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VIA ELECTRONIC AND REGULAR MAIL

The Honorable Richard Mroz
President, New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
richard.mroz@bpu.state.nj.us

Re: Implementation of P.L. 2015, Chapter 216 and Pricing Information for Board Website

Dear President Mroz:

On behalf of our client, the Retail Energy Supply Association ("RESA"),[1] I am writing in response to your letter dated January 12, 2016, which was sent to all third party suppliers ("TPSs") operating in the State, regarding implementation of P.L. 2015, Chapter 216. This new law requires the Board of Public Utilities ("Board") to provide "links to pricing information to customers from electric and gas public utilities, and third-party electric power and gas suppliers" on the Board website. Your letter directs that each third-party supplier provide a direct link to "projected price comparison information" to the Board on or before February 12, 2016. RESA has several concerns with the Board's implementation of this new law.

First and foremost, your letter does not indicate that the law does not apply to all retail suppliers, but only those that serve residential and small commercial customers. Specifically, the legislation states that: "The board shall require each electric public utility, electric power supplier, gas public utility, and gas supplier engaged in the provision of electricity or gas to end use *customers*" (emphasis added) to provide the link to the price information. "Customer" is later defined as a residential customer or a commercial electric customer with a cumulative peak

[1] The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of more than twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

load of 50 kilowatts or less, or a commercial gas customer with an annual load of 5,000 therms or less. Therefore, any TPS who only serves general commercial and industrial customers is not required to provide any information to the Board pursuant to this law.

For those third-party suppliers that do serve residential or small commercial customers, additional implementation questions arise that should be addressed. For instance, your letter mentions "projected price information." Third party suppliers may be able to post current price information, but do not generally have the ability to project price information.

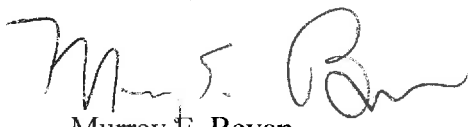
Additionally, TPSs do not necessarily provide pricing information on their webpages until customers provide certain information, such as which utility currently services them. Some TPSs also collect additional data, such as usage history, or provide options, such as a green option or free Saturdays, in their price offers. A customer needs to click through those options before the TPS provides a price. Therefore, suppliers may provide direct links to their main price page, but it may not be valuable to potential customers or the Board.

Some TPSs offer only variable prices, do not publish prices, and/or individually negotiate contracts based on customer load factor, annual volume, congestion zone and contract start date. Those suppliers may not have "price pages" on their websites, or be able to offer a publically available "standard price." However, no realistic reading of the legislation could require suppliers to change their business practices, or to provide products not currently offered. Whether those suppliers are required to supply a link at all, or what text should appear on that page should be addressed by Board staff prior to implementation of the website.

We would like schedule a meeting with Board staff to discuss our concerns with the Board's implementation of the new law and develop a solution that will fulfill the goals of the legislation. The Act shall take effect on the 120th day after the date of enactment, and, as such, we have time to work with Board staff and do so in a time frame that allows us to have productive discussions and to smooth the process of implementation.

Please let us know what dates you have available for us to come in and discuss these issues with you and relevant Board staff. Please do not hesitate to contact me should you have questions or concerns.

Very truly yours,



Murray E. Bevan

cc: Ken Sheehan
Paul Flanagan
Heather Azoulay
Cynthia Covie
Jeff Gersten