

October 19, 2018

Via Electronic Filing
Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105

Re: Stakeholder Collaborative/Request for Comments
Joint Petition of Metropolitan Edison Company,
Pennsylvania Electric Company, Pennsylvania Power
Company, and West Penn Power Company for
Approval of their Default Service Programs for the
period commencing June 1, 2019 through May 31, 2023

Docket Nos. P-2017-2637855 P-2017-2637857 P-2017-2637858 P-2017-2637866

Dear Secretary Chiavetta:

Please accept this letter in lieu of formal comments on behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) in response to the Public Utility Commission's Secretarial Letter dated September 6, 2018 in the captioned proceeding.

On September 4, 2018, the Commission issued an Opinion and Order, which stated, in relevant part:

We agree with the ALJ's recommendation that FirstEnergy implement a CAP shopping program where CAP customers may only enter into a contract with an EGS for a rate that is at or below the utility's PTC and does not contain an early termination or cancellation fee. However, we find that the mechanics and details of this program are not fully developed within the record of this proceeding to adequately ensure a program can be implemented in a successful fashion by June 1, 2019. Therefore, we shall adopt the ALJ's recommendation in so far as EGSs may not charge CAP customers a rate greater than the PTC, nor charge early termination or cancellation fees. Furthermore, we believe it is prudent to refer the program to OCMO to work with

stakeholders on the details of the program in order to ensure a successful implementation.

<u>Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, West Penn Power Company, Docket Nos. P-2017-2637855, P-2017-2637857, P-2017-2637858, and P-2017-26378566 (Order dated September 4, 2018) ("Order").at 58, n. 19 (emphasis added).</u>

On September 17, 2018, CAUSE-PA and the Office of Consumer Advocate separately filed petitions for reconsideration concerning the scope of the referral of the CAP shopping program to OMCO as set forth in footnote 19. The First Energy Companies filed a similar petition on September 19, 2018. As of this date, these petitions remain pending before the Commission. Nonetheless, CAUSE-PA submits these brief comments to assist OCMO in preparing the agenda of the November 5, 2018 collaborative meeting.

The record in this proceeding is clear: unrestricted PCAP shopping has caused millions of dollars in unnecessary harm. To prevent this harm from recurring, the Commission should impose PCAP shopping rules that are consistent with the record evidence in this proceeding, and with ALJ Long's finding that "unless PCAP customers are restricted from shopping at rates above the price to compare, the resultant increase in costs will cause harm to PCAP and non-PCAP customers alike." Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, West Penn Power Company, Docket Nos. P-2017-2637855, P-2017-2637857, P-2017-2637858, and P-2017-26378566 (Recommended Decision dated June 8, 2018).

CAUSE-PA submits that the following are fully supported by the record evidence:

- 1. By no later than June 1, 2019, the First Energy Companies shall implement the following PCAP shopping rules:
 - a. PCAP customers are prohibited from entering into any retail electricity contract with an EGS which would charge rates exceeding the applicable price to compare for the entire duration of the EGS' contract.
 - b. EGSs are not permitted to enter into contracts charging early termination or cancellation fees.

¹⁹ The issue of whether the EGS rate must be below the PTC at the time of contracting, or below that and all future PTCs, is within the scope of this referral to OCMO.

c. EGSs enrollments submitted for any PCAP customers that do not meet these requirements will be rejected.

2. For the purpose of transitioning PCAP customers who are currently being served by an EGS, as of the June 1, 2019:

a. PCAP 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-PCAP customers served under a fixed duration contract who subsequently enroll in PCAP (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: (a) enroll the PCAP customer under a contract compliant with the

new PCAP shopping rules; or, (b) 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: (a) return the PCAP customer to default service effective June 1, 2019; or, (b) enroll the PCAP customer under a contract

compliant with the provisions, above, with an effective date of June 1, 2019.

e. For EGSs serving non-PCAP customers under a month-to-month contract who subsequently enroll in PCAP, the EGS must either, within 120 days of the customer's CAP enrollment: (a) return the PCAP customer to default service; or, (b) enroll the PCAP customer under a contract compliant with the provisions,

above.

CAUSE-PA looks forward to discussing the implementation details of these protections at the

November 5, 2018 collaborative meeting.

Respectfully submitted,

Patrick Cicero

Counsel for CAUSE-PA

CC: Mr. Daniel Mumford (OCMO): (via email only dmumford@pa.gov)

Kriss Brown, Esq. (Law Bureau): (via email only kribrown@pa.gov)

Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company for Approval of their Default Service Programs for the period commencing June 1, 2019 through May 31, 2023 Docket Nos. P-2017-2637855 P-2017-2637857 P-2017-2637858 P-2017-2637866

I hereby certify that on October 19, 2018, I have served true and correct copies of the **foregoing letter** via email and/or first-class mail upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA FIRST CLASS MAIL & EMAIL	
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October 19, 2018

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