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IRRC

The Honorable Silvan B. Lutkewitte, III, Chairman  
Independent Regulatory Review Commission  
333 Market Street, 14<sup>th</sup> Floor  
Harrisburg, PA 17101

Re: Default Service Regulations IRRC No. 2837  
Pennsylvania Public Utility Commission Final Regulation No. 57-273

Dear Chairman Lutkewitte:

The Energy Association of Pennsylvania (“EAP”) submits this letter on behalf of its electric distribution company members in support of the above-referenced final rulemaking of the Pennsylvania Public Utility Commission (“PUC”). This rulemaking was resubmitted to the Independent Regulatory Review Commission (“IRRC”) on May 1, 2012 following an initial disapproval.

EAP believes that these Final Form Default Service regulations meet the criteria of the Regulatory Review Act by revising the language of the existing regulations to comply with Act 129 of 2008. Specifically, the revisions eliminate the “prevailing market price” standard which was explicitly repealed by Act 129 of 2008 and modify the language at 52 Pa. Code §54.187(h) to reflect the current law which provides that default service rates for residential and small business customers “shall change no more frequently than on a quarterly basis.” 66 Pa C.S. §2807(e)(7). Existing regulations allow for adjustments on a quarterly basis “or more frequently” in direct conflict with the statutory language. Eliminating conflicts and aligning regulatory language with statutory language assures proper guidance for all interested parties and stakeholders affected by Act 129.

EAP appreciates the important role of the IRRC to assure that a proposed regulation is in the public interest and respectfully requests the Commission to approve these resubmitted default service regulations.

Very Truly Yours,

*Terrance J. Fitzpatrick*  
Terrance J. Fitzpatrick  
President & CEO

- cc: George D. Bedwick, IRRC Vice Chairman
- Arthur Coccodrilli, IRRC Commissioner
- John Mizner, IRRC Commissioner
- Lawrence J. Tabas, Esq., IRRC Commissioner
- Fiona Wilmarth, IRRC Dir. of Regulatory Review
- Scott Schalles, IRRC Analyst
- Bohdan Pankiw, Esq., PA PUC