



Todd S. Stewart
Office: 717 236-1300 x242
Direct: 717 703-0806
tsstewart@hmslegal.com

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmslegal.com

May 6, 2022

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
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 for the Period From June 1, 2023 through May 31, 2027; Docket Nos. P-2021-3030012, P-2021-3030013; P-2021-3030014; P-2021-3030021; **SHIPLEY CHOICE LLC D/B/A SHIPLEY ENERGY STATEMENT IN SUPPORT OF THE JOINT PETITION FOR PARTIAL SETTLEMENT**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission, please find Shipley Choice LLC d/b/a Shipley Energy's Statement in Support of the Joint Petition for Partial Settlement in the above-captioned docket. Copies of the Statement have been served in accordance with the attached Certificate of Service.

Shipley Energy will not be submitting a Main Brief in the above-captioned matter.

Thank you for your attention to this matter. If you have any questions related to this filing, please do not hesitate to contact me.

Very truly yours,

Todd S. Stewart
Counsel for
Shipley Choice, LLC d/b/a Shipley Energy

TSS/jld

Enclosure

cc: Administrative Law Judge Jeffrey A. Watson (via email – jeffwatson@pa.gov)
Nick Miskanic, Legal Assistant (via email – nmiskanic@pa.gov)
Per Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA ELECTRONIC MAIL ONLY

Administrative Law Judge Jeffrey A. Watson
Nick Miskanic, Legal Assistant
Piatt Place, Suite 220
301 5th Avenue
Pittsburgh, PA 15222
jeffwatson@pa.gov
nmiskanic@pa.gov

Kenneth M. Kulak, Esquire
Catherine G. Vasudevan, Esquire
Brooke E. McGlinn, Esquire
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
Ken.kulak@morganlewis.com
Catherine.vasudevan@morganlewis.com
Brooke.mcglinn@morganlewis.com
*Counsel for Metropolitan Edison Company,
Pennsylvania Electric Company, Pennsylvania
Power Company, and West Penn Power
Company*

Tori L. Giesler, Esquire
Darshana Singh, Esquire
FirstEnergy Service Company
2800 Pottsville Pike
PO Box 16001
Reading, PA 19612-6001
tgiesler@firstenergycorp.com
singhd@firstenergycorp.com
*Counsel for Metropolitan Edison Company,
Pennsylvania Electric Company, Pennsylvania
Power Company, and West Penn Power
Company*

Darryl A. Lawrence, Esquire
Christy M. Appleby, Esquire
Harrison W. Breitman, Esquire
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
OCAFEDSP2021@paoca.org

Allison C. Kaster
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
akaster@pa.gov

Susan E. Bruce, Esquire
Charis Mincavage, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108
sbruce@mcneeslaw.com
cmincavage@mcneeslaw.com
*Counsel for Met-Ed Industrial Users Group,
the Penelec Industrial Customer Alliance, and
the West Penn Power Industrial Intervenors*

Robert D. Knecht
5 Plymouth Road
Lexington, MA 02421
rdk@indecon.com

Elizabeth R. Marx, Esquire
Lauren N. Berman, Esquire
Ria M. Pereira, Esquire
John W. Sweet, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@pautilitylawproject.org
Counsel for CAUSE-PA

Erin K. Fure
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101
efure@pa.gov

Thomas J. Sniscak, Esquire
Whitney E. Snyder, Esquire
Phillip D. Demanchick Jr., Esquire
Hawke McKeon & Sniscak, LLP
100 North Tenth Street
Harrisburg, PA 17101
tjsniscak@hmslegal.com
wesnyder@hmslegal.com
pddemanchick@hmslegal.com
Counsel for The Pennsylvania State University

John F. Lushis, Jr., Esquire
David Berger, Esquire
Norris McLaughlin, P.A.
515 W. Hamilton Street, Suite 502
Allentown, PA 18101
jlushis@norris-law.com
dberger@norris-law.com
Counsel for Calpine Retail Holdings, LLC

James Laskey
Norris McLaughlin, P.A.
400 Crossing Blvd., 8th Floor
Bridgewater, NJ 08807
jlasky@norris-law.com
Counsel for Calpine Retail Holdings, LLC

Karen O. Moury, Esquire
Deanne M. O'Dell, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
kmoury@eckertseamans.com
dodell@eckertseamans.com
Counsel for RESA

Colleen Kartychak, Esquire
Exelon Corporation
1310 Point Street
Baltimore, MD 21231
Colleen.kartychak@exeloncorp.com
Counsel for Exelon Generation Company, LLC and Constellation NewEnergy, Inc.

John M. White, Esquire
Exelon Corporation
101 Constitution Avenue NW
Washington, DC 20001
John.white@exeloncorp.com
Counsel for Exelon Generation Company, LLC and Constellation NewEnergy, Inc.

Michael A. Gruin, Esquire
Stevens & Lee
17 North 2nd Street, 16th Floor
Harrisburg, PA 17101
Michael.gruin@stevenslee.com
Counsel for Enerwise Global Technologies, LLC d/b/a CPower Energy Management

Linda R. Evers, Esquire
Stevens & Lee
111 North 6th Street
Reading, PA 19601
Linda.evers@stevenslee.com
Counsel for Enerwise Global Technologies, LLC d/b/a CPower Energy Management

A. Michael Gianantonio, Esquire
Robert F. Daley, Esquire
Robert Peirce & Associates, P.C.
707 Grant Street
Gulf Tower, Suite 125
Pittsburgh, PA 15219
mgianantonio@peircelaw.com
Counsel for John Bevec and Sunrise Energy, LLC

Kenneth Schisler
Vice President, Regulatory Affairs
Chandra Colaresi, Specialist, Regulatory Affairs
CPower Energy Management
1001 Fleet Street, Suite 400
Baltimore, MD 21202
Kenneth.Schisler@CPowerEnergyManagement.com
Chandra.Colaresi@CPowerEnergyManagement.com

Brian R. Greene, Esquire
GreeneHurlocker, PLC
4908 Monument Avenue, Suite 200
Richmond, VA 23230
BGreene@GreeneHurlocker.com
Counsel for Enerwise Global Technologies, LLC d/b/a CPower Energy Management

DATED: May 6, 2022



Todd S. Stewart

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

JOINT PETITION OF METROPOLITAN	:	
EDISON COMPANY, PENNSYLVANIA	:	Docket Nos. P-2021-3030012
ELECTRIC COMPANY, PENNSYLVANIA	:	P-2021-3030013
POWER COMPANY AND WEST PENN	:	P-2021-3030014
POWER COMPANY FOR APPROVAL OF	:	P-2021-3030021
THEIR DEFAULT SERVICE PROGRAMS	:	

**SHIPLEY CHOICE LLC D/B/A SHIPLEY ENERGY
STATEMENT IN SUPPORT OF THE JOINT PETITION
FOR PARTIAL SETTLEMENT**

DATED: May 6, 2022

I. INTRODUCTION

1. Now Comes Shipley Choice, LLC d/b/a Shipley Energy (“Shipley”) and presents this Statement in Support of the Joint Petition for Partial Settlement (“Joint Petition” or “Settlement”) in the above-captioned Default Service proceeding. Shipley supports the Settlement as being in the public interest and asks that the Presiding Administrative Judge and the Pennsylvania Public Utility Commission approve the Joint Petition as submitted. In support thereof, Shipley states as follows.

2. On December 14, 2021, the Pennsylvania subsidiaries of FirstEnergy Corporation (Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company, (collectively the “Companies”) filed the above-captioned Joint Petition (the “DSP VI Petition”) requesting Pennsylvania Public Utility Commission (“Commission”) approval of their default service programs (the “Program(s)” or “DSP VI”) for the period June 1, 2023 through May 31, 2027, as provided in the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. § 2801 et seq. (the “Competition Act”) and the Commission’s Regulations.

3. On January 1, 2022, the Commission’s Notice, which set the deadline for filing protests, complaints, or petitions to intervene as January 18, 2022, was published in the Pennsylvania Bulletin.

4. On January 3, 2022, Presiding Administrative Law Judge Jeffrey A. Watson (the “ALJ”) issued a Prehearing Conference Order scheduling a Prehearing Conference for January 21, 2022. Petitions to Intervene were filed by Calpine, CAUSE-PA, Constellation, Enerwise, the Industrials, PSU, RESA/NRG, Shipley, and Sunrise. The OCA filed a Notice of Intervention, and Public Statement and Answer. The OSBA filed a Notice of Appearance, Notice of Intervention,

Public Statement and Answer. I&E filed a Notice of Appearance evidencing its participation in this proceeding.

5. On January 20, 2022, Pursuant to 52 Pa. Code § 5.81, the Companies filed a Motion for Consolidation requesting that the four above-referenced proceedings be formally consolidated into a single proceeding. That Motion was granted on January 27, 2022.

6. A Prehearing Conference was held on January 21, 2022. At the conference, a schedule was established for the submission of testimony and the conduct of hearings. Consistent with Commission practice, the schedule provided for written testimony for the Companies' case-in-chief, rebuttal and surrebuttal testimony, and that the written testimony be submitted in advance of hearings. Evidentiary hearings were scheduled for April 13-14, 2022, at which all testimony and exhibits would be placed in the record and all witnesses presented for cross-examination, if any, thereon. The ALJ issued a Prehearing Order on January 25, 2022, establishing this schedule.

7. On February 25, 2022, Shipley submitted its Direct Testimony and accompanying exhibits. On March 24, 2022, Shipley its Rebuttal Testimony accompanying exhibits, and on April 7, 2022, Shipley submitted its Surrebuttal Testimony and exhibits. All of these were duly admitted into the record of this proceeding.

8. During the course of the proceeding, the parties engaged in discussions to try to achieve a settlement of some or all of the issues in this case. As a result of those negotiations, the Joint Petitioners were able to a Settlement and agreed to revised default service programs ("Revised DSP VI Programs").

9. A telephonic evidentiary hearing was held on April 13, 2022. At the hearing: 1) the Companies notified the ALJ of the Settlement; 2) the Companies' witnesses James D. Reitzes, Tiffany L. Cowan and Edward B. Stein presented rejoinder testimony; and 3) following cross-

examination of Ms. Cowan and Mr. Stein on their rejoinder testimony, the ALJ admitted all previously served statements and exhibits into the record of this proceeding, by stipulation.

10. On April 15, 2022, the ALJ granted the Companies' request to file the Joint Petition on April 20, 2022, without Statements in Support of the Settlement, and Joint Petitioners were required to submit their Statements in Support of the Settlement on May 6, 2022. The following statement is in support of the Joint Petition filed April 20, 2022.

II. SUMMARY OF SETTLEMENT

11. The Settlement adequately addresses the issues raised by Shipley in its Petition to Intervene and in its testimony. Ms. Greenholt-Tasto, in her Direct, Rebuttal and Surrebuttal Testimonies noted a number of issues with the proposal, including: 1) the negative impact of changing the opt-in/out requirement for the Customer Referral Program ("CRP") from the present every 3 months, to every 6 months; 2) the present inability of customers to enroll in the CRP online, even though customers are able to sign up for electricity service online; and 3) the negative impacts on the CRP of recent scripting changes. Ms. Greenholt-Tasto also raised concerns that costs for the Companies' procurement of solar energy and the associated Solar Photovoltaic Alternative Energy Credits ("SPAECs") appeared to be poised for recovery outside of the default rate against which suppliers compete. Collecting such costs in a rider not recovered as part of the default price would artificially lower the Price to Compare against which suppliers must compete, creating a competitive disadvantage for suppliers.

12. The Settlement preserves the status quo with regard to the CRP opt-in/out, provides a date certain by which customers will be permitted to enroll in the CRP online and makes it clear that all costs associated with solar energy procurement and the associated SPAECs will be

recovered in default service rates. Accordingly, Shipley supports the Settlement as being in the public interest and also as being a just and reasonable resolution of the DSP VI Petition.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST AND FULLY SATISFIES THE REQUIREMENTS OF THE COMPETITION ACT AND THE COMMISSION'S DEFAULT SERVICE REGULATIONS

A. Procurement and Implementation Plans – Shipley takes no position on these issues.

B. Rate Design and Cost Recovery

13. One of the pillars of fair competition is that the price the utility charges for default service (default service rate or price to compare) includes **all of the costs**, direct and indirect, of providing default service, and that such charge is recovered only through the default service rate. The Companies have certain legacy contracts for solar photovoltaic energy that will continue to be used to satisfy the Alternative Energy Portfolio Standards Act (“AEPSA”) requirements for default service providers and EGSs on its system as well. Those contracts, for MetEd, Penelec and PennPower, terminate as of the end of May 2023. Shipley’s review of the Companies’ presentation in this case led Shipley to suspect that the Companies intended to recover costs associated with the future procurement of solar photovoltaic energy and associated SPAECs through riders that are not recovered in the default service rate. As part of the Settlement, the Companies have made the affirmative statement that all the costs associated with procuring and providing solar photovoltaic energy and the associated SPAECs, will be recovered in the default service rate. That is a satisfactory and enforceable result that Shipley appreciates and supports.

C. Customer Referral Program (Joint Petition, Paragraphs 69-79)

14. As discussed above, Shipley noted several concerns with the Companies’ proposal for its CRP. First and foremost were the impacts from the Companies’ proposal in this case to switch to a six-month reconciliation period, from the present three-month period. The proposal

included putting the CRP on a six-month schedule as well, which from a rate perspective is not ideal, but from an opt-in/out perspective would be harmful due to the risk of having to hold an offer open for six months. (Shipley St. No.1, pp. 5-8). As an alternative, Ms. Greenholt-Tasto recommended a monthly opt-in/out program similar to the program run by PECO. (Shipley St. No. 1, 8:6-17). The settlement preserves the status quo, which is not ideal from Shipley's perspective, but when compared to the proposed 6-month opt-in/out proposed by the Companies, is far better. (Joint Petition, ¶ 74).

15. Shipley also expressed concern that the Companies did not allow online CRP enrollments even though the trend for enrollments generally, and for electric service in particular, is that online enrollments as a percentage of all enrollments is increasing year over year. (Shipley St. No. 1, 8:15-9-13). Ms. Greenholt-Tasto testified that it is discriminatory to allow customers to enroll for default service online and to deprive them of the same opportunity for the CRP. The Settlement requires the Companies to provide for Online Enrollment no later than June 1, 2023. As part of the online offering, the Companies will provide much more information about the program and a process to ensure that customers understand the program before they enroll. The Companies will also make additional information about the CRP available through other means as well. (Joint Petition, ¶'s 71-73).

16. Finally, regarding the CRP, Shipley's witness expressed concern that the number of enrollments for the program had experienced a significant drop-off in 2017 and that the lower levels of enrollments have persisted to date. Ms. Greenholt-Tasto suggested that scripting changes may have had something to do with the decline in enrollment. While the Settlement does not directly address this issue, the inclusion of online enrollment and the attendant increase in the

amount of information about the program that will be available online, Shipley is confident that those enrollment numbers have a good chance of rebounding.

17. The Settlement (Joint Petition ¶ 69) requires that the current program will expire as of May 31, 2027. However, the Companies are compelled to address the future of the CRP in their next default service filing. The Companies will either propose a replacement program, maintain some form of the existing program or suggest eliminating the program entirely. Regardless of what is proposed, the interested parties will have an opportunity to address the ongoing need for such a program and how it should be run, in the Companies' next default service proceeding. While it is regrettable that some parties insisted on putting the program's ongoing existence in jeopardy, its eventual demise is not a forgone conclusion as long as the Commission recognizes the ongoing need for such programs – in whatever form that takes.

D. POR Clawback Charge N/A – Shipley takes no position on these issues.

E. CAP Customer Shopping N/A – Shipley takes no position on these issues.

F. **Third-Party Data Access Tariff (Joint Petition, Paragraphs 89-93)**

18. While Shipley took no position of the Companies' proposal for a data access tariff in testimony or otherwise, it expressly supports the result as described in the Settlement. The Settlement appropriately restricts the classes of entities that are permitted access confidential customer information and provides an adequate mechanism to ensure that those who receive information are authorized by the customer, and the Settlement ensures that the results of the Commission's ongoing process at Docket No. M-2021-3029018 will be incorporated into the Companies' tariff requirements with all due haste.

G. Additional Settlement Terms N/A – Shipley takes no position on these issues.

IV. CONCLUSION

The terms and conditions embodied in the Joint Petition for Settlement, while not perfect, are a great deal better than what had been proposed by the Companies and/or other parties to this proceeding. As discussed above, Shipley has taken strong stances on a number of issues important to its ongoing ability to serve customers on the FirstEnergy system and while the settlement reflects compromise on those terms, the compromise is acceptable and ultimately, the terms are just and reasonable, and are in the public interest. Accordingly, Shipley asks the Commission to approve the Joint Petition for Settlement, in its entirety, and without modification, and to do so with all due haste.

Respectfully submitted,



Todd S. Stewart
PA Attorney I.D. #75556
Hawke McKeon & Sniscak, LLP
100 North Tenth Street
Harrisburg, PA 17101
Telephone: (717) 236-1300
Facsimile: (717) 236-4841
Email: tsstewart@hmslegal.com

*Counsel for
Shipley Choice, LLC d/b/a Shipley Energy*

DATED: May 6, 2022