



**Washington Gas
Energy Services**

A Washington Gas Affiliated Company

COPY

Counsel for WGES
101 Constitution Avenue, N. W.
Washington D. C. 20080
Phone: (202) 624-6116
Fax: (202) 624-6040
tchryssikos@washgas.com

June 6, 2014

FEDERAL EXPRESS

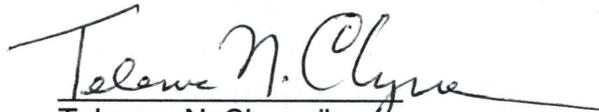
Ms. Alisa Carro Bentley, Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

Re: Docket No. 49

Dear Ms. Bentley:

Enclosed for filing please find an original and ten (10) copies of Comments of Washington Gas Energy Services, Inc. (WGES) in the captioned docket..

Respectfully submitted,


Telemac N. Chryssikos
Attorney

Enclosure

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DELAWARE P.S.C.

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE ADOPTION OF)
RULES AND REGULATIONS TO)
IMPLEMENT THE PROVISIONS OF)
26 DEL. C. CH. 10 RELATING TO THE)
CREATION OF A COMPETITIVE) PSC REGULATION DOCKET NO. 49
MARKET FOR RETAIL ELECTRIC)
SUPPLY SERVICE (OPENED APRIL 27,)
1999; RE-OPENED JANUARY 7, 2003;)
RE-OPENED SEPTEMBER 22, 2009;)
RE-OPENED SEPTEMBER 7, 2010;)
RE-OPENED July 17, 2012))

**COMMENTS OF
WASHINGTON GAS ENERGY SERVICES, INC.**

Pursuant to Order No. 8545 issued April 15, 2014 (“Order”), Washington Gas Energy Services, Inc. (“WGES”) hereby files these comments on proposed revised Supplier Rules as set forth in Exhibit A of the Order. WGES had filed comments on the earlier revised Supplier Rules proposed by Order No. 8424 (issued July 13, 2013) and has participated actively in the workshops convened by the Commission Staff to address proposed revisions to the Supplier Rules.

WGES is a licensed retail electricity supplier headquartered in Herndon, Virginia. A reliable and committed competitive retail energy supplier, WGES has operated in the Mid-Atlantic Region since 1996. WGES serves nearly 350,000 electricity, natural gas, and renewable energy customers that include the full spectrum of customer classes, from large commercial to residential. In Delaware, WGES serves over 10,000 customers.

In Comments filed October 1, 2013 WGES weighed in on the proposed revisions to the Supplier Rules that were under consideration at the time and that led to the

adoption of the further revised Supplier Rules contained in the Order. Then, as now, WGES is supportive of the revisions being proposed.

WGES would like to acknowledge and express appreciation that the further revised Supplier Rules set out in the Order take into account and are consistent with prior WGES's comments on Disclosure Statement rules (§ 2.1.1.2.1.10); Marketing rules (§3.8.2.1 and §3.8.6.1.4); and to Door-to-Door Sales rules (§3.8.6.1.3 and §3.8.6.3.1.4). WGES fully supports these revised rules. In these comments WGES notes two concerns with the wording of rules that imply that a Price must always be expressed in "per kWh" units (§ 2.1.1.9.1.2 and §5.1.3.8) and rules that do not address cancellation fees that are not fixed but can vary (§ 5.1.3.9). WGES also asks for two clarifications of the rules.

1. Price Requirements Rules

In looking at the further revised provisions, WGES ask for the Commission to consider if retaining "per kWh" in § 5.1.3.8 was an oversight. In its October 1, 2013 comments WGES pointed out that read together - § 1.0 (definition of "Price" or "Rate"), § 2.1.1.9.1.2 (Disclosure Statement requirements) and § 5.1.3.8 (Verification Process requirements) – one could interpret the rules as unduly restricting of how suppliers can price their products. WGES supports further revised definition of "Price" or "Rate" in § 1.0 and the general price description required by further revised § 2.1.1.9.1.2 in the Order No. 8545, but it would appear the Commission should also have removed "per kWh" from § 5.1.3.8. If so, WGES asks the Commission to make the correction in final regulations.

2. Disclosure Statement – Cancellation Fees Rule

§ 5.1.3.9 in the Order does not account for WGES's recommendation to add a sentence to the provision to allow suppliers to refer prospective customers to the Disclosure Statement for details about cancellation fees when such fees are not fixed but can vary with the remaining term of a contract. WGES would add the following at the end of § 5.1.3.9: "If the amount of a cancellation fee or other charge is not fixed, then the Verification Process shall state the existence of such a fee and refer the Customer to the Disclosure Statement."

WGES continues to support the verification process but submits that the rule for disclosing cancellation fees during the verification process should accommodate cancellation fees that are not fixed by allowing a supplier's verification agent simply to refer a customer to the Disclosure Statement. WGES is concerned that a requirement that the verification agent state a fixed cancellation fee is problematic where, in WGES's contracts, its residential cancellation fee may vary according to the amount of time left on the customer's contract. A rule that does not recognize the potential variability of cancellation fees may confuse customers.

Significantly, prior to the verification process the WGES sales agent has explained cancellation fees to the prospective customer and answered questions. The verification process is to confirm the customer's decision to receive service from WGES, and if a customer asks about cancellation fees again, the verification agent can answer the questions. But it makes little sense to require the verification agent to again initiate a description of the cancellation fee if the fee can vary and is not fixed.

3. “Service Classification” Versus Rate Class Information

§3.7 refers to the inclusion of a customer’s “service classification” in the customer information list that the EDC makes available to electric suppliers subject to an opt-out procedure. WGES supports the provision but would like a clarification that “service classification” includes a customer’s “rate class information.” Significantly the EDC provides separate standard offer service prices for Residential (R) and Residential Heating (RH) customers, and suppliers would be able to obtain from the EDC and provide to customers more customized and meaningful offers if the rate class information is provided in the EDC list. The rule would be improved if “service classification” were replaced by “rate class information.”

4. Rescission Period Inconsistency

WGES would like to point out that the seven day rescission period referenced in § 2.1.1.9.1.7 is inconsistent with the ten day rescission period referenced in §5.1.3.10. WGES recommends

§ 2.1.1.9.1.7 provides a Disclosure Statement must include “A statement inform the Residential or Small Commercial Customer that they/he/she has seven (7) business days from the day the EDC sends the confirmation letter to rescind their/his/her selection without penalty or fee.”

§5.1.3.10.provides that the Verification Process must “Confirm that the Customer has been give a copy of the Disclosure State and will not be switched from the current Electric Supplier or SOSS until the ten (10) day rescission period has expired.”

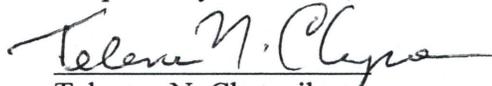
Both Order No. 8424 and Order No. 8545 reflect the seven day rescission period in § 2.1.1.9.1.7 which WGES supports. Order No. 8545, however, adds a reference to a

ten day rescission period in §5.1.3.10, and WGES believes this provision should be revised for clarification to include the same seven day rescission period adopted in § 2.1.1.9.1.7 including the clarification that the seven days are “business” days. WGES submits that the foregoing clarification in the final rules is important to avoid confusing customers.

Conclusion

In sum, WGES supports the further revised rules subject to the further revisions and clarifications set forth herein. The revised rules recognize advancements in the retail energy marketplace and enhance consumer protections. WGES appreciates the opportunity to submit these comments.

Respectfully submitted,

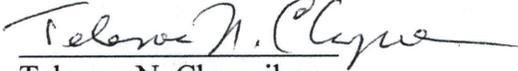

Telemac N. Chryssikos

Attorney for:
Washington Gas Energy Services, Inc.
101 Constitution Ave, Room 319
Washington, D.C. 20080
(202) 624-6116
(202) 624-6040 (Fax)
tchryssikos@washgas.com

June 8, 2014

CERTIFICATE OF SERVICE

I hereby certify that on June 6, 2014 a copy of the attached Comments were served by first class mail on each person or party on the official service list.


Telemac N. Chryssikos

Attorney for:
Washington Gas Energy Services, Inc.
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Washington, D.C. 20080
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