprives RESA of the same rights other interested stakeholders have to initiate discovery, review discovery and form positions based on this process even though PECO does not disagree that RESA’s has interests that may be impacted by the outcome of this proceeding. Limiting the scope of issues which RESA (and only RESA) can address at this stage also deprives RESA of the opportunity to provide relevant testimony regarding issues that other parties may raise in their testimony to the extent those issues are beyond any narrowing of RESA’s intervention that is approved now. Such an unfair limitation on RESA’s intervention

¹ 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 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.

deprives the Commission of the opportunity to receive full information about other parties' proposals that may directly impact RESA. For the reasons stated more fully below and in its Petition to Intervene, RESA has fully satisfied the Pennsylvania Public Utility Commission's ("Commission") intervention standards set forth in 52 Pa. Code § 5.72. RESA urges the Commission to deny PECO's request to limit RESA's participation in this proceeding and to grant RESA's Petition to Intervene without restriction.

I. BACKGROUND

On May 4, 2018, RESA filed its Petition to Intervene and its Prehearing Memorandum in this matter. On May 8, 2018, a Prehearing Conference was convened by Deputy Chief Administrative Law Judge Christopher P. Pell and Administrative Law Judge F. Joseph Brady. At the Prehearing Conference, PECO requested an opportunity to answer RESA's Petition to Intervene. The ALJs' Prehearing Order dated May 10, 2018 directed PECO file any answer/objections to RESA's Petition to Intervene by May 16, 2018 and that RESA file any response to such a filing by May 24, 2018. PECO filed its Answer to RESA's Petition to Intervene ("Answer") on May 16, 2018. Pursuant to the May 10, 2018 Prehearing Order, RESA is timely filing this Reply to PECO's Answer.

II. RESA'S REPLY TO PECO'S ANSWER

A. RESA Meets the Standards for Intervention

The Commission's regulations allow intervention where a person has an "interest in the proceeding which may be directly affected, and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission." 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in

the public interest. 52 Pa. Code § 5.72(a)(3). A “person” includes a corporation and an association. 52 Pa. Code § 1.8.

RESA has a substantial and direct interest in this proceeding and the outcome of the proceeding will be binding on RESA and its members serving in PECO’s service territory. RESA’s intervention is clearly in the public interest as its participation will provide unique perspectives and insights of a trade association representing multiple electric generation suppliers (“EGSs”) and not the specific view of any individual member. Having met the standard for intervention, it is necessary for RESA to have a full and fair opportunity to avail itself of the discovery process to determine the full scope of issues that may directly impact RESA and to bring those issues to the attention of the Commission as appropriate in the context of any testimony RESA elects to submit.

More specifically, RESA is a trade association that includes EGSs – many of whom are Pennsylvania licensed EGSs authorized to sell electric energy in the markets of Pennsylvania’s major electric distribution companies (“EDCs”), including the service territory of PECO.² As an organization, RESA advocates for vibrant and sustainable competitive retail energy markets as a better alternative for consumers than monopoly-protected utility regulation. RESA has been an active participant in numerous Commission proceedings to include prior default service proceedings of PECO as well as the distribution rate case of other companies.

PECO’s distribution rate case potentially presents issues that may directly impact the functioning of Pennsylvania’s competitive retail energy market which is at the very core of RESA’s interests. Beyond PECO’s case-in-chief, other parties may raise issues that directly

² RESA’s interests in this proceeding are unique from and not adequately represented by other parties that have sought intervention or may seek to intervene to include individual EGSs as RESA represents the interests of a broad group of EGSs and not the interests of any individual EGS member.

impact RESA and limiting the scope of RESA's intervention at this stage denies RESA the opportunity to respond to the relevant proposals of the other parties. The result of this is to deny the Commission a full record that includes all relevant viewpoints to rely upon in making its final decision in this proceeding. While RESA preliminarily identified some of potential issues based on its review of PECO's initial filing in its Petition to Intervene (as discussed further below), PECO cited no precedent for the view that the identification of these issues are the only potential issues that can be raised or that it is appropriate to narrow the issues preliminarily identified at this stage of the proceeding. The fact that RESA has a substantial and direct interest in this proceeding (which PECO does not contest) satisfies the standards to grant RESA's Petition to Intervene without restrictions.³

B. PECO Identified No Valid Basis for Restricting RESA's Participation in this Proceeding

RESA identified some preliminary issues in its Petition to Intervene based on an initial review of PECO's filing. RESA also reserved the right to raise and address other relevant issues that it may identify as a result of its continued review and analysis of PECO's filing (and related information), or other issues raised by other parties.⁴ This includes participating in the discovery process to both review discovery propounded by other parties and to initiate its own discovery – a process that is used by all parties to identify, assess and then determine their positions in the proceeding to be set forth in any testimony that is submitted. This also contemplates evaluating the proposals of other parties (not yet known at this time) to determine any potential impact on

³ As this proceeding progresses, PECO has other tools to address concerns it may have about RESA's participation in this proceeding. For example, PECO may object to discovery requests if it views the requests as outside the scope of this base rate proceeding. PECO may also move to strike testimony if it believes the testimony is irrelevant or inappropriately presented in this proceeding.

⁴ RESA Petition to Intervene at 3.

RESA that supporting the need for RESA to submit responsive testimony. On this basis alone, PECO's request to limit the issues RESA can raise in this proceeding should be summarily denied.

Even if the ALJ were to consider PECO's request notwithstanding this view, PECO's request should be denied based on its substantive reasoning to support the requested narrowing. More specifically, PECO is requesting that one issue be more narrowly tailored and that one be excluded in its entirety. As explained further below, PECO has not demonstrated a valid basis for the specific limitations it seeks to impose on RESA.

1. Billing Issues

RESA specifically identified in its Petition to Intervene the issue of "PECO's initiatives to improve the direct billing relationship it has with its distribution customers."⁵ PECO asserts that RESA's interest in its initiatives to improve the direct billing relationship it has with its distribution customers is an impermissible justification for intervention in this proceeding.⁶ However, PECO's reasoning for its assertion is off-base.

PECO claims that RESA should be excluded from participating in the topic of PECO's billing relationship with its distribution customers because: (1) the Commission has initiated an *en banc* proceeding to consider Supplier Consolidated Billing ("SCB"); and (2) RESA has submitted comments on the "direct billing relationship" between EDCs and their customers in the SCB proceeding.⁷ It is not clear why PECO views RESA's interest in this proceeding as evaluating SCB as RESA's Petition to Intervene does not mention or refer to SCB. As stated in its Petition to Intervene, RESA is concerned with "PECO's initiatives to improve the direct

⁵ RESA Petition to Intervene at 3.

⁶ PECO Answer at Par. 5.

⁷ PECO Answer at Par. 5.

billing relationship it has with its distribution customers.”⁸ PECO identified in its rate case filing numerous initiatives to improve its direct relationship with customers but has not demonstrated a single legitimate reason as to why RESA should be precluded from weighing in on these initiatives.

RESA is also concerned about the proper allocation of the costs associated with PECO’s billing initiatives. The billing initiatives and the recovery of costs associated with those initiatives could potentially impact the retail market and ability of EGSs to offer competitive products in PECO’s service territory. RESA should not be prohibited from providing its insights on these issues and it is in the public interest for RESA to contribute its unique perspectives on the matter.

2. Interconnection Process

In that same vein, RESA’s Petition to Intervene cites an interest in PECO’s “proposals to streamline the interconnection process for distributed generation technologies.”⁹ PECO seeks to have RESA’s participation on this issue limited to whether PECO fulfilled its “commitments made in the settlement of its 2015 electric base rate proceeding concerning the interconnection of distributed generation and other existing interconnection improvements” addressed in PECO’s direct testimony.¹⁰ Again, PECO is attempting to limit the scope of RESA’s participation in this proceeding without a legitimate, valid basis.

RESA believes that energy efficiency and demand response are best delivered by competitive retail suppliers offering market-based solutions rather than through regulated distribution companies. In addition to offering competitive generation supply to retail end user

⁸ RESA Petition to Intervene at 3.

⁹ RESA Petition to Intervene at 3.

¹⁰ PECO Answer at 7.

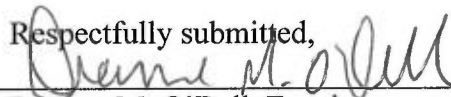
customers, some EGSs offer their own distributed generation systems and some work with other entities that design such projects. All of these projects require coordinating with the utility before and during construction to ensure interconnection with the grid. As such, PECO plays a prominent role in determining the process and costs to interconnect into the distribution system. Therefore, the interconnection process PECO seeks to have approved by the Commission as a part of this proceeding is of significant interest to RESA and limiting RESA's ability to review this important issue to prior PECO commitments is an unreasonable narrowing of an issue that deprive the Commission of the benefit of RESA's perspective.

Consequently, RESA urges the Commission to grants its Petition to Intervene without limitation. As discussed above, PECO has demonstrated no valid basis for limiting RESA's intervention to specific, narrow issues, and the public interest would not be served in granting its request.

III. CONCLUSION

WHEREFORE, RESA respectfully requests that the Commission deny PECO's Answer to RESA's Petition to Intervene and grant RESA's Petition to Intervene without limiting its scope.

Respectfully submitted,



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