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INDEPENDENT REGULATORY
REVIEW COMMISSION

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April 20, 2009

VIA OVERNIGHT UNITED PARCEL SERVICE

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

COPY

RECEIVED
APR 20 2009
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56 to Comply with the Provisions of 66 Pa. C.S., Chapter 14; General Review of Regulations, Docket No. L-00060182

Dear Secretary McNulty:

Enclosed herewith for filing are an original and sixteen (16) copies of the Comments of Metropolitan Edison Company, Pennsylvania Electric Company and Pennsylvania Power Company in the above-captioned docket. These Comments are being submitted in accordance with the Secretarial Letter issued March 31, 2009, in which the Commission required that comments be filed to address various aspects of electronic billing programs currently in place. Please date stamp the additional copy and return it to me in the enclosed, postage-prepaid envelope.

Please contact me with any questions regarding this matter.

Sincerely,

Bradley A. Bingaman
Bradley A. Bingaman *LMR*

dln
Enclosures

- c: M. A. Miller, Bureau of Consumer Services
- B. R. Pankiw, Law Bureau
- R. F. Young, Law Bureau
- As Per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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PA PUBLIC UTILITY COMMISSION
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Rulemaking to Amend the Provisions of 52 :
Pa. Code, Chapter 56 to Comply with the : Docket No. L-00060182
Provisions of 66 Pa. C.S., Chapter 14; :
General Review of Regulations :

COMMENTS OF METROPOLITAN EDISON COMPANY,
PENNSYLVANIA ELECTRIC COMPANY AND
PENNSYLVANIA POWER COMPANY

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Dated: April 20, 2009

Counsel for:
Metropolitan Edison Company,
Pennsylvania Electric Company and
Pennsylvania Power Company

I. INTRODUCTION

On March 31, 2009, the Pennsylvania Public Utility Commission (“Commission”) entered an Order that, *inter alia*, directed that a Secretarial Letter be issued and published in the *Pennsylvania Bulletin* requiring each utility currently implementing an electronic billing (“e-billing”) program to file Comments at the above-captioned docket.¹ The Commission stated that it has proposed revisions to its Chapter 56 regulations to facilitate the use of e-billing, and that it would be helpful to seek input from utilities currently offering e-billing programs in order to establish best practices and guidance.

Pursuant to the Order, the Commission issued a Secretarial Letter on March 31, 2009, directing utilities that have already adopted e-billing programs to file comments on various aspects of e-billing programs.² The Secretarial Letter explained that the “comments received will aid the Commission in facilitating the move towards greater use of technology, enabling consumers the option to realize the benefits of e-billing while providing adequate safeguards, and establishing best practices and guidance.”³ The Secretarial Letter required that the comments should address at least the following issues:

1. The scope and description of current e-billing programs;
2. The current levels of participation in current e-billing programs;
3. Any changes to tariffs made or which should be made to tariffs to implement e-billing;
4. Describe any changes made to e-billing programs since the inception of the programs;
5. Information that was or will be contained in bill inserts and other communications to customers explaining e-billing along with copies of those documents; and
6. Any other concerns regarding e-billing that the PUC should consider.

¹ *Petition of T.W. Phillips Gas and Oil Co. for a Limited Waiver of the Pennsylvania Public Utility Commission’s Regulation at 52 Pa. Code §56.21 as it Relates to Physical Delivery of Utility Bills*, Docket No. P-2009-2082012 (Order entered March 31, 2009).

² *Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56 to Comply with the Provisions of 66 Pa. C.S., Chapter 14; General Review of Regulations*, Docket No. L-00060182 (Secretarial Letter issued March 31, 2009).

³ *Id.*

In accordance with the Secretarial Letter, Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”) and Pennsylvania Power Company (“Penn Power”) (collectively, “the FirstEnergy Companies” or “Companies”) respectfully submit the following comments and information in the above-captioned docket regarding the various aspects of the Companies’ current e-billing programs.

II. COMMENTS

1. The scope and description of current e-billing programs.

The FirstEnergy Companies currently offer the eBill Electronic Billing Program (“eBill”) which provides easy access for customers to review and pay their electric bills electronically, while reducing potential mailing problems and postage expenses. In lieu of receiving a conventional paper bill, eBill is a computer-based internet billing option that provides for electronic bills to be accessed from the Companies’ website, and allows for electronic payments to be generated. Participating eBill customers receive an electronic mail (“e-mail”) notification statement advising that the monthly bill is ready to view and be paid. The email statement includes a brief summary of the bill, including account number, amount due, due date and service address. A link to the Companies’ website is included for customers to log on to their account and see the actual image of the bill. Up to 12 months of prior bills during a customer’s participation in eBill are also available to be viewed.

The program is a voluntary, free service offered to residential and non-residential customers. Under the eBill program, customers have the ability to view an electronic version of their electric bills on-line, resulting in the elimination of printing and mailing a paper bill as well as related cost savings. A participating customer receives an email when the electronic bill is ready to view, and may pay the bill on FirstEnergy’s website or through a variety of other payment channels.

Customers participating in eBill have access to a visual presentation of an electronic bill in the same format as the paper bill issued by the Companies. The electronic bill includes the option for the customer to contribute to the Companies' hardship funds. Furthermore, participating customers who voluntarily choose to participate in eBill may revert to conventional paper billings upon request.

The electronic bill includes the same disclosures and required educational messages that are required for paper bills. Any required bill inserts are also included in the electronic bill in an easily accessible and easily readable format. Finally, the Companies maintain sufficient security to assure customer privacy of information for those customers that participate in eBill.

2. The current levels of participation in current e-billing programs.

As of March 31, 2009, there were 100,468 customers of the FirstEnergy Companies enrolled in eBill. This total represents approximately 7.7% of the FirstEnergy Companies' total customers in Pennsylvania. There were 47,598 customers participating in Met-Ed's service territory, 40,674 customers participating in Penelec's service territory, and 12,196 customers participating in Penn Power's service territory. A breakdown of participating customers by company and rate class is provided below:

Met-Ed:

<u>Rate Class</u>	<u>eBill Enrolled</u>	<u>Percent of Total Customers</u>
Residential	45,453	9.4%
Commercial	2,078	3.3%
Industrial	62	3.5%
Street Lighting	5	0.8%
Total	47,598	8.7%

Penelec:

<u>Rate Class</u>	<u>eBill Enrolled</u>	<u>Percent of Total Customers</u>
Residential	38,067	7.5%
Commercial	2,520	3.1%
Industrial	78	3.4%
Street Lighting	7	0.8%
Resale	2	N/A
Total	40,674	6.9%

Penn Power:

<u>Rate Class</u>	<u>eBill Enrolled</u>	<u>Percent of Total Customers</u>
Residential	11,702	8.4%
Commercial	478	2.5%
Industrial	15	6.9%
Street Lighting	1	1.2%
Total	12,196	7.6%

FirstEnergy Companies:

Total	100,468	7.7%
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3. Any changes to tariffs made or which should be made to tariffs to implement e-billing.

The Companies do not include eBill within their retail service tariffs. As a result, the Companies do not anticipate any tariff changes to continue to implement eBill.

4. Describe any changes made to e-billing programs since the inception of the programs.

Penn Power first piloted eBill in November 1999, and Met-Ed and Penelec began offering eBill in August 2003. The Companies have not made any significant changes to eBill since the Companies' began offering the program.

5. Information that was or will be contained in bill inserts and other communications to customers explaining e-billing along with copies of those documents.

The FirstEnergy Companies have issued bill inserts in November 2007 and November 2008 to notify and educate customers about eBill. The bill inserts explained that eBill is a secure and effortless method to view and pay electric bills. The inserts also promoted eBill as being paperless, convenient, green, secure and free. An easy enrollment method over the internet was provided in the bill inserts. The November 2007 bill insert is attached hereto as Attachment A; the November 2008 bill insert is attached hereto as Attachment B. Similar information is contained on the Companies' website for customers interested in enrolling in the program.

6. Any other concerns regarding e-billing that the PUC should consider.

The FirstEnergy Companies have no concerns regarding their current electronic billing program, eBill, that the Commission should consider. However, the FirstEnergy Companies have some concerns regarding the Commission's specific proposed regulation at Section 56.11 (Billing Frequency) included in the pending rulemaking proceeding to promulgate proposed regulations to implement Chapter 14.⁴ Although the FirstEnergy Companies are offering comments on this issue in the Comments being submitted addressing the proposed rulemaking, the Companies will also include similar comments herein.

The FirstEnergy Companies support the inclusion of regulations regarding electronic billing and agree that this option should be voluntary and at the customer's option. However, Section 56.11(b)(1) appears to provide the customer with the option of receiving both an electronic bill and a paper bill, if desired, at the same time. The Companies recommend that this

⁴ *Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56 to Comply with the Provisions of 66 Pa. C.S., Chapter 14; General Review of Regulations*, Docket No. L-00060182 (Proposed Rulemaking Order entered September 26, 2008).

language be clarified to make it clear that a customer must choose to receive an electronic bill OR a paper bill, but not both at the same time. Providing the option to receive both an electronic bill and a paper bill at the same time would cause unnecessary costs and additional administrative issues while negating the intended benefits of electronic billing.

The Companies also believe Section 56.11(b)(7) should be deleted. Maintaining a system to ensure delivery of electronic bills via electronic mail would be difficult, if not impossible. Individuals often will change their email addresses, and it should be the customer's obligation to notify the Companies of such a change. The Companies can ensure that the electronic mail that includes an electronic bill is sent to the address the customer has provided; however, to ensure the delivery of electronic bills would be overly burdensome and likely impossible.

7. Additional comments.

The FirstEnergy Companies believe eBill has been and continues to be a positive program with benefits to customers and the Companies. The number of customers enrolling and participating in eBill has been steadily increasing over the last several years. Year-end participation statistics for the FirstEnergy Companies are illustrated below:

<u>Month/Year</u>	<u>Total Participants</u>
December 2005	45,796
December 2006	63,413
December 2007	73,877
December 2008	97,962
March 2009	100,468

In addition, over the last 12 months, the FirstEnergy Companies' eBill enrollment in Pennsylvania has increased over 26% - from 79,388 participants in March 2008 to 100,468 participants in March 2009.

Furthermore, eBill has not been the direct cause of any complaints received by the FirstEnergy Companies. In fact, the Companies have generally received significant, positive feedback from customers regarding this program.

The Companies intend to continue to offer this beneficial program to customers and are always seeking ways to improve the program. The FirstEnergy Companies look forward to any best practices or guidance for electronic billing programs that may result from the comments received in this docket.

III. CONCLUSION

The FirstEnergy Companies appreciate the opportunity to provide comments on the various aspects of the Companies' current e-billing programs.

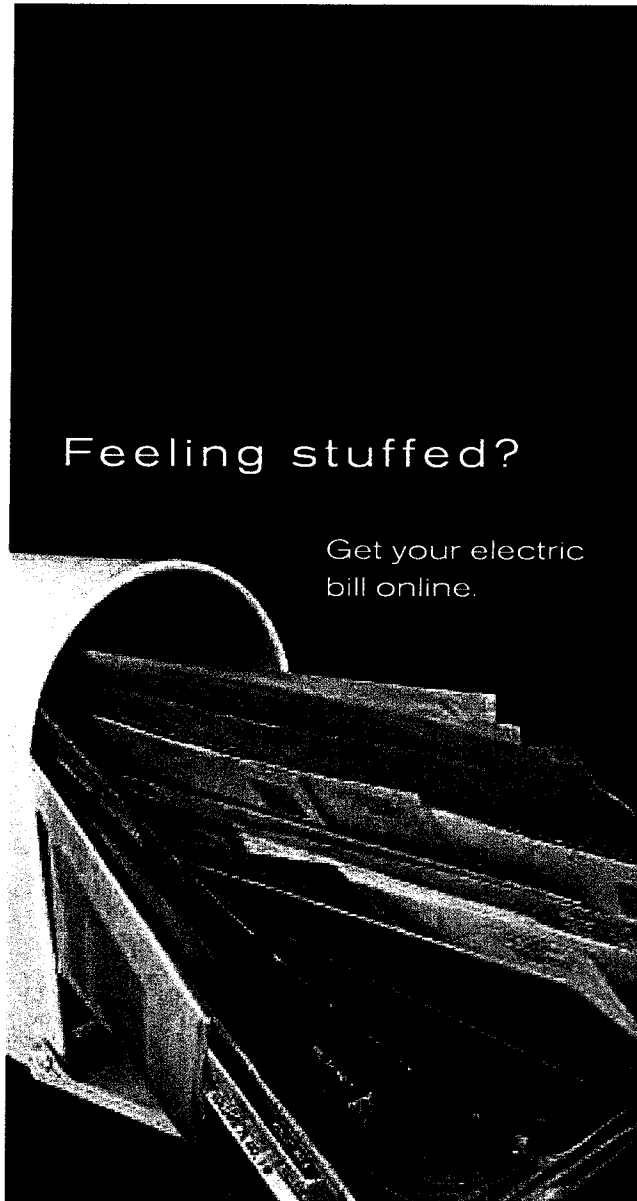
Respectfully submitted,

Dated: April 20, 2009



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Pennsylvania Power Company



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bill online.



eBill Electronic Billing

Join the growing list of our customers who now use this secure, effortless way to view—and pay—their electric bills. Here's why:

- It's paperless—you'll have fewer bills clutter your mailbox
- It's convenient—access your account information anytime, 7 days a week, 24 hours a day
- It's green—using less paper is better for the environment
- It's secure—your unique user ID and password mean only you can access your account information
- **It's free!**

Plus, you can choose from one of our convenient payment options, or even use your bank's online bill payment service. We help make viewing and paying your bills completely hassle free.

To sign up or for more information, visit www.firstenergycorp.com, select your electric company, and then click on "Payment options." Under eBill Electronic Billing, click on Learn More or Enroll.

Sign up today – anytime!

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eBill Electronic Billing

Join the growing list of our customers who now use this secure, effortless way to view—and pay—their electric bills. Here's why:

- It's paperless—you'll have fewer bills clutter your mailbox
- It's convenient—access your account information anytime, 7 days a week, 24 hours a day
- It's green—using less paper is better for the environment
- It's secure—your unique user ID and password mean only you can access your account information
- **It's free!**

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11/08

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PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Rulemaking to Amend the Provisions of 52 :
Pa. Code, Chapter 56 to Comply with the : Docket No. L-00060182
Provisions of 66 Pa. C.S., Chapter 14; :
General Review of Regulations :**

CERTIFICATE OF SERVICE

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

Service via overnight United Parcel Service, as follows:

James J. McNulty, Secretary
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Commonwealth Keystone Building
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Service via first class mail, as follows:

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Dated: April 20, 2009



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