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|  | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE**  Bp8# 2645254  OR Docket No. M-2018-2645254 |

June 21, 2021

To: All Electric Distribution Companies, Electric Generation Suppliers, Statutory Advocates and Parties that filed Comments at this Docket.

Re: Closing Docket No. M-2018-2645254, re: Supplier Consolidated Billing, without further action

The Pennsylvania Public Utility Commission (Commission) initiated the instant proceeding at the January 18, 2018, public meeting, with the adoption of the Joint Motion of Chairman Dutrieuille and Commissioner Kennard that, among other things, required the Law Bureau and Office of Competitive Market Oversight to organize an *en banc* hearing seeking comments on the legality, feasibility, and appropriateness of electric generation supplier (EGS) consolidated billing (SCB). *See Petition of NRG Energy, Inc. for Implementation of Electric Generation Supplier Consolidated Billing,* Docket No. P- 2016-2579249 (Order entered January 31, 2018). The Commission held *en banc* hearings on June 14 and July 12, 2018, to gather information regarding (1) whether SCB is legal under the Public Utility Code (Code) and Commission regulations; (2) whether SCB is appropriate and in the public interest as a matter of policy; and (3) whether the benefits of implementing SCB outweigh the costs associated with implementation. During the June hearing, the Commission heard testimony from EGSs and consumer advocates, while at the July hearing the Commission heard testimony from EGSs and electric distribution companies (EDCs).

The Commission also received stakeholder comments on the propriety of SCB prior to the hearings and reply comments following the hearings. In general, consumer advocates and EDCs opposed implementation of SCB. Specifically, opponents argued that Section 2807(c) of the Code, 66 Pa.C.S. § 2807(c), allows for either utility consolidated billing (UCB) or dual billing, but not SCB. The opponents also asserted that SCB would violate critical billing, collection, and termination standards contained in Chapter 14 of the Code and Chapter 56 of the Commission’s regulations because EGSs are not subject to those requirements. Opponents also asserted that SCB is not in the public interest and may be cost prohibitive.

EGSs and their trade associations generally supported SCB. They claimed that SCB is consistent with the Code and the intent of the Electricity Generation Customer Choice and Competition Act and touted the new non-commodity products and services EGSs would be able to offer customers if SCB were adopted. They also looked favorably on the ability of EGSs to issue their own bills that would provide EGSs with a greater opportunity to connect with customers and advertise new products and services and, more importantly, to bill for those products and services in a single bill. Supporters also claimed that SCB is necessary to make up for the unfair competitive advantage EDCs enjoy because of utility consolidated billing.

At this time, the Commission has decided to close the instant proceeding, at Docket No. M‑2018‑2645254, without taking additional action. Even after considering the testimony and exhibits presented at the two *en banc* hearings, and the comments and reply comments, the record still lacks sufficient detail for the Commission to definitively conclude that implementation of SCB would be prudent from a public policy perspective or legal under Chapters 14 and 28 of the Code. Outstanding questions, primarily related to consumer protections and the Commission’s lack of jurisdiction over EGSs under current law, include, but are not limited to, (1) the legal authority for SCB; (2) the legal authority for EGSs to bill and collect EDC distribution charges; (3) the legal authority for EGSs to order termination of a customer’s electric service; (4) how to properly account for EGS value‑added‑service charges; and (5) the administration of EGS purchase of receivables programs.

As there is neither clear authority for, nor consensus on how to implement SCB, we cannot move forward with proposing implementation of SCB at this time and will close this proceeding. Closing the proceeding will better enable the General Assembly to address the outstanding questions associated with SCB without concerns of a parallel regulatory effort by the Commission. The Commission extends its thanks to all the stakeholders that participated in the robust conversation around SCB and that provided thoughtful, informed, and insightful perspectives through testimony and comments.

Please direct any questions to Colin W. Scott or Scott J. Thomas, Assistant Counsel, Law Bureau, at (717) 787‑5000.

**A picture containing letter

Description automatically generated** Sincerely,

# Rosemary Chiavetta

Secretary

cc: Senator Robert M. Tomlinson, Chair, Senate Committee on Consumer Protection and Professional Licensure

Senator Lisa M. Boscola, Minority Chair, Senate Committee on Consumer Protection and Professional Licensure

Hon. Jim Marshall, Chair, House Committee on Consumer Affairs

Hon. Robert F. Matzie, Democratic Chair, House Committee on Consumer Affairs