

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

Joseph Olikar

ON BEHALF OF
THE RETAIL ENERGY SUPPLY ASSOCIATION AND
NRG ENERGY, INC.

Docket No. P-2022-3036985

July 25, 2023

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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, EMPLOYER AND TITLE.**

3 A. My name is Joseph Oliker. I am Deputy General Counsel of Interstate Gas Supply, LLC.
4 d/b/a IGS Energy.

5 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE AND**
6 **EDUCATIONAL BACKGROUND.**

7 A. I have been employed by IGS Energy for nearly 10 years. Prior to being named Deputy
8 General Counsel, I served as Associate General Counsel for IGS from January 2019 to
9 June 2022 and Senior Regulatory Counsel for IGS from May 2015 to December 2018.
10 My initial position at IGS Energy was Regulatory Counsel, which I started in March
11 2014. Before starting at IGS Energy, I worked as an associate attorney for McNees
12 Wallace & Nurick LLC for nearly four years, where I practiced in the Energy,
13 Communications and Utility Law practice group representing industrial energy users and
14 utilities before state commissions and the Federal Energy Regulatory Commission
15 (“FERC”). Prior to that, I worked as an attorney for the law firm Greenberg Traurig and
16 as a clerk for the New York State Supreme Court. I held several other legal positions
17 prior to that time. I am a graduate of the University at Albany, SUNY, where I earned a
18 Bachelor of Arts degree in English and History, and Case Western Reserve University
19 School of Law, where I obtained a Juris Doctorate degree in 2008.

20 **Q. WHAT ARE YOUR KEY RESPONSIBILITIES IN YOUR CURRENT**
21 **POSITION?**

22 A. I supervise IGS Energy’s and IGS Solar, LLC’s participation in legislative, state, and
23 federal proceedings that impact the supply and price of electricity and natural gas and
24 renewable energy development. I am also the chair of the RESA FERC caucus and the
25 Secretary of the Retail Energy Advancement League.

1 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**
2 **PENNSYLVANIA PUBLIC UTILITY COMMISSION (“PUC” OR**
3 **“COMMISSION”)?**

4 A. No. However, I have testified in numerous proceedings before other regulatory
5 commissions, including the Public Utilities Commission of Ohio, the Michigan Public
6 Service Commission and the Illinois Commerce Commission.

7 **Q. ON WHOSE BEHALF IS THIS DIRECT TESTIMONY OFFERED?**

8 A. This direct testimony is offered on behalf of the Retail Energy Supply Association
9 (“RESA”)¹ and NRG Energy, Inc. (“NRG”).

10 **Q. PLEASE DESCRIBE RESA.**

11 A. RESA is an association of diverse competitive energy suppliers devoted to promoting
12 vibrant and sustainable competitive retail energy markets for residential and business
13 customers. Members of RESA include electric generation suppliers (“EGSs” or
14 “suppliers”) licensed by the Commission, pursuant to the Electricity Generation
15 Customer Choice and Competition Act (“Competition Act”),² to sell electric generation
16 services to retail customers throughout Pennsylvania and in PPL’s service territory. IGS
17 Energy is a member of RESA and is licensed by the Commission to sell electricity to
18 retail customers.³ EGSs accomplish these sales pursuant to electric supply contracts
19 entered into with retail customers and, for residential and small business customers, are

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 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.

² 66 Pa.C.S. §§ 2801 et seq.

³ Docket No. A-2011-2228643.

1 required to follow the Commission detailed regulations regarding language to be included
 2 in the contracts and well as the timing and content of notices to be provided to customers
 3 upon pending expiration of the contract or notice of material changes.⁴

4 **Q. PLEASE DESCRIBE NRG.**

5 A. NRG is one of the largest competitive retailers of electricity supply in the United States
 6 by customer count and by volume. Through its subsidiaries licensed by the Commission
 7 as EGSs, NRG sells electric generation services to retail customers throughout
 8 Pennsylvania and in PPL’s service territory.⁵ To facilitate these sales, NRG’s
 9 subsidiaries enter into electric supply contracts with retail customers. Notices regarding
 10 expiration of those contracts must comply with Commission regulations governing
 11 content and timing.

12 **II. PURPOSE OF TESTIMONY**

13 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

14 A. The purpose of my direct testimony is to support the Petition for Declaratory Order filed
 15 by RESA and NRG on November 30, 2022. By this Petition, RESA and NRG sought the
 16 issuance of a declaratory order by the Commission to resolve a controversy that has
 17 arisen as a result of communications sent by PPL Electric Utilities Corporation (“PPL”)
 18 to supply customers of EGSs regarding their supply prices and their supply contracts with

⁴ 52 Pa Code §§ 54.5 and 54.10.

⁵ As EGSs in Pennsylvania, NRG subsidiaries hold licenses as follows: Direct Energy Business, LLC – Docket No. A-11025; Direct Energy Business Marketing, LLC – Docket No. A-2013-2368464; Direct Energy Services, LLC – Docket No. A-110164; Energy Plus Holdings LLC – Docket No. A-2009-2139745; Gateway Energy Services Corporation – Docket No. A-200902137275; Independence Energy Group LLC d/b/a Cirro Energy – Docket No. A-2011-2262337; Reliant Energy Northeast LLC d/b/a NRG Home/NRG Business/NRG Retail Solutions – Docket No. A-2010-2192350; Green Mountain Energy Company – Docket No. A-2009-2139745; Stream Energy Pennsylvania, LLC – Docket No. A-2010-2181867; and XOOM Energy Pennsylvania, LLC – Docket No. A-2012-2283821.

1 EGSs (“PPL communications”). RESA and NRG requested that the Commission direct
2 PPL to cease and desist from sending further such communications on the basis of:

- 3 (i) Directives from the Commission, which made it clear that as an electric
4 distribution company (“EDC”), PPL has no role in the private contractual
5 relationship between an EGS and its supply customers;
6
7 (ii) Prior Commission guidance which cautioned against efforts by an EDC to
8 promote default service; and
9
10 (iii) Prohibitions against anticompetitive conduct in the Competition Act,
11 coupled with Commission regulations that require EGSs to inform
12 customers about pricing and options upon contract expiration.
13

14 **Q. HOW IS YOUR TESTIMONY ORGANIZED?**

15 A. My testimony is organized as follows into the following sections: (i) Summary of
16 Recommendations; (ii) Electric Competition; (iii) PPL Communications; (iv) Prior
17 Commission Directives; and (v) Impact on Retail Competitive Market.

18 **III. SUMMARY OF RECOMMENDATIONS**

19 **Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.**

20 A. I recommend that the Commission issue a declaratory order finding that the PPL
21 communications at issue are unlawful and harmful to the retail competitive market and
22 directing that PPL cease and desist from sending communications to supply customers of
23 EGSs about their supply contracts and supply prices. These directives should clearly
24 convey to EDCs that it is not lawful for them to insert themselves into the EGS-customer
25 private contractual relationship regarding these issues. Finally, the Commission should
26 declare that efforts of EDCs to promote default service are unlawful and harmful to the
27 retail competitive market.

1 **Q. PLEASE SUMMARIZE HOW THE COMPETITIVE RETAIL MARKET IS**
 2 **HARMED BY THE PPL COMMUNICATIONS.**

3 A. The PPL communications sent to supply customers of EGSs about their supply prices and
 4 supply contracts are harmful to the retail competitive market because they:

- 5 1) Insert PPL, as the electric distribution company (“EDC”), into the private contractual
 6 relationship of EGSs and their supply customers;
 7
 8 2) Emphasize a supply price that a customer is paying at a particular point in time that
 9 may mislead the customer and cause the customer to take actions that result in paying
 10 more for supply at a later point in time;
 11
 12 3) Focus on price – to the exclusion of all other issues, which overlooks other potential
 13 benefits of shopping;
 14
 15 4) Promote default service provided by PPL;
 16
 17 5) Offer advice to EGSs’ supply customers regarding the terms and conditions of their
 18 private supply contracts with EGSs; and
 19
 20 6) Have the potential to overload or confuse customers with unnecessary notices.

21
 22
 23 Below, I offer more details about each of these harmful effects on the competitive retail
 24 market.

25 **Q. ARE THERE OTHER REASONS WHY PPL SHOULD NOT BE PERMITTED**
 26 **TO COMMUNICATE WITH CUSTOMERS OF SUPPLIERS ABOUT THEIR**
 27 **SUPPLY CONTRACTS AND SUPPLY PRICES?**

28 A. Yes. PPL does not “own” the customer or have any role or responsibility in advising
 29 customers as to the actions they should take regarding their private supply contracts with
 30 EGSs. The Commission has already made this point clear: “we feel compelled to state
 31 once again that the Commonwealth’s EDCs do not ‘own’ their customers. We feel
 32 strongly that our EDCs must rid themselves of this mindset, which is a relic from the pre-

1 competition days of vertically integrated service provided by a single entity.”⁶ Further,
2 as the EDC, PPL already owns the monthly electric bill, with EGSs having no
3 opportunity to directly bill their own supply customers through a supplier consolidated
4 bill that includes both EGS supply charges and the EDC distribution charges. The only
5 option that EGSs have to directly bill their own supply customers is through a dual bill,
6 which results in customers receiving two bills per month for electricity – an option they
7 have clearly told EGSs they do not wish to receive. Given PPL’s ownership of the
8 monthly bill, it is critical that the Company refrain from additional communications with
9 customers regarding matters over which they have no responsibility or role – namely, the
10 private contracts customers enter into with EGSs.

11 PPL would be well-advised to focus on its core distribution functions, including
12 the timely issuance of consolidated utility bills that include EGS charges, rather than
13 devoting resources to an area that lies outside their statutory duties as an EDC. Of note,
14 to the extent that customers call PPL with questions about their supply contracts or
15 prices, PPL would have no information to provide as the Company knows nothing about
16 the terms of service in the EGSs’ private contracts with consumers. Yet, through its
17 communications, PPL promotes default service and implies that the EDC has a superior
18 role in terms of notifying supply customers of EGSs of their options following the
19 expiration of their contracts.

20 Specific regulatory requirements established by the Commission govern how and
21 when EGSs are to communicate with their customers about contract changes and

⁶ *Petition of PECO Energy Company for Expedited Approval of its Dynamic Pricing Plan Vendor Selection and Dynamic Pricing Plan Supplement*, Docket No. P-2012-2297304 (Order entered September 26, 2012, at 13).⁷ 66 Pa.C.S. §§ 2801 et seq.

1 expiration. EDCs do not have any similar contracting or notice requirements regarding
 2 default service nor do the Commission regulations require or authorize the EDCs to
 3 communicate with EGS customers about the competitive supply contracts. By paving its
 4 own path and unilaterally inserting itself into the middle of the EGS-customer
 5 relationship, PPL is essentially signaling that the EDC knows better than the Commission
 6 as to the customer notice requirements that should be followed.

7 **IV. ELECTRIC COMPETITION**

8 **A. Enactment of Competition Act**

9 **Q. PLEASE DESCRIBE ELECTRIC COMPETITION.**

10 A. In 1996, Pennsylvania enacted the Electricity Generation Customer Choice and
 11 Competition Act (“Competition Act”) to allow retail customer to choose the entity from
 12 whom they purchase electricity or electric generation services.⁷ In enacting the
 13 Competition Act, the General Assembly determined that it is “in the public interest to
 14 permit retail customers to obtain direct access to a competitive generation market.”⁸ This
 15 policy determination was based on the legislature’s conclusion that “[c]ompetitive market
 16 forces are more effective than economic regulation in controlling the cost of generating
 17 electricity.”⁹ To enable electric choice, the Competition Act required electric utilities,
 18 like PPL, “to unbundle their rates and services and provide open access over their
 19 transmission and distribution systems to allow competitive suppliers to generate and sell
 20 electricity directly to consumers in this Commonwealth.”¹⁰ As a result of this law, the

⁷ 66 Pa.C.S. §§ 2801 et seq.

⁸ 66 Pa.C.S. § 2802(3).

⁹ 66 Pa.C.S. § 2802(5).

¹⁰ 66 Pa.C.S. § 2802(14).

1 generation of electricity is no longer regulated as a monopoly function.¹¹ However, the
 2 transmission and distribution services performed by EDCs continue to be regulated by the
 3 Commission as monopoly services.¹²

4 **B. Electric Generation Suppliers**

5 **Q. DID THE COMPETITION ACT CREATE NEW ENTITIES CALLED**
 6 **ELECTRIC GENERATION SUPPLIERS?**

7 A. Yes. The Competition Act created EGSs, which include companies like RESA members
 8 and NRG subsidiaries that are licensed by the Commission to sell electricity or provide
 9 electric generation services to retail electric customers, using the transmission and
 10 distribution systems of the EDCs.¹³ To provide these services, EGSs enter into private
 11 contracts with retail electric customers, which are required by PUC regulations to set
 12 forth the terms and conditions of service.¹⁴

13 **Q. DOES THE COMMISSION REGULATE SUPPLIERS?**

14 A. Yes. Although the Commission no longer regulates the generation of electricity as a
 15 monopoly function and does not regulate the supply prices charged by EGSs,¹⁵ the
 16 Commission has implemented a host of regulatory requirements for EGSs to follow.¹⁶

17 **Q. AMONG THESE REGULATORY REQUIREMENTS, ARE THERE RULES**
 18 **THAT SUPPLIERS MUST FOLLOW IN CONNECTION WITH PROVIDING**

¹¹ Id.

¹² 66 Pa.C.S. § 2802(16).

¹³ 66 Pa.C.S. § 2803 (definitions); 66 Pa.C.S. § 2809.

¹⁴ 52 Pa. Code § 54.5.

¹⁵ 66 Pa.C.S. § 2802(5) (“Competitive market forces are more effective than economic regulation in controlling the cost of generating electricity.”); *Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania v. PUC*, 120 A.3d 1087, 1094 (Pa. Cmwlth, 2015); *HIKO Energy, LLC v. PUC*, 163 A.3d 1079, 1100 (Pa. Cmwlth. 2017), *aff’d on appeal*, 2019 Pa LEXIS 3139.

¹⁶ 52 Pa. Code, Chapter 54; 52 Pa. Code §§ 57.171-57.180; 52 Pa. Code, Chapter 111.

1 **NOTICE TO CUSTOMERS ABOUT THE EXPIRATION OF THEIR**
 2 **CONTRACTS?**

- 3 A. Yes. Prior to expiration of a fixed duration contract or prior to a change in contract
 4 terms, the EGS is required to send two notices pursuant to the Commission’s regulations
 5 at 52 Pa. Code § 54.10. The first is an “Initial Notice” that the EGS is required to send to
 6 the customer between 45 and 60 days before the expiration date of the contract. The
 7 second is an “Options Notice” that the EGS must send to the customer at least 30 days
 8 prior the expiration of the fixed duration contract. The Commission’s regulations are
 9 very detailed as to what must be contained in those notices. For example, the Options
 10 Notice is required to advise the customer of the specific changes being proposed by the
 11 EGS and inform the customer of how to exercise the customer’s options, including the
 12 customer’s ability to accept the proposed change, to choose another product offering
 13 from the customer’s existing EGS, to select another EGS or to return to default service.
 14 52 Pa. Code § 54.10(2)((i).

15 **C. Default Service**

16 **Q. IF A RETAIL CUSTOMER DOES NOT CHOOSE AN EGS TO PROVIDE**
 17 **ELECTRIC GENERATION SERVICES, WHO PROVIDES ELECTRICITY TO**
 18 **THE CUSTOMER?**

- 19 A. Currently, EDCs are in the role of providing “default service” to customers who do not
 20 choose an EGS from whom to purchase electricity. As the default service providers,
 21 EDCs file default service plans with the Commission which set forth a competitive
 22 procurement process. Upon the PUC’s approval of the default service plan, an EDC
 23 conducts the competitive procurement process and the result is a price to compare
 24 (“PTC”) that is charged to non-shopping customers for default service.¹⁷

¹⁷ 66 Pa.C.S. § 2807(e); 52 Pa. Code §§ 69.1801-1817.

1 **Q. HOW OFTEN DOES AN EDC'S DEFAULT SERVICE PRICE CHANGE?**

2 A. Under the Competition Act, the PTC for residential and small business customers may
3 not change more often than quarterly.¹⁸ While some EDCs may change their PTC on a
4 quarterly basis, I am aware that PPL changes its price for default service every six
5 months on June 1 and December 1.

6 **D. Standard Offer Program**

7 **Q. WHAT IS PPL'S STANDARD OFFER PROGRAM?**

8 A. PPL has a Standard Offer Program ("SOP"), which was approved by the Commission and
9 allows residential customers, except customers who are enrolled in PPL's OnTrack, and
10 small business customers to purchase their electricity from an EGS at a price that is a 7
11 percent discount off the PTC at the time the customer elects to participate in the program.
12 Customers can either choose a participating EGS or be automatically paired with an EGS
13 that offers this program. The SOP is for one year, or 12 months, during which the
14 customer's rate is fixed (i.e. will not change) and the customer can switch suppliers or
15 cancel the contract without incurring cancellation fees. At the end of the 12-month
16 period, customers have the option to stay with the EGS at a new rate, shop for a new
17 supplier or return to PPL's default service. Suppliers participating in the SOP pay PPL a
18 \$28 fee for each referral made by telephone.¹⁹

¹⁸ 66 Pa.C.S. § 2807(e)(7).

¹⁹ <https://www.pplelectric.com/site/Ways-to-Save/Rates-and-Shopping/Standard-Offer-Program>

1 **Q. WHAT HAPPENS WHEN THE 12-MONTH TERM FOR THE SOP CONTRACT**
2 **EXPIRES?**

3 A. Prior to expiration of the 12-month term for the SOP contract, the EGS sends the two
4 notices that are required by the Commission's regulations at 52 Pa. Code § 54.10, as
5 described above.

6 **V. PPL COMMUNICATIONS**

7 **Q. PLEASE DESCRIBE THE PPL COMMUNICATIONS THAT GENERATED THE**
8 **FILING OF THE PETITION FOR DECLARATORY ORDER BY RESA AND**
9 **NRG.**

10 A. RESA and NRG became aware in early November 2022 of two types of electronic
11 communications that PPL had sent to supply customer of EGSs, as follows:

12 (a) One type of communication was aimed at SOP customers regarding their
13 options following expiration of their EGS supply contracts and was labeled as an
14 "Important Notice." It advised SOP customers to check their energy supply contracts and
15 provided the electric supply rate on the last bill. The communication went onto say that
16 PPL cares about helping the customer manage costs, which is why the Company was
17 reminding the customer to check the EGS supply contract to see when it expires and what
18 rate the EGS will charge after expiration. PPL further advised the customer that once the
19 annual SOP contract expired, the EGS can change the rate. Finally, the communication
20 informed SOP customers of their options when the 12-month SOP term ends, including
21 calling the current EGS to discuss next steps, checking out PPL's "smart shopping tips,"
22 and cancelling their contracts with the EGSs, thereby automatically returning to default
23 service through PPL. This communication was sent on November 1, 2022 and is attached
24 as RESA/NRG Exhibit 1.

1 (b) A second type of communication, also labeled as an “Important Notice,”
2 was sent to shopping customers purchasing supply from EGSs in the competitive market
3 outside the parameters of the SOP. This email listed the shopping customer’s electric
4 supply rate on the last bill and further advised the shopping customer of the identity of its
5 selected EGS and provided a telephone number for contacting them. In the notice, PPL
6 also informed the shopping customer that it was trying to make sure that the bills are as
7 low as possible and reminded the shopping customer to compare the current supply rate
8 with other options that are available. Among the options identified by PPL were to
9 contact the current EGS, check out PPL’s “smart shopping tips” and cancel with the EGS
10 so as to automatically return to default service. This communication was sent on
11 November 1, 2022 and is attached as RESA/NRG Exhibit 2. To be clear, these EGS
12 customers have actively shopped for an EGS and entered into a contract with the EGS
13 that must include specific information as mandated by the Commission’s regulations.

14 **Q. HAS PPL SENT OTHER COMMUNICATIONS TO SUPPLY CUSTOMERS**
15 **ABOUT THEIR SUPPLY CONTRACTS AND SUPPLY PRICES?**

16 A. Yes. PPL attached a series of sample emails to its Answer to RESA and NRG’s Petition
17 for Declaratory Order, which were sent to customers. In discovery, RESA and NRG
18 asked for dates and other details for these communications. As RESA/NRG Exhibit 3, I
19 am including the responses provided by PPL to RESA & NRG-I-5 and RESA & NRG-I-
20 6, along with the following sample emails that PPL sent to residential and business
21 customers who were purchasing supply from an EGS (“shopping customers”) and to
22 residential and business customers who were enrolled in the SOP (“SOP customers”):²⁰

²⁰ Some of the emails PPL attached to the Answer were sent only to default service customers. They are not included in this exhibit.

- 1 (1) Emails sent on May 26, 2021 to residential shopping customers who were
 2 paying more than the PTC as of their last bills;
- 3 (2) Emails sent on June 25, 2021 to business shopping customers who were
 4 paying less than the PTC as of their last bills and residential shopping
 5 customers who were paying less than the PTC as of their last bills;
- 6 (3) Emails sent on October 18, 2022 to business shopping customers, business
 7 SOP customers, residential shopping customers and residential SOP
 8 customers;
- 9 (4) Emails sent on November 1, 2022 to business shopping customers,
 10 business SOP customers, residential shopping customers and residential
 11 SOP customers; and
- 12 (5) Emails sent on April 26, 2023 to residential and business SOP
 13 customers.²¹

14 **Q. PLEASE IDENTIFY THE PARTICULARLY OBJECTIONABLE COMPONENTS**
 15 **OF THESE COMMUNICATIONS.**

- 16 A. The emails sent on May 26, 2021 to residential shopping customers paying more than the
 17 PTC asked the question “Have you checked your energy supply price recently?” and
 18 highlighted a direct comparison between the customer’s current rate and PPL’s PTC as of
 19 single point in time. Although these emails acknowledged that there may be reasons for
 20 paying more than the PTC, they provided little details about those reasons and otherwise
 21 focused on price. For instance, in what was clearly a campaign to promote default
 22 service, the communications alleged that PPL secures supply at the lowest rate possible

²¹ Dates of emails were provided in response to RESA & NRG-I-5, and samples of the emails were provided in response to RESA & NRG-I-6.

1 and advised customers to use the PTC to compare supplier offers. These emails also
2 presented PPL's default service as a competitive option by including it with the
3 possibilities of negotiating a new rate with the current supplier or shopping for a different
4 supplier.

5 Similar to the more recent communications, the June 25, 2021 emails described
6 EGS supply prices that are lower than PPL's PTC as the customer getting a "good deal on
7 electricity supply" and that is what "smart shopping" can do. It is not PPL's place to
8 determine what the result of smart shopping is, particularly since the customer may have
9 initially selected a product from the EGS that was higher than the PTC for one of many
10 reasons, including price stability over a longer period of time. Again, PPL's
11 communication encourages the customer to "stay on top" of the supply price to make sure
12 they are always getting the "best deal" possible. For each individual customer, the best
13 deal means something different – and that is not always about the price at a point in time.

14 In emails sent on October 18, 2022, PPL warned that winter means higher energy
15 usage and suggested that customers consider their options, with advice in bold font to
16 "**Check your supplier contract.**" Those communications gave the customers their
17 options as including calling their current supplier, checking out PPL's shopping tips, or
18 cancelling with the current supplier and automatically returning to PPL for default
19 service. Through these emails, PPL took on the role of driving customers to supplier call
20 centers, encouraging PPL's shopping website (rather than the Commission's website at
21 papowerswitch.com) and promoting default service as a competitive option.

22 PPL's communications sent on November 1, 2022 did more of the same. It
23 appears that two of these sample emails were the communications that initially got the

1 attention of RESA and NRG and are included as RESA/NRG Exhibits 1 and 2.

2 However, in the interest of completeness, I am also including them in RESA/NRG
3 Exhibit 3.

4 The April 2023 emails that were sent to customers participating in the SOP are
5 duplicative of the Initial Notices and the Options Notices that the EGSs are required by
6 the PUC's regulations to send. Again, these communications present an automatic return
7 to PPL default service as one of the competitive options that is available. Assuming an
8 energy advisory role, PPL reminded customers that it is here to help them save and
9 "sharing information about smart shopping is just one way" PPL does that. Such advice
10 suggested that PPL is of the view that customers need the EDC's input in making
11 decisions about shopping for electricity and that "smart shopping" is only about saving
12 money, or saving money at a particular point in time.

13 **Q. PPL AND OTHER PARTIES HAVE SUGGESTED THAT THESE**
14 **COMMUNICATIONS ARE IN THE NATURE OF CONSUMER EDUCATION.**
15 **DO YOU AGREE?**

16 A. No. I am aware that when electric choice was introduced in Pennsylvania more than
17 twenty-five years ago, and again when the EDCs' rate caps expired in the 2009-2010
18 timeframe, the Commission implemented statewide customer education campaigns, as
19 well as local community action plans, to generally educate retail customers about their
20 ability to choose the provider that supplies their electricity.²² More recently, as part of
21 the Retail Markets Investigation ("RMI"), the Commission directed EDCs to send

²² See *Creation and Implementation of Statewide Consumer Education Program*, 1998 WL 34067531 (Pa.P.U.C.); *Re Statewide Consumer Education Program*, 2000 WL 1510096 (Pa.P.U.C.); *Investigation of Pennsylvania's Retail Electricity Market: Intermediate Work Plan*, Docket No. I-2011-2237952 (Order entered March 2, 2012, at 7-12) ("*Intermediate Work Plan Order*").

1 mailings to residential and small business customers to increase consumers' knowledge
2 of the retail market in order to improve their willingness to explore competitive options.²³

3 I see two major differences between the PPL communications in dispute here and
4 those consumer education efforts during the RMI and when electric choice was first
5 launched. First, the content of the messages is far different. While the Commission was
6 focused on educating consumers about their ability to choose an electric provider and
7 otherwise increase their knowledge of the retail market, PPL is communicating with
8 supply customers about their private contracts with EGSs, including the prices and the
9 expiration dates, offering advice on how to compare offers and highlighting an automatic
10 return to PPL-provided default service as an option. Second, and more importantly,
11 previous consumer education efforts were highly controlled by the Commission. By
12 contrast, PPL has taken it upon itself – in a manner that suggests the Company knows
13 more than the Commission does – to independently communicate with shopping
14 customers and focus on the prices that supply customers are paying, to the exclusion of
15 any other issue.

²³ *Intermediate Work Plan Order at 7-12. See also Investigation of Pennsylvania's Retail Electricity Market, Docket No. I-2011-2237952 (Secretarial Letter dated December 15, 2011 (directed EDCs to produce and mail a PUC-endorsed postcard encouraging customers to shop for an EGS and promoting the Commission's shopping website). In addition, by Secretarial Letter dated May 21, 2012 at the same docket, the PUC noted the apparent effectiveness of the postcards, but delayed the mailing of the tri-fold flyers and the EDC letters by approximately six months each to avoid overwhelming consumers. The May 21, 2012 Secretarial Letter also referenced the PUC's responsibility to ensure that ratepayer funds are used as effectively as possible.*

1 **Q. PLEASE DESCRIBE WHAT YOU MEAN ABOUT THE PREVIOUS**
 2 **CONSUMER EDUCATION EFFORTS BEING HIGHLY CONTROLLED BY**
 3 **THE COMMISSION.**

4 A. As an example, in the *Intermediate Work Plan Order*, the Commission directed the
 5 specific mailings that EDCs would send and when they would send them. Below is
 6 language taken from the March 2, 2012 RMI Order:²⁴

7 In directing these initiatives, the Commission
 8 acknowledges that both the tri-fold flyer, which will be mailed in
 9 May 2012, and the EDC letter and FAQs, which will be mailed in
 10 October 2012, are to occur only once, as compared to the
 11 Commission-endorsed postcard, which is being re-established on
 12 an annual basis.

13
 14 Note that these mailings should be completed using a
 15 process similar to the one established for the postcard mailing.
 16 Communications will supply to the EDCs any required layouts as a
 17 digital file, i.e., the tri-fold PAMPowerSwitch.com flyer and FAQ, as
 18 well as printing specifications. Upon receipt of the digital file,
 19 EDCs will be responsible for having the materials produced and
 20 mailed as expeditiously as possible, using current customer
 21 mailing lists to label and mail the materials to all residential and
 22 smallest general service rate class customers. EDCs shall notify
 23 [the Office of Competitive Market Oversight] via email at [ra-
 24 OCMO@pa.gov](mailto:ra-OCMO@pa.gov) when the mailing is initiated and upon its
 25 completion.

26
 27 Additionally, the Commission controlled the content of the mailings. Although the
 28 Commission recognized that it may be beneficial if “some degree of editorial control”
 29 was left to the EDC, the Commission found that a consistency in messaging was more
 30 important. Therefore, the Commission directed the Office of Competitive Market
 31 Oversight (“OCMO”) to circulate a standard letter, which would form a template for all
 32 EDCs to use, and which was developed with input from all stakeholders. The only
 33 option the Commission gave the EDCs for deviating from this template would be to show

²⁴ *Intermediate Work Plan Order* at 10-11.

1 good cause for such deviation and to submit a redlined version to the Commission staff
 2 for review and approval.²⁵

3 **Q. HAS PPL INDEPENDENTLY COMMUNICATED WITH CUSTOMERS ABOUT**
 4 **THEIR EXPERIENCES IN THE COMPETITIVE MARKET ON ANOTHER**
 5 **OCCASION?**

6 A. Yes. In its Answer to RESA and NRG’s Petition, the Company noted that in the second
 7 quarter of 2021, PPL had commissioned a study by the Bellomy Market Intelligence
 8 Survey’. The stated purpose of the survey was for PPL to better understand supplier-
 9 customer relationships and why some customers are paying more than the PTC.²⁶ . In
 10 my view, for the reasons noted above, PPL should not be independently communicating
 11 with customers about the competitive retail market and their private contractual
 12 relationships with EGSs..

13 **VI. PRIOR DIRECTIVES OF COMMISSION**

14 **Q. HAS THE COMMISSION PREVIOUSLY ADDRESSED COMMUNICATIONS**
 15 **OF THE NATURE THAT PPL HAS RECENTLY SENT?**

16 A. Yes. In its default service plan filed in 2020, PPL included a proposal to implement a
 17 communication process informing EGS customers about their options after their SOP
 18 contracts expire. The communications were proposed to occur 90 days prior to the end of
 19 the SOP contract and involve calls, letters, emails and/or text messages. After EGSs
 20 raised objections to the proposed communications, on several grounds including the fact

²⁵ *Intermediate Work Plan Order* at 11.

²⁶ PPL Answer, ¶38.

1 that EGSs did not have all of this contact information for their supply customers enrolled
2 via SOP, the Commission expressly rejected PPL’s proposal.²⁷

3 **Q. WHAT WAS THE COMMISSION’S RATIONALE?**

4 A. The Commission emphasized that it is the EGS, not PPL as the EDC, that has a
5 relationship with the customer regarding their electric supply and that these notices
6 should be sent by the EGS in accordance with the Commission’s regulations.
7 Specifically with respect to customers participating in the SOP, the Commission
8 described SOP as a Commission-approved EGS product offering containing various
9 restrictions on price and terms of service. While the Commission indicated that an EDC
10 is permitted to inform a customer of this EGS product offering, the Commission made
11 clear that once the customer expresses an interest in the product and is transferred from
12 PPL to a third-party service provider that provides more detail and enrolls the customer,
13 “the EDC – PPL Electric – has no further role in administering the SOP.”²⁸

14 The Commission went on to explain that after the customer is enrolled with the
15 EGS, it is the EGS, not the EDC, that provides generation supply pursuant to the contract
16 price and terms of service. In addition, the Commission stressed that “it is the EGS, not
17 the EDC, that is required to adhere to existing customer notification requirements,
18 including notices and the timing of those notices relating to proposed changes in the
19 terms and conditions of the EGS-customer relationship.”²⁹ Thus, the Commission
20 concluded that although the SOP initially serves to “bridge the gap” between a customer

²⁷ *Petition of PPL Electric Utilities Corporation for Approval of its Default Service Plan for the Period June 1, 2021 through May 31, 2025*, Docket No. P-2020-3019356 (Order entered December 17, 2020 at 2, 44-45, 92 and 98) (“*PPL DSP 5 Order*”).

²⁸ Id. at 93 (emphasis supplied).

²⁹ *PPL DSP 5 Order* at 94 (emphasis supplied).

1 and an EGS, “once a customer is enrolled with the EGS, the customer has a direct
2 relationship with the supplier and the supplier has the responsibility of providing all
3 required notices to the customer relating to the expiration of the SOP fixed duration
4 contract.”³⁰

5 **Q. DO RESA AND NRG VIEW THIS LANGUAGE FROM THE *PPL DSP 5 ORDER***
6 **AS BEING EQUALLY APPLICABLE TO COMMUNICATIONS SENT TO EGS**
7 **CUSTOMERS WHO ENROLLED OUTSIDE THE SOP?**

8 A. Yes. Although I understand this is largely a legal issue that will be addressed in briefs, it
9 seems that the Commission’s rationale would apply more forcefully in a situation where a
10 customer has actively shopped for an EGS and entered into a contract with the EGS that
11 contains all the Commission required information to include specific details about how
12 and when the EGS will notify the shopping customer about contract expiration or
13 material changes – all with no intervention by PPL. While SOP customers were initially
14 referred to the program by PPL, other shopping customers have no link to PPL in terms
15 of purchasing their electric supply. Indeed, in the same way that PPL has no role in
16 interacting with customers on supply issues once they have enrolled with an EGS through
17 the SOP, PPL has no role in communicating with shopping customers who have selected
18 EGSs in the competitive market about their supply contracts with EGSs. No Commission
19 regulations require or authorize PPL to provide additional or other customer notices to
20 EGS customers about the competitive supply contracts entered into directly between the
21 EGS and the customer.

³⁰ Id.

1 **Q. HAS THE COMMISSION ADDRESSED THE TOPIC OF EDCS PROMOTING**
 2 **DEFAULT SERVICE?**

3 A. Yes. The Commission has previously cautioned against any efforts by the EDCs to
 4 promote default service, observing that a description of default service as a competitive
 5 option would be misleading to consumers.³¹ Further, the Commission found that it “has
 6 a substantial government interest in creating and promoting the formation of a vibrant
 7 and effective competitive market for electric generation,” which necessitates constraints
 8 on the marketing of default service.³² The Commission recognized that as an incumbent
 9 provider, “the EDC possesses an inherent advantage which could be used to undermine
 10 competition if unregulated marketing” of the default service role is permitted.³³

11 **Q. DOES THE COMPETITION ACT IMPOSE A BURDEN ON THE COMMISSION**
 12 **TO MONITOR THE COMPETITIVE MARKET?**

13 A. Yes. I am aware that Section 2811 of the Competition Act obligates the Commission to
 14 “monitor the market for the supply and distribution of electricity to retail customers and
 15 take steps...to prevent anticompetitive conduct.”³⁴ If the Commission has reason to
 16 believe that anticompetitive conduct is preventing retail customers from obtaining the
 17 benefits of a properly functioning and workable competitive retail electric market, the
 18 Competition Act mandates referrals to other state and federal agencies.³⁵ In addition, the
 19 Commonwealth Court recognized this statutory obligation in affirming the Commission’s
 20 order, which found that information disseminated by PECO Energy Company to

³¹ *Interim Guidelines Addressing Electric Distribution Companies’ Activities Relating to Their Provider of Last Resort Functions*, Docket No. M-00960890F0017, 1998 WL 975764 (Pa. P.U.C.) (Order entered November 19, 1998) (“*PLR Marketing Order*”).

³² Id.

³³ Id.

³⁴ 66 Pa.C.S. § 2811(a).

³⁵ 66 Pa.C.S. § 2811(c).

1 customers created confusion regarding customer choice. The Court further concluded that
2 on that basis, referral to the Attorney General was appropriate.³⁶

3 **VII. IMPACT ON COMPETITIVE MARKET**

4 **Q. PLEASE DESCRIBE THE IMPACT OF PPL'S COMMUNICATIONS ON THE**
5 **RETAIL COMPETITIVE MARKET.**

6 A. The PPL communications with supply customers of EGSs about their supply prices and
7 supply contracts are harmful to the retail competitive market because they inappropriately
8 insert PPL as the EDC into the private EGS-customer contractual relationship. As PPL is
9 not the entity providing electric generation service to customers purchasing their supply
10 from EGSs, PPL has no role in communicating with these customers about the terms and
11 conditions of these private contracts.

12 Further, the PPL communications are misleading in that they focus on a supply
13 price that a customer is paying at a particular point in time, which may cause the
14 customer to take actions that result in the customer paying more for supply at a later point
15 in time. For instance, a customer may be in a long-term contract with an EGS paying a
16 supply price in a certain month that is higher than PPL's PTC. Upon comparing those
17 prices, the consumer may be persuaded to return to default service. The next time the
18 default service price changes, the customer could be paying more to PPL than the
19 customer would have been paying under the supply contract with the EGS.

20 In addition, PPL's focus on price – to the exclusion of all other issues – overlooks
21 the other benefits of shopping, including the long-term nature of a contract and the
22 associated price stability; a renewable product that the customer may desire for

³⁶ *Mid-Atlantic Supply Ass'n v. Pennsylvania P.U.C.*, 755 A.2d 723 (2000), 2000 Pa. Commw. LEXIS 363.

1 environmental reasons; a TOU rate a customer may elect as a way of controlling the
2 overall energy bill;³⁷ a fixed monthly amount that provides certainty but is not easily
3 comparable to the PTC; or other value-added services that are important to the customer.
4 Value-added services include a wide array of offers, such as a free smart thermostat,
5 mileage, shopping and restaurant discounts, charitable contributions and numerous other
6 countless advantages that customers choose, regardless of the supply price.

7 The PPL communications also promote default service by encouraging customers
8 to cancel their contracts with EGSs, which results in an automatic return to PPL's default
9 service, and may result in early termination fees. It is inappropriate for PPL to present its
10 own default service as among the options the customer may select.

11 Further, the PPL communications offer advice to EGS's supply customers
12 regarding the terms of their electric supply contracts, including prices. In suggesting
13 actions that customers should take concerning the supply contracts, PPL is portraying
14 itself as an expert and a trusted source on the purchase of electricity.

15 Finally, given the Commission's requirements for EGSs to provide detailed
16 notices to their supply customers about the prices and their options upon the expiration of
17 contracts, the PPL communications have the potential to overload or confuse customers,
18 particularly when the Commission is also sending out notices regarding these matters.

19 **VIII. CONCLUSION**

20 **Q. DOES THAT COMPLETE YOUR DIRECT TESTIMONY?**

21 A. Yes, it does. However, I reserve the right to supplement this testimony as appropriate.

³⁷ For example, a simple TOU product like "Free Saturdays" that saves the customer money on a monthly basis, due to the customer managing usage throughout the week, may have a kWh charge on other days that exceeds PPL's PTC for default service.

RESA/NRG Exhibit 1

Energy supply rates change Dec. 1

PPL Electric Utilities <email@customerprograms.pplelectric.com>

Tue 11/1/2022 4:29 PM

To [REDACTED]

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Important Notice

Check your energy supply contract today

Your electricity supply rate on your last bill: 8.316¢/kWh

We're here to provide you with safe, reliable electricity, and we care about helping you manage your costs. That's why we want to remind you that it's important to check your contract to see when it expires and what rate your supplier will charge after that.

As of your most recent electric bill, you are enrolled in our Standard Offer Program. As a reminder, this is a 12-month program where an electricity supplier provides you a 7% discount off the PPL Electric Utilities default rate. Once your annual contract is up, that supplier could change your rate.

Important Note: The Standard Offer Program is currently NOT available and may continue to not be available after December 1. If you want to change your electricity supplier when your 12-month term ends, you'll need to take action. You have options:



Call your current supplier to discuss next steps.



Check out our smart shopping tips, including instructions on how to view your current supplier charges, and shop for a new supplier. [Click here.](#)



Cancel with your current supplier and automatically return to default service through PPL Electric. The default service rate is 12.366¢/kWh until December 1, 2022. On December 1, 2022, that rate will rise to 14.612¢/kWh. Before cancelling, make sure to check your current contract. You don't want to be hit with any unexpected fees.

Like the prices of many products and services across the board, energy supply prices are on the rise. We know that rising prices are a major concern, and we want to help you manage your electricity bills.

- **Save energy:** We have tips, programs, and rebates available to help all customers. [Learn more.](#)
- **Spread out your costs:** Our budget billing program evens out your bills over 12 months and makes payments more predictable. [Log into your account to sign up.](#)
- **Get bill help:** If you're struggling to keep up with your electric bill, we have programs that can help. [Learn more.](#)

Thank you.

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RESA/NRG Exhibit 2

PPL Electric Utilities <email@customerprograms.pplelectric.com>

11/1/2022 6:40 PM

Price to Compare Changes Dec. 1

To _____@comcast.net

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Important Notice

Have you checked your energy supply price recently?

Your electricity supply rate on your last bill: 12.490¢/kWh

As of your most recent electric bill, you have a contract with a third-party energy supplier, Direct Energy Services. You can reach them at 1-888-734-0741.

Like the prices of many products and services across the board, energy supply prices are on the rise.

We want to make sure that your bills are as low as possible. That's why we're reminding you to take a few minutes to compare your current supply rate (noted above) with other options that are available.

If you'd like to make a change, here's what you need to do:



Call your current supplier to discuss next steps.



Check out our smart shopping tips, including instructions on how to view your current supplier charges, and shop for a new supplier. [Click here.](#)



Cancel with your current supplier and automatically return to default service through PPL Electric. The default service rate is 12.366¢/kWh until December 1, 2022. On December 1, 2022, that rate will rise to 14.612¢/kWh. Before cancelling, make sure to check your current contract. You don't want to be hit with any unexpected fees.

We know that rising prices are a major concern, and we want to help you manage your electricity bills.

- **Save energy:** We have tips, programs, and rebates available to help all customers. [Learn more.](#)
- **Spread out your costs:** Our budget billing program evens out your bills over 12 months and makes payments more predictable. [Log into your account to sign up.](#)
- **Get bill help:** If you're struggling to keep up with your electric bill, we have programs that can help, including financial assistance, payment plans, and budget billing. [Learn more.](#)

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Winter is right around the corner. Cooler temperatures often mean more energy use and higher bills. We know budgets are stretched these days and that affordability is important to you. That's why we wanted to remind you of ways we can help you manage your winter electric bills.

Check your supplier contract: We deliver your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can shop around for the electricity supplier that is right for your lifestyle, preferences, and budget.

As of your most recent electric bill, you have a contract with a third-party energy supplier. This is the perfect time to check that contract, see when it expires, and make sure you're getting the rate and service that is right for your family.

If you'd like to make a change, you have options.



Call your current supplier to discuss next steps.



Check out our smart shopping tips, including instructions on how to view your current supplier charges, and shop for a new supplier. [Click here.](#)



Cancel with your current supplier and automatically return to default service through PPL Electric. The default service rate is 12.366¢/kWh until December 1, 2022. We'll let you know what the new rate is in early November.

Save energy: We have tips, programs, and rebates available to help all customers. [Learn more.](#)

Get bill help: If you're struggling to keep up with your electric bill, we have programs that can help, including financial assistance, payment plans, and budget billing. [Learn more.](#)

For more ideas, tips, and information to help you manage higher bills this winter, visit pplelectric.com/highbill. If you ever need to give us a call, we're here for you at 1-800-342-5775.

Stay safe and be well.

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RESA/NRG Exhibit 3

PPL Electric Utilities Corporation
Response to the Set I Data Requests of
The Retail Energy Supply Association and NRG Energy, Inc.
Dated June 6, 2023
Docket No. P-2022-3036985

RESA
& NRG I-5

Please refer to Exhibit A attached to PPL's Answer to the Petition for Declaratory Order, and please provide the following:

- A. Dates of each communication.
- B. Number of customers to whom the communication was sent.
- C. Criteria used by PPL in selecting the customers to whom the communication was sent.
- D. Costs incurred by PPL to design, draft and develop the communications.

PPL
Response

PPL Electric sent the following emails. The Company used internal resources to prepare and send these emails. There are no specific costs associated with each email.

Email 1 – Important notice to business customers of PTC change

Send date: May 2, 2022

Number of emails delivered: 33,992

Audience/Criteria: Business customers on default service as of their last bill (not shopping)

Email 2 – Important notice to residential customers of PTC change

Send date: May 2, 2022

Number of emails delivered: 428,289

Audience/Criteria: Residential customers on default service as of their last bill (not shopping)

Email 3 – Have you checked your energy supply price recently?

Send date: May 26, 2021

Number of emails delivered: 132,061

Audience/Criteria: Residential customers with a supplier and paying more than PTC as of their last bill

Email 4 – Have you considered shopping for supply?

Send date: June 11, 2021

Number of emails delivered: 32,027
Audience/Criteria: Mid-size business customers on default service as of their last bill (not shopping)

Email 5 – Have you considered shopping for supply?

Send date: June 11, 2021

Number of emails delivered: 373,481

Audience/Criteria: Residential customers on default service as of their last bill (not shopping)

Email 6 – Shop for electricity supply and save

Send date: June 25, 2021

Number of emails delivered: 7,433

Audience/Criteria: Business customers with a supplier and paying less than PTC as of their last bill

Email 7 – Shop for electricity supply and save

Send date: June 25, 2021

Number of emails delivered: 125,081

Audience/Criteria: Residential customers with a supplier and paying less than PTC as of their last bill

Email 8 – Winter means higher energy use. Consider your options

Send date: October 18, 2022

Number of emails delivered: 3,498

Audience/Criteria: Business customers enrolled on SOP

Email 9 - Winter means higher energy use. Consider your options

Send date: October 18, 2022

Number of emails delivered: 13,847

Audience/Criteria: Business customers shopping with a supplier as of their last bill, non-SOP

Email 10 - Winter means higher energy use. Consider your options

Send date: October 18, 2022

Number of emails delivered: 33,155

Audience/Criteria: Business customers on default service, non-shopping, as of their last bill

Email 11 - Winter means higher energy use. Consider your options

Send date: October 18, 2022

Number of emails delivered: 76,403

Audience/Criteria: Residential customers enrolled on SOP

Email 12 - Winter means higher energy use. Consider your options

Send date: October 18, 2022

Number of emails delivered: 185,889
Audience/Criteria: Residential customers shopping with a supplier as of their last bill, non-SOP

Email 13 - Winter means higher energy use. Consider your options
Send date: October 18, 2022
Number of emails delivered: 390,919
Audience/Criteria: Residential customers on default service, non-shopping as of their last bill, excluding OnTrack

Email 14 – PTC Changes December 1
Send date: November 1, 2022
Number of emails delivered: 13,038
Audience/Criteria: Business customers shopping as of their last bill, non-SOP

Email 15 - PTC Changes December 1
Send date: November 1, 2022
Number of emails delivered: 3,377
Audience/Criteria: Business customers enrolled on SOP

Email 16 - PTC Changes December 1
Send date: November 1, 2022
Number of emails delivered: 187,582
Audience/Criteria: Residential customers shopping as of the last bill

Email 17 - PTC Changes December 1
Send date: November 1, 2022
Number of emails delivered: 75,357
Audience/Criteria: Residential customers enrolled on SOP

Email 18 - PTC Changes December 1
Send date: November 1, 2022
Number of emails delivered: 31,325
Audience/Criteria: Business customers on default service, non-shopping

Email 19 - PTC Changes December 1
Send date: November 1, 2022
Number of emails delivered: 381,510
Audience/Criteria: Residential customers on default service, non-shopping, excluding OnTrack

2023 Email – Your one year energy supply contract ends soon
Send date: April 26, 2023
Number of emails delivered: Residential: 17,456 and Business: 726

Audience: Customers who enrolled in SOP during May 2022

Emails Sent on May 26, 2021

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Have you checked your energy supply price recently?

Your current rate: %%Billed Shopping Price%%¢/kWh

PPL's Price to Compare as of 6/1/21: 7.544¢/kWh

As of your last bill, your energy supplier is charging you more than PPL's Price to Compare. That means you may be able to reduce your electricity bill by contacting your current supplier to negotiate a better rate or shopping for a different supplier.

There may be legitimate reasons why you are paying more than the Price to Compare. For instance, you may have chosen to purchase additional services or renewable energy sources.

Who is your electricity supplier?

PPL delivers your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can shop around and choose the electricity supply that is right for you. Your current supplier is: %%Supplier Name%%. You can reach them at %%Supplier Phone%%.

What is the Price to Compare?

If you do not pick a supplier, PPL will purchase supply for you as your default provider. We hold energy auctions twice a year, secure supply at the lowest rate possible at that time, and then pass the cost on to customers at no profit to us. That supply cost is the Price to Compare. It changes every June 1 and December 1. That's the rate you should use to compare supplier offers.

What should you do next?

If you want to save a few bucks on your bill, you can try to negotiate a new rate with your current supplier, shop for a different supplier, or choose to have PPL buy supply for you. If you do decide to switch suppliers, check your current contract first. You don't want to be caught off guard by early termination fees.

It's easy to compare supplier offers online. Visit our *Shop Smart* website for everything you need to know to shop for electricity and compare rates.

Stay healthy and stay safe!

[Shop for supply](#)

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RESA/NRG Exhibit 3

Audience/Criteria: Residential customers with a supplier and paying more than PTC as of their last bills

Emails Sent on June 25, 2021

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Your current rate: 7.544¢/kWh

PPL's Price to Compare as of 6/1/21: 7.541¢/kWh

Shop for electricity supply and save

We have some good news! As of your last bill, your energy supplier is charging you less than PPL's Price to Compare. That means you're getting a good deal on electricity supply. It's an example of what smart shopping can do!

Who is your electricity supplier?

PPL delivers your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can choose your own energy supplier, based on the rates and plans they provide. Your current supplier is: [Supplier Name]. You can reach them at [Supplier Phone Number].

What is the Price to Compare?

If you do not pick a supplier, PPL purchases supply for you as your default provider. We hold energy auctions twice a year, secure supply at the lowest rate possible at that time, and then pass the cost on to customers at no profit to us. The price we charge for electricity supply is the Price to Compare. It changes every June 1 and December 1. That's the rate you should use to compare supplier offers.

What should you do next?

Nothing. You're all good. But we do encourage you to stay on top of your electricity supply price to make sure you're always getting the best deal possible. You can see what you're paying for supply in any given month by taking a look at your PPL bill, or by logging in to your online PPL account.

It's easy to compare supplier offers online. Visit our Shop Smart website for everything you need to know to shop for electricity and compare rates.

Stay safe and shop smart!

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Your current rate: 7.544¢/kWh

PPL's Price to Compare as of 6/1/21: 7.544¢/kWh

Shop for electricity supply and save

We have some good news! As of your last bill, your energy supplier is charging you less than PPL's Price to Compare. That means you're getting a good deal on electricity supply. It's an example of what smart shopping can do!

Who is your electricity supplier?

PPL delivers your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can choose your own energy supplier, based on the rates and plans they provide. Your current supplier is: [Supplier Name]. You can reach them at [Supplier Phone Number].

What is the Price to Compare?

If you do not pick a supplier, PPL purchases supply for you as your default provider. We hold energy auctions twice a year, secure supply at the lowest rate possible at that time, and then pass the cost on to customers at no profit to us. The price we charge for electricity supply is the Price to Compare. It changes every June 1 and December 1. That's the rate you should use to compare supplier offers.

What should you do next?

Nothing. You're all good. But we do encourage you to stay on top of your electricity supply price to make sure you're always getting the best deal possible. You can see what you're paying for supply in any given month by taking a look at your PPL bill, or by logging in to your online PPL account.

It's easy to compare supplier offers online. Visit our Shop Smart website for everything you need to know to shop for electricity and compare rates.

Stay safe and shop smart!

[Shop for supply](#)

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%%member_postalcode%%

Emails Sent on October 18, 2022



Winter means higher energy use. Consider your options.

Dear [Customer],

Winter is right around the corner. Cooler temperatures often mean more energy use and higher bills. We know budgets are stretched these days and that affordability is important to your business. That's why we wanted to remind you of ways we can help you manage your winter electric bills.

Check your supplier contract: We deliver your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can shop around for the electricity supplier that is right for your business.

Last year, you enrolled in our Standard Offer Program. This is a 12-month program where an electricity supplier provides you a 7% discount off PPL Electric's default rate. Once your annual contract is up, that supplier could change your rate. We want to remind you that it's important to check your contract to see when it expires and what rate your supplier will charge after that.

If your contract is coming due, you have options.



Call your current supplier to discuss next steps.



Check out our smart shopping tips, including instructions on how to view your current supplier charges, and shop for a new supplier. [Click here.](#)



Cancel with your current supplier and automatically return to default service through PPL Electric. The default service rate is 11.695¢/kWh through December 1, 2022. We'll let you know what the new rate is in early November.

Save energy: We have tips, programs, and rebates available to help all customers. [Learn more.](#)

Get bill help: If you're struggling to keep up with your electric bill, we have programs that can help, including payment plans and budget billing. Small business customers, call 1-800-342-5775. Larger businesses, call 1-888-220-9991.

Stay safe and be well.

Connect with us



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Winter means higher energy use. Consider your options.

Dear [Customer],

Winter is right around the corner. Cooler temperatures often mean more energy use and higher bills. We know budgets are stretched these days and that affordability is important to your business. That's why we wanted to remind you of ways we can help you manage your winter electric bills.

Check your supplier contract: We deliver your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can shop around for the electricity supplier that is right for your business.

As of your most recent electric bill, you have a contract with a third-party energy supplier. This is the perfect time to check that contract, see when it expires, and make sure you're getting the rate and service that is right for your business.

If you'd like to make a change, you have options.



Call your current supplier to discuss next steps.



Check out our smart shopping tips, including instructions on how to view your current supplier charges, and shop for a new supplier. [Click here.](#)



Cancel with your current supplier and automatically return to default service through PPL Electric. The default service rate is 11.695¢/kWh through December 1, 2022. We'll let you know what the new rate is in early November.

Save energy: We have tips, programs, and rebates available to help all customers. [Learn more.](#)

Get bill help: If you're struggling to keep up with your electric bill, we have programs that can help, including payment plans and budget billing. Small business customers, call 1-800-342-5775. Larger businesses, call 1-888-220-9991.

Stay safe and be well.

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Winter means higher energy use. Consider your options.

Dear [Customer],

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Check your supplier contract: We deliver your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can shop around for the electricity supplier that is right for your family.

Last year, you enrolled in our Standard Offer Program. This is a 12-month program where an electricity supplier provides you a 7% discount off PPL Electric's default rate. Once your annual contract is up, that supplier could change your rate. We want to remind you that it's important to check your contract to see when it expires and what rate your supplier will charge after that.

If your contract is coming due, you have options.



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For more ideas, tips, and information to help you manage higher bills this winter, visit ppl.com/highbill. If you ever need to give us a call, we're here for you at 1-800-342-5775.

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Subject: Important Notice

Preheader: Have you checked your electricity supply contract?

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Check your supplier contract: We deliver your electricity, but we don't own the power plants where that electricity is generated. In Pennsylvania, you can shop around for the electricity supplier that is right for your lifestyle, preferences, and budget.

As of your most recent electric bill, you have a contract with a third-party energy supplier. This is the perfect time to check that contract, see when it expires, and make sure you're getting the rate and service that is right for your family.

If you'd like to make a change, you have options.

-  Call your current supplier to discuss next steps.
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RESA/NRG Exhibit 3
 Audience/Criteria: Residential customers shopping with a supplier as of their last bills

Emails Sent on November 1, 2022

Preheader: It's time to check your energy supply price

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! Important Notice

Check your rate and consider your options.

Your electricity supply rate on your last bill: X.XXX¢/kWh

As of your most recent electric bill, your business has a contract with a third-party energy supplier. Your current supplier was: [Supplier Name]. You can reach them at [Supplier Phone Number].

Like the prices of many products and services across the board, energy supply prices are on the rise. We want to make sure that your bills are as low as possible. That's why we're reminding you to take a few minutes to check your business's current supply rate (noted above) with other options that are available.

If you'd like to make a change for your business, here's what you need to do:



Call your current supplier to discuss next steps.



Check out our smart shopping tips, including instructions on how to view your current supplier charges, and shop for a new supplier. [Click here.](#)



Cancel with your current supplier and automatically return to default service through PPL Electric. The default service rate is 11.695¢/kWh until December 1, 2022. On December 1, 2022, that rate will rise to 14.751¢/kWh. Before cancelling, make sure to check your current contract. You don't want to be hit with any unexpected fees.

We know that rising prices are a major concern, and we want to help you manage your electricity bills.

- **Save energy:** We have tips, programs, and rebates available to help all customers. [Learn more.](#)
- **Spread out your costs:** Our budget billing program evens out your bills over 12 months and makes payments more predictable. [Log into your account to sign up.](#)
- **Get bill help:** We have tools – like payment arrangements – that can help you keep up with your bill. Contact us to review your options. Small businesses, call 1-800-342-5775. Larger businesses, call 1-888-220-9991.

Thank you.

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! Important Notice

Check your energy supply contract today

Your electricity supply rate on your last bill: XX.XX¢/kWh

As of your most recent electric bill, your business is enrolled in our Standard Offer Program. This is a 12-month program where an electricity supplier provides you a 7% discount off the PPL Electric Utilities default rate. Once your annual contract is up, that supplier could change your rate.

Like the prices of many products and services across the board, energy supply prices are on the rise. We're here to provide your business with safe, reliable electricity, and we care about helping you manage your costs. That's why we want to remind you that it's important to check your contract to see when it expires and what rate your supplier will charge after that.

Important Note: The Standard Offer Program is currently NOT available and may continue to not be available after December 1. If you want to change your electricity supplier when your 12-month term ends, you'll need to take action. You have options:



Call your current supplier to discuss next steps.



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Preheader: It's time to check your energy supply price

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Important Notice

Have you checked your energy supply price recently?

Your electricity supply rate on your last bill: X.XXX¢/kWh

As of your most recent electric bill, you have a contract with a third-party energy supplier. Your current supplier was: [Supplier Name]. You can reach them at [Supplier Phone Number].

Like the prices of many products and services across the board, energy supply prices are on the rise. We want to make sure that your bills are as low as possible. That's why we're reminding you to take a few minutes to compare your current supply rate (noted above) with other options that are available.

If you'd like to make a change, here's what you need to do:



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Cancel with your current supplier and automatically return to default service through PPL Electric. The default service rate is 12.366¢/kWh until December 1, 2022. On December 1, 2022, that rate will rise to 14.612¢/kWh. Before cancelling, make sure to check your current contract. You don't want to be hit with any unexpected fees.

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As of your most recent electric bill, you are enrolled in our Standard Offer Program. As a reminder, this is a 12-month program where an electricity supplier provides you a 7% discount off the PPL Electric Utilities default rate. Once your annual contract is up, that supplier could change your rate.

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Thank you.

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Emails Sent on April 26, 2023

PPL Electric Utilities Corporation
Response to the Set I Data Requests of
The Retail Energy Supply Association and NRG Energy, Inc.
Dated June 6, 2023
Docket No. P-2022-3036985

RESA
& NRG I-6

Please provide a sample copy of each communication PPL sent from January 1, 2021 through the date of the response to supply customers of EGSs who were or are participating in PPL's Standard Offer Program that contained information regarding their contracts with EGSs, the impending expiration of those contracts or the options available to the customers upon the expiration of those contracts.

PPL
Response

See Exhibit A attached to PPL Electric's Answer to the Petition for Declaratory Order as well as PPL Electric's response to RESA & NRG I-5. One additional email, below, was not part of Exhibit A and was sent in 2023.



Your one-year energy supply contract ends soon

Last May, you enrolled in the Standard Offer Program with %%Supplier Name%%. This Program offers a 7% discount off the PPL Electric Price to Compare and is fixed for 12 months with no cancellation fees.

Although you've been saving for the past year, your contract ends soon. Now is the time to check your rate, compare it to other offers, and see how you can continue saving after your contract expires.

Here's what you can do:

1. **Check the rate you're paying** on the Account Summary page of your online profile at pplelectric.com. Keep an eye out for letters or emails from your current supplier before your 12-month term ends. They will include information about your new contract and rate, including whether it's fixed or variable.
2. **Review the Price to Compare**, also known as the PPL Electric default rate. This is the rate you pay if you choose not to shop for energy supply. This rate will change on June 1, 2023.
3. **Compare your options**. You can stay with your current supplier per their new contract terms or cancel and automatically return to the PPL Electric default rate. You can also re-enroll on the Standard Offer Program or shop for a new supplier at papowerswitch.com.

We're here to help you save, and sharing information about smart shopping is just one way we do that.

[Learn more](#)

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Audience: Customers who enrolled in SOP in May 2022