UNITED STATES OF AMERICA
BEFORE THE
FEDERAL TRADE COMMISSION

Comments Regarding Retail Electricity Competition	:	Docket No. V010003

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE'S COMMENTS RELATING TO ELECTRICITY COMPETITION AND REQUEST TO ACCEPT LATE FILED COMMENTS

On March 5, 2001, the Federal Trade Commission ("the Commission") issued a Notice Requesting Comments on Retail Electricity Competition Plans. The Commission requests that all comments be filed by April 3, 2001. The Pennsylvania Office of Consumer Advocate ("Pa. OCA") hereby requests that the Commission give due consideration to these comments which are being filed 3 days beyond the April 3, 2001 deadline.[1]

The Pa. OCA is a state office located within the Office of Attorney General and is authorized by statute to represent the interests of retail consumers of utility services, including electricity, in proceedings before the Pennsylvania Public Utility Commission (PUC), before federal agencies and before state and federal courts. The Pa. OCA has been actively engaged over the past four years in protecting the interests of retail electric consumers in the

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[1]By letter dated April 4, 2001, the Pa. OCA summarized its understanding, based on a phone call with Commission staff, that the Commission would consider late filed comments so long as those comments were filed by March 27, 2001 and noted the late filing on the first page of the comments.

Commonwealth in Pennsylvania's retail choice programs. The Pa. OCA has also been diligently involved in protecting the interests of these consumers in matters involving wholesale markets. This action includes proceedings and processes before the Federal Energy Regulatory Commission and before the Pennsylvania-Jersey-Maryland Interconnection, LLC (PJM), an Independent System Operator ("ISO") managing the regional electric transmission grid and wholesale electricity markets in Pennsylvania, New Jersey, Maryland, Delaware and the District of Columbia. These comments are based on the Pa. OCA's extensive state and federal experiences with retail and wholesale electricity competition.

The Commission in its Notice requested comment on specific questions. The Pa. OCA below sets forth its responses on matters involving electricity markets that we hope will be of benefit to the Commission in its review of these issues.

A. History and Overview

1. Reason for Implementing Retail Electric Competition

Restructuring in Pennsylvania was devised as a solution to three problems, namely, high prices, price disparity between electric companies caused by different generation construction choices, and lack of product choice. The cost of constructing nuclear generation and, to a limited extent, the cost of Non-utility Generation (NUG) contracts, pushed prices in many parts of Pennsylvania far above both historical levels and the national average. These factors had already impacted customer rates by 1996, when Pennsylvania's electric restructuring act was approved, so it was a question of seeking relief, not of simply preventing future increases. As to choice, large customers perceived that their scale would permit them to bargain among a variety of suppliers for best prices and for products such as time-of-use pricing which would permit additional cost savings. Also, it was also believed that technological changes were making generation more competitive and therefore deregulation could bring competitive forces to bear to lower prices. For smaller customers, only those interested in renewable energy endorsed restructuring based on increasing choice. For a number of customers and public officials, retail choice was the partial realization of a larger philosophical goal related to competition. Finally, resentment of high priced utilities primed some customers to seek opportunities to switch to unregulated suppliers.

2. **Benefits of Competition**

The vast majority of advocates of retail competition all began with the assumption that they were faced with an opportunity to bring prices down, i.e., that prices were higher than necessary. This was based on the expectation that new, gas-fired generation would produce electricity below the existing system average cost. Coupled with the expectation that FERC would aggressively support wholesale competition, this was supposed to lead to lower prices for retail customers. Also, it was assumed that the inefficiencies of the regulatory system created opportunities for lowering the cost of the existing generating inventory. Environmentalist support, such as it was, stemmed from the expectation that new generation would be cleaner and, by being cheaper, would force out older coal and oil-fired units.

Benefits were generally expected to be available across all geographic regions and across customer classes. First, there does not appear to be unequal access to the benefits of competition between rural, suburban and urban areas. The continued regulation of the distribution system means that customers are not disadvantaged by geography because access to competitive offers is equal throughout each individual utility service territory. Second, larger customers generally have the best opportunities to secure the benefits of competition because the cost to serve them is lower and the revenue per customer is greater. This was expected, since bargaining power and size are often related in markets. It was not assumed that all consumers would actually secure comparable benefits because it was known that some customers have stronger bargaining leverage than others. Third, rules against inter-class cost shifting protected the regulated prices which non-switching customers in general pay. Fourth, the size of the distribution company directly impacts access to competitive benefits. The cost of entry is about the same for each utility territory regardless of the size of the customer base. Opportunities for revenues are directly related to the size of the customer base. This means that the balance of costs to potential revenues is very unattractive for small utility systems. These economic factors have lead to a situation in which there is no competition in the territories of the Rural Electric Co-operatives and the smaller regulated utilities.

3. **<u>Factors Affecting the Success of State Retail Electricity Competition Programs.</u>**

The success of retail competition can be evaluated in terms of both policies and empirical results. Policies reflect whether the process is successful in its intention to treat consumers fairly and promote market development. Empirical measures of performance reflect the results in terms of numbers of customers and amount of load switching.

Pennsylvania's restructuring legislation and subsequent policy implementations strike a reasonable balance between consumer protection and market development. First, long-term fixed rate caps are a foundation which establish a financially stable transition to competition for customers. Customers are protected from financial risk both when they do not choose a competitive supplier and when wholesale prices do not support a competitive retail market. This protects customer confidence in restructuring by preventing unpredictable price fluctuations. Second, fundamental consumer protections, while theoretically objectionable to some competition advocates, create a transition atmosphere which promotes consumer trust of the restructured environment. Indeed, it is unlikely that restructuring would have gone forward had these protections not been included. Third, protections for low-income consumers, formerly founded in regulatory orders, were enshrined in the restructuring legislation. A number of stakeholders saw this as a critical requirement for those consumers who are least able to access the benefits of the new competitive market.

There are a number of potential statistical performance measures: customer savings, percent of customers shopping, percent of peak load participating, number of competitors active in the market, variety of products, availability of competitively priced products. All reflect relative levels of activity in retail competition. However, most of these are derivative of more fundamental factors, particularly wholesale competition.

It is critical to track the wholesale electric market and related fuels markets when analyzing the retail market. Without a functioning wholesale market, retail prices will not be competitive and customers will be neither able nor inclined to participate. For example, there were several competitive retail residential offers in the PECO Energy territory in January 2001. These ranged below and above the price to compare, giving the impression of a reasonably robust retail market. In the same month, however, installed capacity (ICAP) prices jumped to six times normal levels which, together with high natural gas prices, resulted in intolerable wholesale cost increases for competitive suppliers. As a result, by March, there were almost no offers below the price to compare and some suppliers abruptly left the market. Wholesale costs, not factors in the retail market, undercut the retail competition. Also, as noted above, natural gas prices increased dramatically in the latter half of 2000 and into 2001. This impacted the cost of wholesale power at the margins. Tracking wholesale markets is an integral part of monitoring the success of retail markets.

All of the direct retail measures listed above are important, but analysis can begin with two measures: peak load and rate class. The proportion of peak load taking service under competitors' contracts is an indication of the overall robustness of the market. However, it loses the detail of which customers are able to take advantage of competition. Even if only the largest customers are able to shop, the proportion of peak load can be substantial. This is why market penetration by rate class is the other critical measure. This shows whether and to what extent all customer classes have access to the competitive market. A copy of the most recent Pennsylvania shopping statistics that are maintained by the Office of Consumer Advocate, is attached to this document.

4. Success of Specific Elements of Retail Choice Programs

OCA is still assessing the success of restructuring but one element which stands out is the development of electronic data transmission standards, as is discussed below.

B. Consumer Protection Issues

1. Consumer Education Programs

Consumer education programs were written into each of the final restructuring orders.[2] Ultimately, there was an almost universal consensus that an aggressive consumer education program was needed. Millions were set aside, some of which was pooled in a statewide campaign. The PUC, through a stakeholder working group, developed a strategy which was then implemented by a national-level public relations firm. This lead to sophisticated and expensive public service advertisements which were widely circulated in television and radio around the "Where do you think you are, Pennsylvania?" campaign. Community outreach,

[2] Pennsylvania's statute required that each electric utility be restructured in a stand-alone proceeding. As a result, some aspects of education programs differed across the state.

advertising and direct mail were used by utilities in their own programs. In the end, most adults in the state were aware that competition was opening for them.

2. <u>Standardized Customer Information</u>

Information regarding choice is available from several accessible sources. Utilities and the PUC provide lists of suppliers on request. These include contact information and are automatically sent to all customers once a year. The Pennsylvania Office of Consumer Advocate (OCA) maintains a price guide listing each active residential suppliers' prices and showing estimated savings. This is available either by mail or over the internet at www.oca.state.pa.us. Especially during the initial phase of competition, newspaper reports on competition were frequent and detailed. The only labeling specified is for environmental characteristics.

The federal government should foster a cooperative interstate effort to elaborate the variety of characteristics which can be labeled. The OCA discourages the federal government from setting a mandatory national standard and instead urges that the FTC facilitate the development of standards.

3. <u>Slamming and Cramming Protections</u>

Slamming complaints were initially common, mostly because of procedural problems and administrative errors. In practice, intentional slamming as is seen in the telecommunications industry is uncommon. The lack of skills, experience, technology and infrastructure to accommodate customer switching lead to many errors in switching customers. OCA does not necessarily view this as slamming because it was unintentional, was generally quickly corrected, and was addressed through the creation of appropriate systems and procedures. Utilities unintentionally delayed switches for many consumers. Also, suppliers were not prepared to handle the data or the processing of consumer switches. Further, the otherwise efficient process of switching consumers only on their meter reading date effectively delayed switches for up to six weeks and this created confusion and the impression that utilities were refusing to switch customers.

4. Customer Switching and Aggregation

Customer switching is controlled by a very specifically defined set of regulations, procedures and processes. The various steps, for transmission of customer information and for data processing by both the utilities and the suppliers, is required to occur within specified time limits. The format, using Electronic Data Interchange (EDI) within a context of supplier agreements and tariffs, is standardized statewide. These standards are beginning to be widely accepted in most states where retail competition is being implemented.

Aggregation opportunities are limited. Each customer must switch as an individual, is billed as an individual by the utility and is dealt with as an individual as to customer service, collections, etc. Opt-out aggregation is not permitted in Pennsylvania. Thus, while some suppliers have sold through arrangements which are effectively aggregation, i.e., group contracts, this is not something which is facilitated nor is it easily analyzed. One supplier – Allegheny Energy – advanced a successful residential aggregation program. It's focus on municipalities and municipal associations as conduits to residential customers brought it a substantial market share in the Pittsburgh area.

5. Licensing, Certification and Enforcement

Licensing of all competitive suppliers is required in Pennsylvania's restructuring statute. Licensing was seen as a consumer protection. This requirement, by making it possible to prevent a supplier from doing business, established the practical authority to enforce rules regarding billing, information, and business practices. Licensing also protected the Commonwealth's tax revenues through the mandatory filing of a bond by each supplier. On both counts, the requirement that Applicants show their technical and financial fitness ensure that each supplier has a minimum set of qualifications to enter the market. Licensing requirements are a reasonable basis for entry, balancing consumer protection against the needs of an open market.

The Commission has the authority to cancel or condition a supplier's license based on compliance with regulations dictating a variety of business activities. Regulations – developed through stakeholder processes - exist for billing, customer service and customer information. The weight of these requirements falls on activities involving residential and small commercial customers. In addition, evidence of market power and deceptive sales practices can be, and have been, referred to the Pennsylvania Attorney General for action.

The Commission has engaged more in informal than formal enforcement of customer protections. First, a stakeholder working group, the Pilot Implementation Committee (PIC), later the Phase-in Implementation Committee, was established as a problem-solving venue with wide authority. Suppliers or utilities brought forward issues, such as how information is shared, which were discussed and referred to the Commission for final resolution. The PIC initially recognized the need for a separate technical committee to address the implementation of the EDI software which is used for all customer-specific business transactions. This technical group, the Electronic Data Exchange Working Group, was staffed by stakeholder technical representatives. It was likely the most successful administrative aspect of restructuring after the rate caps.

6. Use of Affiliate Name and Logo

Utility affiliates, with one exception, are able to compete unrestricted against other market entrants. The affiliate of Allegheny Power (AP), named Allegheny Energy, is not permitted to compete within the parent's service territory. However, the extremely low price to compare in the AP service territory makes competition minimal, especially at the residential level. In other words, the restriction on the affiliate's entry has not impeded the affiliate's business. There are no restrictions on affiliates' names but the affiliate must make clear in all its marketing materials that it is both affiliated with and operating separate from the incumbent utility.

7. Access to Utility's Customer Information Data Base

Within the regulatory restructuring decisions, equal access to customer information was guaranteed for all competitors. Marketing data was released by each utility to every supplier licensed in the service territory on a date several months prior to the opening of the competitive markets. This was to facilitate marketing and efficient selling. However, the specific data made available was limited in two ways. First, the data set was restricted to basic contact information including name, address, rate class, annual consumption and peak load obligation. Credit history, billing detail and other specific information were not released. Second, customers could choose to have their name deleted from the files provided to marketers.

These restrictions reflected a compromise. Some consumer groups and utilities opposed any release of data as an intrusion on customers' confidential information. In contrast, suppliers advocated for open access to all available customer information. The Commission compromise preserved customer confidence by protecting privacy for those for whom this was a concern. In the end, records for millions of customers were available to marketers.

8. Miscellaneous Consumer Protection Measures

Commission notice requirements dictate that residential and small commercial customers receive detailed information about contract service terms and conditions. A supplier must explain prices and terms, including provisions related to price changes. Suppliers may rollover customer contracts from one contract period to the next. However, this may only be done after supplying three consecutive monthly notices informing customers of new terms and prices and emphasizing that they may return to the utility service or contract with another supplier. Similar requirements apply to suppliers who are dropping customer contracts. This specific requirement has proven problematic when suppliers face sudden financial collapse. In practice, some have simply stopped scheduling energy and have given extremely short-term notice to customers that they are being dropped. This disorderly situation has spawned several FERC filings seeking clarification of exactly how forced customer drops should be handled.

9. <u>Supplier Advertising</u>

Pennsylvania, as one of the first serious opportunities for retail competition, was the initial focus of a lot of advertising. The amount and focus of advertising has generally depended on suppliers' marketing objectives. Advertising began at least six months prior to the beginning of the retail pilot program with several high visibility campaigns directed to building brand recognition in the general population. Not all suppliers did this. Companies targeting industrial or large commercial customers were much more focused, placing advertisements in the business press and trade publications. In practice, a substantial amount of advertising was done during the Pilot phase of restructuring, during 1998. These programs have dropped off dramatically as suppliers have pulled back or limited their offers in response to recent price trends in the wholesale market.

Product differentiation depends on the size and service class of customers. Small commercial and residential customers are generally offered flat rate, fixed term contracts differentiated by price. A few suppliers offer renewable products to residential and small commercial consumers. The distinction within these products is between Green-e' certified vs. other renewables. Several internet-based marketing operations have sold electric service with the option to bundle other products, e.g., long-distance, local phone, Internet, and natural gas service. A related option is internet-based billing which appealed to customers who were attracted to viewing bills on line and paying through automatic withdrawals. Internet options were among the most reasonably priced. Larger customers were offered a variety of time-of-use prices and incentive pricing which shared savings between supplier and customer. Suppliers differentiate products as widely as possible. More recently, pricing has become available tailored to usage patterns of large customers.

The availability of the full variety of products depends on the interaction of supplier's wholesale purchasing and the level of the price to compare. In some parts of the state, e.g., Philadelphia and Pittsburgh, the price to compare was set high enough in relation to the wholesale market, so that suppliers could operate profitably. Particularly in the western Pennsylvania territory of Allegheny Power, the price to compare is so low that suppliers cannot compete successfully among residential and small commercial customers.

E. Retail Supply Issues

1. Supplier Experiences With Entering and Exiting Markets

Suppliers have encountered three kinds of issues: regulatory, incumbent competition and industry start-up:

Legislators and then regulators, concerned about abuses and uncertain about what could go wrong or how, installed a set of consumer protections. These included standards for those wishing to be licensed and a strict licensing process. In addition, residential customer protections in existing regulations were extended, both by law and in PUC actions, to all suppliers. Finally, customer notice requirements in advertising, sales, contracts and changes to agreements are extensive. OCA strongly supports the clear, fully disclosed and strongly enforced customer protections in Pennsylvania's retail competition scheme.

Incumbent utilities' responses to the onset of competition ranged from defensive to enthusiastic. For example, GPU, an incumbent utility, encouraged customers to switch to alternative suppliers. This was consistent with the company's strategy of divesting generation. Throughout the state, customers who switched reduced the Provider of Last Resort burden – and accompanying financial risk – of providing universal service. Suppliers viewed the relationship between utilities and their affiliates with skepticism. This was relieved through the standards of conduct established in the PUC restructuring decisions.

Although it was not apparent to most participants at the time, competitive retail electricity was a completely new business. Many of the aspects of this were poorly developed and took time to master. Purchasing in a competitive wholesale market for retail delivery was a new business process. Utilities and power pools had to develop completely new procedures and business rules. Wholesale power trading expanded enormously just as the infrastructure for trading was being established. Utility to supplier relations evolved at the same time as the rollout of the new retail markets. The stresses of building the intellectual, physical and procedural infrastructure for a competitive market created substantial barriers to entry in cost, efficiency and customer satisfaction.

2. Transaction Costs

OCA does not have specific information on customer acquisition costs. However, it is clear from the number of suppliers who exited the market during the current wholesale price run-up that they perceive revenues to be insufficient. Customer acquisition costs may play a role here.

3. Degree of Success with Customer Switching

The attached tables show the customer switching statistics for Pennsylvania. Customer switching has largely been driven by opportunities for savings. This explains the large proportion of residential customers switching in PECO Energy and Duquesne Light territories as well as the small number of customers switching in Allegheny Power's territory.

4. New Product and Service Offerings

Initially, almost all supply products were based on a flat, per/kWh price. Throughout the program, more diverse products have emerged, with large customers seeing time of use and real time pricing options. Generally, these are not available for smaller customers.

5. Supplier of Last Resort Issues

The supplier of last resort, termed provider of last resort rate (PLR) in Pennsylvania, should be capped at a reasonable level in order for consumers to receive fair treatment in relationship to what utilities received in the restructuring process. Pennsylvania used a methodology which set the PLR rate at a level which is generally high enough to promote competition but still resulted in rates which are at or below 1996 levels.

Reasonable PLR rates are an absolute necessity to protect consumers against unpredictable rate fluctuations, to establish consumer confidence in restructuring, and to ensure that customers get a share of the economic benefits. First, the establishment of PLR service is a hedge against price fluctuations. Second, suspicion of competition is widespread, particularly following the debacle in California. Consumers need to feel that competition is fair and reasonable. PLR service creates that perception. Third, Pennsylvania utilities have reaped tremendous financial benefits from restructuring. PLR rates guarantee that customers are protected from the impact of wholesale price fluctuations.

D. Retail Pricing Issues

1. Impact of Provider of Last Resort Pricing On Entry

Provider of last resort (PLR) energy prices are also the "price to compare" for competitive supply. For example, the average PECO Energy PLR energy price for basic residential service is 5.65¢. The PLR rate is the capped generation price for PECO. A customer taking competitive supply sees a per/kWh credit of exactly that amount on their PECO bills. A supplier, which can provide energy to the customer below that price, will be able to save money for the customer. The extent of savings is also a measure of ease of entry, i.e., of being able to sell successfully, all other things being equal.

The relationship between capped PLR rates and competitive retail prices depends on the wholesale market. In some utility service territories, viz., Philadelphia and Pittsburgh, the price to compare is high enough that competition has flourished. For example, in the past, supplier residential rates have been up to a penny per kWh below the price to compare.

An additional facet of some restructuring orders in Pennsylvania included the auctioning of some portion of customer load to a competitive retail provider as an alternative PLR. GPU was unsuccessful in its attempt to auction a substantial portion of its load. PECO Energy was also required to seek to transfer 20% of its retail customers to an alternate provider. The resulting auction saw approximately 250,000 of PECO's customers transferred to New Power, Inc. as their new PLR. New Power won this segment of load through an offer which included a

2% reduction over PECO's prices and a guarantee to include renewable energy in its energy portfolio.

2. Retail Rate Reductions

Temporary retail rate reductions were agreed to as part of the restructuring process. To the extent that generation rates were reduced, the price to compare was lower.

3. Impact on Market Entry of Seasonal Fluctuation in Price

High summer energy prices have led to seasonal offers by some suppliers. These have included nine-month contracts (September through May) and twenty-one month contracts (e.g., September of 2000 through May of 2002). We have no information on the effectiveness of these products. In the Duquesne Light service territory – Pittsburgh area – most of the suppliers serving industrial and commercial load wrote contracts under which their customers were dropped to PLR service in the summer of 2000 and then were switched back to competitive service in the fall. This allowed the suppliers to avoid paying high summer wholesale rates. The consequence for Duquesne Light was to force it to cover a much higher than anticipated peak load during the summer. In practice, competitive suppliers used PLR service as the hedge against seasonal peaks. In doing so, they jeopardized the stability of PLR service. Supplier rules have been altered to prevent this by penalizing customers who return to PLR and then switch again to a competitive supplier within the following year..

4. Universal Service and Conservation Programs

Public benefits were enshrined in the restructuring Act and in Settlements of restructuring dockets. The most important of these is universal service which is provided in the form of PLR service and discounted "customer assistance programs." These provide predictable, stable prices as a backstop for consumers. Low-income programs which provide bill assistance, conservation services, and interface with existing social services are preserved. The most vulnerable customers are protected. In most areas, additional environmental and social programs are supported under Sustainable Energy Funds. These target investments in energy technologies and community-based businesses to open future opportunities for economic development.

E. Market Structure Issues

1. Impact of Regional Transmission Organizations (RTOs) on Retail Competition

It is OCA's perspective, one which is widely held in this region, that the existence of the PJM Interconnection (PJM) is a critical factor both in the potential for a competitive market and in preserving reliability. PJM's application to FERC for RTO status is pending. Even so, its firm and long-standing effectiveness in protecting reliability provides the certainty on which competitive investments can safely be built. The stakeholder process through which PJM changed from a utility-based cooperative arrangement to an independent system operator has been very successful. Active stakeholder participation characterizes all current issues such as the future of capacity markets, the role of PJM in promoting demand-side response, and how reliability will be preserved as the system evolves. PJM, through its power exchange function, plays a critical role in maintaining liquidity of energy and capacity markets. In particular, the hourly and day-ahead markets give retail electricity provides ready access to resources needed to serve customers and satisfy reliability requirements. The OCA would be pessimistic about the future of competitive markets in the absence of PJM.

2. Divestiture of Generation

Divestiture was not a requirement of restructuring in Pennsylvania. Two companies, GPU and Duquesne Light, chose to divest. Their assets were purchased by, respectively, Sithe and Orion, which are not affiliated with existing Pennsylvania utilities. Sithe later sold most of its GPU assets to Reliant which is also not affiliated with any Pennsylvania utility. There are two exceptions, namely, GPU's Three Mile Island Unit 1, which was purchased by a partnership which included PECO Energy, and Sithe, which retained a few small plants from the former GPU inventory, was partly purchased by PECO. Of the assets from the divesting companies, less than 2,000 MW of capacity is now owned or controlled by current, generation-owning utilities.

3. Experience of Divesting Utilities in Meeting Provider of Last Resort Obligations.

GPU and Duquesne Light chose to divest but each managed Provider of Last Resort power requirements differently to varying degrees of success. GPU used the bilateral and spot markets to secure 100% of supply. The structure of their contracts and trades is not publicly available. GPU asserts that there have been significant undercollections due to the high prices in short-term and spot markets. There is no active monitoring of these contracts. Duquesne Light arranged long-term supply contracts with Orion, the purchaser of Duquesne's assets. These satisfy the Company's requirement for PLR energy through 2004 under the rate cap.

4. <u>State Oversight for Transmission and Municipal Utilities</u>

The OCA has no comment on this issue.

5. <u>Preferential Transmission Services for Provider of Last Resort</u>

The OCA has no comment on this issue.

6. <u>State Assessment of Transmission Constraints and Impact on Access to Generation</u>

The OCA has no comment on this issue.

7. <u>Impact of Retail Competition on Siting Regulations</u>

Siting of facilities was not affected by restructuring. However, new generating plants which are currently scheduled are almost all being built by companies not affiliated with utility companies. These developers cannot use the utility right of eminent domain to secure land. This may make siting more difficult by placing the focus of the review on strictly local zoning, land-use and other interests.

It is erroneous to focus solely on Pennsylvania-only siting as it relates to demand growth. This is because PJM, the regional Independent System Operator, establishes reliability requirements on a regional basis.

8. <u>Generation Plant Outage Experience Since Implementing Retail Competition</u>

The OCA has no comment on this issue.

F. <u>Other Issues</u>

The OCA has no comment on these issues.

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Pennsylvania Electric Shopping Statistics

April 2001

PA Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
(717) 783-5048 Telephone
(800) 684-6560 (PA Consumers Toll-Free)
paoca@ptd.net ● www.oca.state.pa.us

Sonny Popowsky, Consumer Advocate

Number of Customers Served By An Alternative Supplier As Of 04/01/01

	Residential	Commercial	Industrial	Total
Allegheny Power	2,152	1,343	9	3,504
Duquesne Light	175,160	7,964	271	183,395
GPU Energy	35,973	10,478	666	47,117
PECO Energy*	467,424*	41,045	1,052	509,521*
Penn Power	8,377	1,192	44	9,613
PPL	17,278	15,327	312	32,917
UGI	1,707	72	0	1,779
Total	708,071*	77,421	2,354	787,846*

* Includes 253,253 residential customers assigned to New Power Competitive Discount Service (CDS)

Pennsylvania Office of Consumer Advocate
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Percentage of Customers Served By An Alternative Supplier
As Of 04/01/01

	Residential	Commercial	Industrial	Total
Allegheny Power	.4	1.6	8.7	.5
Duquesne Light	33.4	13.9	17.3	31.4
GPU Energy	3.9	8.3	13.3	4.5
PECO Energy*	34.1*	27.5	32.8	33.5*
Penn Power	6.3	6.7	19.6	6.3
PPL	1.6	10.3	5.8	2.6
UGI	3.1	1.0	-	2.9

* Includes 18.5% residential customers assigned to New Power Competitive Discount Service (CDS)

Totals may differ due to rounding.

Pennsylvania Office of Consumer Advocate
04-03-01

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Customer Load (MW) Served By Alternative Supplier As Of 04/01/01				
	Residential	**Commercial**	**Industrial**	**Total**
Allegheny Power	4.6	35.9	39.3	79.8
Duquesne Light	391.0	392.0	110.0	893.0
GPU Energy	75.5	461.0	545.4	1,081.8
PECO Energy*	887.7*	895.8	751.6	2,535.1*
Penn Power	33.8	11.6	37.0	82.4
PPL	60.0	373.6	261.5	695.0
UGI	2.3	1.0	-	3.3
Total	1454.9*	2170.9	1744.8	5,370.4*

* Includes 443.5 MW from residential customers assigned to New Power Competitive Discount Service (CDS)

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04-03-01

Totals may differ due to rounding.

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Percentage of Customer Load (MW) Served By Alternative Supplier As Of 04/01/01

	Residential	Commercial	Industrial	Total
Allegheny Power	.4	3.5	5.8	2.7
Duquesne Light	34.8	23.1	17.1	25.8
GPU Energy	4.7	32.2	38.3	24.1
PECO Energy*	34.5*	38.7	27.0	33.05*
Penn Power	6.5	5.3	16.9	8.6
PPL	1.8	21.0	18.4	10.5
UGI	Not Available	Not Available	-	1.7

* Includes 17.2% customer load (MW) from residential customers assigned to New Power Competitive Discount Service (CDS)

Totals may differ due to rounding.

Pennsylvania Office of Consumer Advocate

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