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April 9, 2014

David Sumner, Executive Director
Independent Regulatory Review Commission
14th Floor, Harristown 2
333 Market Street
Harrisburg, PA 17101

Dear Mr. Sumner,

In the last several months, the Pennsylvania General Assembly has been inundated with desperate calls from constituents who were on variable rate contracts and experienced extremely high electric bills during the 2014 winter season. These high rates, which were related to the record cold weather that Pennsylvania experienced in January and February, impacted a myriad of residential and small business customers and have resulted in a series of scathing media articles on the subject. Given that every Senator in the General Assembly has received numerous calls from constituents seeking help with this issue, we are very concerned and want to ensure that steps are taken to remedy the situation.

Two of the most common complaints legislators have heard from constituents are that they did not understand what they signed up for when they chose a variable rate contract and the inability of customers to remedy their situation by switching suppliers because doing so takes so long. In one case, a young mother incurred a \$2,400 electricity bill while she waited for PPL to move her back to default service because the switch took approximately 30 days.

The Pennsylvanian Public Utility Commission (PUC) has initiated two rulemakings designed to quickly address these issues. The first rulemaking will improve the disclosure statements that Electric Generation Suppliers (EGS) provide to customers, so that people are more informed about their choices when shopping for electricity. The second rulemaking will accelerate the time it takes for customers to switch suppliers to 3 days, instead of the current 11 to 40 day switching period.

While the General Assembly debates legislative solutions to the problems with the retail electricity market, it is necessary that the PUC's regulations go into effect quickly. The electric distribution companies (EDC) may argue that making changes to allow for accelerated switching will be burdensome, however these companies should have been upgrading their technology to allow for faster switching since the passage of Act 129 in 2008. Moreover, the cost of any upgrades will be recoverable through the EDC's next rate case filing.

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The summer cooling season will be quickly upon us and we want to ensure that we have taken steps to protect electricity customers before that time so that Pennsylvania does not experience this issue again in a few months. As such, I respectfully urge IRRC to approve the PUC's regulations so that Pennsylvania's electricity customers can get some relief from this issue.

Sincerely,



Robert M. Tomlinson
Majority Chair
Senate Consumer Protection and
Professional Licensure Committee



Lisa M. Boscola
Minority Chair
Senate Consumer Protection and
Professional Licensure Committee

cc: Public Utility Commissioners

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