Office of the Secretary of State
State of Delaware
Townsend Building
401 Federal Street, Suite 3
Dover, DE 19901

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE REVIEW OF CUSTOMER CHOICE IN THE STATE OF DELAWARE	)))	**PSC DOCKET NO. 15-1693**

PETITION OF THE ELECTRICITY AFFORDABILITY COMMITTEE SEEKING REVIEW AND IMPLEMENTATION OF RECOMMENDATIONS TO ENHANCE CUSTOMER CHOICE OPPORTUNITY IN DELAWARE

Pursuant to the responsibility assigned by the 147th General Assembly, Senate Substitute No. 1 for Senate Bill 160, FY2016 Bond and Capital Improvements Act of the State of Delaware, Section 68, the Electricity Affordability Committee ("EAC" or "Petitioners") respectfully submits this petition ("Petition") requesting the Public Service Commission (the "Commission") to review the Customer Choice recommendations contained in the EAC report (attached) and to implement those actions the Commission feels will enhance opportunity for customer choice in Delaware, help lower energy supply costs for electric customers and are in the Public Interest.

BACKGROUND

1. The Delaware "Electric Utility Restructuring Act of 1999" provided that customers of a public utility should have the right to purchase electric supply from retail electricity providers.

The "Electric Utility Retail Customer Supply Act of 2006" further amended the Delaware Code providing that customers of an electric public utility should have the right, but not necessarily an obligation, to purchase electricity from retail suppliers.[1]

2. The Electricity Affordability Committee met on September 30, 2015 to discuss the responsibility assigned to it by Section 68 of the FY2016 Bond and Capital Improvements Act of the State of Delaware. The Chairman of the Committee asked the Public Service Commission Staff and the Division of the Public Advocate Staff to examine the structural aspects of energy supplier choice in Delaware; investigate ways to enhance the visibility of and improve participation in customer choice (either product specific or generically); and examine what, if any, options might be available to enhance customer choice that may not have been considered.

3. The Joint Staff publicly noticed and conducted two workshops (October 22, 2015 and October 29, 2015) to identify customer choice issues and to suggest possible solutions to help enhance customer choice in Delaware. Participants included representatives from the Delaware Public Service Commission Staff, the Delaware Public Advocate and Staff, Delmarva Power, individual third party suppliers, Senator Colin Bonini, and various advocacy groups such as the American Association of Retired Persons, the Retail Energy Supply Association and the American Coalition of Competitive Energy Suppliers. Participants were given opportunity to review the draft report and to provide comment by Friday, November 6, 2015. Comments were received from Direct Energy Services, LLC, National Energy Marketers Association, Constellation New Energy, Inc., Retail Energy Supply Association and Delmarva Power.

4. On December 14, 2015, the EAC met to discuss the Joint Staff Review of Delaware's Customer Choice Findings and Recommendations. The EAC recognized that many of the recommendations related to the Delmarva Power/Supplier interface would require the Commission's review and determination. It is within that jurisdiction that the EAC petitions the

[1] 26 Del. C. §1002(2) and §1003

Commission to examine and implement those changes that it feels would enhance Delaware's customer choice, help lower supply costs and be in the Public Interest.

REQUESTED RELIEF

5. The EAC requests the Commission to consider eight (8) recommendations which the Joint Staff believes would enhance customer energy choice in Delaware. The EAC further requests the Commission take action to implement such recommendations that it feels will enhance customer choice, lower energy supply costs and provide for the Public Interest. In addition, the EAC asks the Commission to consider various approaches to improving customer awareness and education around energy choice and to provide suggested approaches that the Commission feels would be consistent with improving Delaware's customer choice program.

6. The Petitioners request the Commission review and consider implementing the following enhancements:

a. Adopt a Purchase of Receivables ("POR") approach for third party suppliers where by Delmarva Power purchases the receivables at a discounted price that includes the administrative cost of the program and whereby Delmarva assumes supplier bill collection responsibility. This is currently happening in Pepco Holdings, Inc. other state jurisdictions and could be done in Delaware.

b. Enhance Delmarva Power's customer bills to add additional space for third party suppliers to provide their customers with information specific to their current supplier.

c. Modify Delmarva Power's current practice of requiring new customers to take Standard Offer Service for at least one month prior to selecting another supplier. Suppliers believe that new customers in the Delmarva Power territory should be able to select any supplier at the time of their initial service request.

d. Modify Delmarva Power's current practice of requiring customers who are moving locations within the Delmarva service territory to reinitialize their service by purchasing Standard Offer Service for at least one month before returning to their contracted supplier. Customers relocating within Delmarva's service territory and who have already selected a third party supplier should be able to retain that supplier at their new location without having to reapply.

e. Establish a mechanism by which customers may enroll with a third party supplier without the requirement to know their service account number or other numerical identifier. Customers should be able to use an existing identification such as driver's license and service address to enroll with a third party supplier, particularly when solicited at shopping malls or other public venues.

f. Continue the review of Delmarva Power's Standard Offer Procurement process and consider adopting shorter term purchases for the residential and small commercial customer segments. Suppliers believe that shorter supply contracts that track market prices more closely will improve supply cost competition in Delaware. The Commission has historically relied on three (3) year laddered contracts to stabilize and minimize energy cost volatility for residential and small commercial customers and should consider shorter terms, provided cost volatility is contained within reasonable limits.

g. Finalize Commission Supplier Regulation 49 by incorporating recommended changes and simplifying supplier requirements where possible.

h. Establish an opportunity for quarterly or other term meetings with electric suppliers to help monitor the status of customer choice in Delaware and to provide a forum for discussion of key issues or other choice barriers.

7. The Petitioners further request the Commission to again examine options for increasing customer choice awareness and education in Delaware. The suppliers have pointed to Pennsylvania and other states where websites contain current information and educational videos and attribute those sites to higher levels of customer choice shopping in those jurisdictions.

WHEREFORE, the Electricity Affordability Committee respectfully requests this Commission to consider its request for enhancing customer electric choice in Delaware and that the Commission implement those changes that it believes will enhance customer choice, lower Delaware energy supply costs and be consistent with the Public Interest.

The Honorable Jeffrey W. Bullock
Delaware Secretary of State
EAC Chairman

Robert Scoglietti
Director of Policy and External Affairs
Office of Management and Budget

Robert J. Howatt
Executive Director
Delaware Public Service Commission

Art Jenkins
Senior Legislative Analyst
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Dept. of Natural Resources & Environmental Control

Dated: December 14, 2015