

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17120

PPL ELECTRIC UTILITIES CORPORATION
Petition for Approval of its Default Service Plan
for the Period from June 1, 2021 through
May 31, 2025

Public Meeting of December 17, 2020
3019356-OSA
Docket No. P-2020-3019356

STATEMENT OF CHAIRMAN GLADYS BROWN DUTRIEUILLE

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Petition of PPL Electric Utilities Corporation (PPL or the Company) for approval of its Default Service Program (DSP).

First, I would like to commend PPL for its inclusion of long-term contracts within its proposed default service portfolio. As I have stated on the record in previous proceedings, the inclusion of long-term contracts, or the substantiation of omitting long-term contracts, has been a key factor in my review of default service proposals. PPL proposes to procure two separate block energy contracts, each having a term of five years. Coupled with the other short and spot contracts proposed in this Petition, I believe the portfolio herein complies with the requirement under 2807(e) of the Public Utility Code.

I also applaud PPL for its proposal to unbundle all alternative energy credits (AECs) from wholesale bidder obligations and its commitment to provide reporting on the costs and benefits associated with this proposal. While largely untested in Pennsylvania, such unbundling appears promising as it may reduce the risk premium embedded in wholesale energy bids.

Moving on, I will note that this proceeding was not without its challenging issues. Of particular interest to me was PPL's proposal to modify the Standard Offer Program (SOP) design. PPL seeks to return customers, who have not affirmatively re-enrolled in SOP, to default service at the expiration of a contract term. PPL references the experiences of customers under current SOP design who do not affirmatively take action at the expiration of the SOP term and sometimes end up on month-to-month products with a generation price higher than the price-to-compare. While I am sympathetic to the proposal of the Company, I am also cognizant that the current SOP design has worked to enroll thousands of customers onto a generation rate at a discount to the PTC, and, that consistency among SOP program designs across the Commonwealth may prove beneficial. Finally, I find it persuasive that the existing design is consistent with the Commission's present Regulations

at Pa. Code § 54.10(3)(i)(A)-(B). To that end, I am comfortable retaining the existing design. I encourage PPL to continue to educate customers about the shopping options available to them at the end of the SOP. Finally, I urge PPL to continue to retain information and data related to its SOP to inform this Commission in future proceedings.

A handwritten signature in black ink that reads "Gladys Brown Dutrieuille". The signature is written in a cursive style with a horizontal line underneath the text.

December 17, 2020

Date

Gladys Brown Dutrieuille, Chairman