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October 19, 2018

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company For Approval of Their Default Service Programs; Docket Nos. P-2017-2637855; P-2017-2637857; P-2017-2637858; P-2017-2637866

Dear Secretary Chiavetta:

On September 4, 2018, the Pennsylvania Public Utility Commission (“Commission”) issued its Opinion and Order approving the proposed default service programs of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company (collectively, the “Companies”) for the period June 1, 2019 through May 31, 2023. As part of this Opinion and Order, the Commission ordered its Office of Competitive Market Oversight to hold a working group meeting to develop electric generation shopping rules for customers enrolled in the Companies’ Pennsylvania Customer Assistance Program (“PCAP”) and to evaluate whether modifications to the Companies’ customer service scripting related to the Customer Referral Program (“CRP”) are appropriate. On September 6, 2018, the Commission issued a Secretarial Letter scheduling this OCMO working group meeting for November 5, 2018 and is seeking proposed agenda items from parties by October 19, 2018. Consistent with this Secretarial Letter, the Companies’ proposed agenda and outline of proposed PCAP shopping program rules are attached to this letter.¹

At the working group meeting, the Companies propose to address PCAP shopping rules first, followed by CRP scripting issues. The PCAP shopping discussion is likely to be more extensive as the parties are tasked with developing the mechanics of an entirely new PCAP

¹ On September 17, 2018, the Office of Consumer Advocate and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania each filed Petitions for Reconsideration of the Commission’s September 4 Opinion and Order regarding the Commission’s directives related to PCAP shopping in this proceeding. On September 19, 2018, the Companies similarly filed a Petition for Reconsideration related to the same topics. To the extent the Commission’s ruling on the pending Petitions for Reconsideration resolve any of the agenda items proposed during the working group process, those items should no longer be considered open for discussion by the working group.

shopping program. The attached agenda reflects each of the issues the Companies expect parties will raise related to PCAP shopping rules. In addition, the Companies attached their proposed PCAP shopping rules for consideration by the working group, which are consistent with the bulk of the testimony submitted in the proceeding. Specifically, the Companies are proposing that PCAP customers be permitted to shop with any electric generation supplier that offers a rate-ready percentage off product that is no more than the currently-effective price-to-compare (“PTC”). All attempted supplier enrollments of PCAP customers outside of these parameters would be automatically rejected by the Companies. Suppliers also would be prohibited from charging PCAP customers early termination fees. The Companies propose a detailed transition plan describing how these rules would apply to current and future PCAP customers.

To inform suppliers of a customer’s PCAP enrollment, the Companies would add a PCAP participation flag to the eligible customer list and supplier sync lists for all PCAP customers. In addition, the Companies would conduct supplier and customer education to ensure all parties are aware of the PCAP shopping changes. The Companies propose that all administrative and programming costs associated with the implementation of PCAP shopping rules be collected from residential customers via the Companies’ Price to Compare Default Service Riders.


The attached PCAP shopping rules are supported by the record of this proceeding, and clearly meet the parameters directed by the Commission in its September 4, 2018 Opinion and Order. Further, the implementation of such a program would be far less complex and costly than certain other PCAP shopping methodologies, such as a PCAP standard offer program, thereby increasing the likelihood that the Companies would be able to meet the expected effective date of June 1, 2019.

With respect to the CRP scripting discussion, the Companies’ main objective at the working group meeting will be to ensure that any proposed modifications to the scripting do not impact the CRP intake process in a manner that substantially increases call times or otherwise negatively impact their contact centers’ other utility-related operations.

The Companies appreciate the opportunity to provide these materials in advance of the November 5 meeting and look forward to working with OCMO and the parties on these important issues.

Thank you.

Very truly yours,



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As Per Certificate of Service

Office of Competitive Market Oversight Stakeholder Meeting Agenda
Met-Ed, Penelec, Penn Power and West Penn CAP Shopping and CRP Scripts
Docket Nos. P-2017-2637855, P-2017-2637857, P-2017-2637858, P-2017-2637866

November 5, 2018

A. CAP Shopping

1. Product Description

2. Early Cancellation or Termination Fees

3. Transactions between the Companies and EGSs

4. Transitioning Customers

- a. CAP customers who are served under a fixed duration contract with an EGS as of June 1, 2019
- b. Non-CAP customers served under a fixed duration contract who subsequently enroll in CAP
- c. EGS actions upon expiration or termination of a pre-existing fixed duration contract (compliant contract or return to default service)
- d. EGS actions for serving CAP customers under a month-to-month contract as of June 1, 2019 (compliant contract or return to default service)
- e. EGS actions for serving non-CAP customers under a month-to-month contract who subsequently enroll in CAP (compliant contract or return to default service)
- f. EGS action for CAP customers who are served by an EGS and are subsequently removed from CAP
- g. CAP customers that do not wish to remain in CAP as they want to shop for service outside of the CAP shopping parameters

5. Customer, EGS and Third-Party Education

6. Validation Process

7. Implementation Timeline

8. Costs incurred by the Companies

B. Customer Referral Program Scripts

Office of Competitive Market Oversight Stakeholder Meeting
Met-Ed, Penelec, Penn Power and West Penn Position Framework
CAP Shopping

A. CAP Shopping

1. Product Description

Effective June 1, 2019, EGSs are prohibited from entering into any retail contract with those customers enrolled in the Companies' customer assistance program ("CAP") which would charge rates exceeding the applicable Company's quarterly price to compare ("PTC"). Enrollments submitted for any CAP customer must be associated with a rate-ready, percentage off product, with the percentage off the PTC to be no less than 0%, enabling EGSs to charge at or below a Company's PTC.

2. Early Cancellation or Termination Fees

Effective June 1, 2019, EGSs are prohibited from charging early cancellation or termination fees to the Companies' CAP-enrolled customers. The Companies have no means to monitor the charging of such fees by EGSs.

3. Transactions between the Companies and EGSs

The Companies will add a CAP flag to the Eligible Customer List and EGS Sync List to designate those customers enrolled in CAP. The CAP flag designation will be updated monthly effective on or before June 1, 2019.

4. Transitioning Customers

a. CAP customers who are served under a fixed duration contract with an EGS as of June 1, 2019 (a "pre-existing fixed duration contract") may remain with their EGS until the expiration date of the fixed duration contract or the contract is terminated, whichever comes first.

b. Non-CAP customers served under a fixed duration contract who subsequently enroll in CAP (also considered to be served under a "pre-

existing fixed duration contract”) may remain with their EGS until the expiration date of the fixed duration contract or the contract is terminated, whichever comes first.

c. Upon expiration or termination of a pre-existing fixed duration contract, the EGS must either:

- (1) enroll the CAP customer under a contract compliant with the provisions of (1. Product Description) above; or
- (2) return the CAP customer to default service.

d. For EGSs serving CAP customers under a month-to-month contract as of June 1, 2019, the EGS must either:

- (1) return the CAP customer to default service effective June 1, 2019; or
- (2) enroll the CAP customer under a contract compliant with the provisions of (1. Product Description) above, with an effective date of June 1, 2019.

e. For EGSs serving non-CAP customers under a month-to-month contract who subsequently enroll in CAP, the EGS must either, within 120 days of the customer’s CAP enrollment:

- (1) return the CAP customer to default service; or
- (2) enroll the CAP customer under a contract compliant with the provisions of (1. Product Description) above.

f. For EGSs serving CAP customers who are subsequently removed from CAP, the EGS must either:

- (1) honor the terms of the existing contract; or
- (2) return the customer to default service.

g. CAP customers that do not wish to remain in CAP subject to the shopping parameters, and want to shop for service outside of the parameters, must contact the utility to request to be removed from CAP.

5. Customer, EGS and Third-Party Education

Customers enrolled or subsequently enrolled in CAP will be informed of the parameters for shopping with an EGS in the CAP enrollment letter. The Companies will conduct a workshop to educate EGSs and third parties prior to the June 1, 2019 effective date of the parameters of CAP shopping.

6. Validation Process

Programming will ensure enrollments submitted for any CAP customer are for a rate-ready, percentage off product, with the percentage off the PTC to be no less than 0%, enabling EGSs to charge at or below a Company's PTC. Enrollments for a CAP customer for any product other than a rate-ready percentage off PTC product will be rejected.

7. Implementation Timeline

All programming to support a June 1, 2019 implementation date must be completed by the Companies' SAP transport on April 19, 2019.

8. Costs incurred by the Companies

All administrative and programming costs incurred by the Companies to implement the CAP shopping restrictions will be collected from residential customers through the Companies' PTC Riders.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition of Metropolitan Edison	:	
Company, Pennsylvania Electric Company,	:	Docket No. P-2017-2637855
Pennsylvania Power Company and West	:	P-2017-2637857
Penn Power Company for Approval of	:	P-2017-2637858
their Default Service Programs	:	P-2017-2637866

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below.

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