

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Implementation of Supplier Consolidated Billing )**

**Docket No. M-2018-2645254**

**Comments of the  
National Energy Marketers Association**

The National Energy Marketers Association (NEM)<sup>1</sup> hereby submits comments on the “Topics Designed to Guide Discussion” that were attached to the March 27, 2018, Secretarial Letter issued in the above-referenced proceeding. In the Secretarial Letter it was announced that the Commission will convene an en banc hearing to gather information from stakeholders on the issues associated with the implementation of electric generation supplier (EGS) supplier consolidated billing (SCB) in Pennsylvania. The Commission is seeking information regarding the legality of SCB; the appropriateness of SCB and whether it is in the public interest; and whether the benefits of SCB implementation outweigh its costs. The Commission issued an extensive list of questions for comment in this regard.

NEM strongly supports the availability of a supplier consolidated billing option in Pennsylvania. A convergence of factors makes now an ideal time to move forward with a Commission decision to permit SCB. These factors include: 1) the increasing sophistication of the competitive marketplace, both consumers and suppliers. This is fueling increased consumer demand to exercise

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<sup>1</sup> The National Energy Marketers Association (NEM) is a non-profit trade association representing both leading suppliers and major consumers of natural gas and electricity as well as energy-related products, services, information and advanced technologies throughout the United States, Canada and the European Union. NEM's membership includes independent power producers, suppliers of distributed generation, energy brokers, power traders, global commodity exchanges and clearing solutions, demand side and load management firms, direct marketing organizations, billing, back office, customer service and related information technology providers. NEM members also include inventors, patent holders, systems integrators, and developers of advanced metering, solar, fuel cell, lighting and power line technologies.

control over energy purchasing and usage decisions and increased opportunities for suppliers to offer products in response to consumer needs and preferences; 2) suppliers investment in billing infrastructure and extensive experience with SCB in other jurisdictions; and 3) the deployment of advanced metering infrastructure in Pennsylvania which creates the opportunity and ability for suppliers to offer an expanded array of innovative products and services.

NEM's responses to the Commission's questions are set forth below.

## **LEGAL**

- 1. Is SCB permitted under Chapters 14 and 28 of the Public Utility Code, 66 Pa. C.S. §§ 1401-1419, 2801-2815? If so, what limits, if any, are imposed by the Public Utility Code? In particular, does the language in Section 2807(c) limit the Commission to only (1) dual billing and (2) EDC consolidated billing? Does the statutory language in Chapter 14 require that customer billing functions, especially those related to service connections, payment arrangements, terminations of service and reconnection of service, are functions that are to be performed solely by the EDC?**

Billing is an inherently competitive function as is well-demonstrated in all facets of American commerce. The utilities do not possess any competence or capability that renders them uniquely or solely capable of rendering a consolidated bill.<sup>2</sup> As competitive retail markets have matured, competitive suppliers have increasingly added billing technology, and its expert use, to their menu of services that they can render to provide consumers with more innovative, customer-focused products and services.

In the Texas retail electric market and the Georgia retail gas market, competitive suppliers are required to provide supplier consolidated bills. The competitive suppliers in those markets have developed the technological proficiency to incorporate consumer protection requirements and

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<sup>2</sup> When the retail market was in the early stage of development, it made sense to leverage ratepayer investments in utility legacy billing infrastructure in the form of utility consolidated bills to provide a jump-start to the marketplace.

billing service standards into their billing processes and systems. This longstanding history and experience with supplier consolidated billing in other jurisdictions strongly refutes any argument that only utilities can be trusted or relied upon to accurately or timely render a consolidated bill.

Chapter 28 of the Public Utility Code reserves a franchise monopoly for the utilities in the performance of the transmission and distribution function. Section 2802(16) states, “[i]t is in the public interest for the transmission and distribution of electricity to continue to be regulated as a natural monopoly subject to the jurisdiction and active supervision of the commission.” Consolidated billing is neither a transmission nor distribution function as it does not involve the use of transmission or distribution facilities employed for power delivery, or grid maintenance or reliability.

Section 2807(c) makes reference to dual billing – “the right of an end-use customer to choose to receive separate bills from its electric generation supplier.” Section 2807(c) also provides that “the electric utility *may* be responsible for billing customers for all electric services.” (emphasis added). The operative word in that provision is the permissive “may” rather than the mandatory word “shall.” The legislature could have included language that the utility “shall” be responsible for billing customers for “all electric services,” but it did not, thereby reserving SCB as an option under the law. In addition to the statutory requirement to unbundle generation, Section 2804(3) also explicitly contemplates that “[t]he commission may require the unbundling of other services,” such as the competitive billing function. Read together, these provisions make clear that SCB is permitted under Chapter 28.

Chapter 14 of the Public Utility Code specifically pertains to Responsible Utility Customer Protection. The purpose of the Responsible Utility Customer Protection Act was to promote

timelier consumer collections – a purpose that is entirely consistent with SCB. To the extent that Chapter 14 addresses the processes for physical connection and disconnection of customer service for nonpayment, those responsibilities should continue to reside with the utility under SCB. The provisions of Chapter 14 and the Commission’s implementing regulations thereunder that pertain to technical billing processes and standards can be performed by competitive suppliers.<sup>3</sup>

The utilities’ original restructuring settlements contemplated and provided for competitive billing,<sup>4</sup> reflecting the understanding of the stakeholders that executed those settlements that SCB was authorized under the law. The Commission approval of those settlements further demonstrates that SCB is and was permitted under the law. The Commission also approved electronic data exchange standards for supplier consolidated billing in the early stages of market development.<sup>5</sup>

**2. Would a purchase of receivables (POR) program where the EGS purchases the EDC’s receivables be permitted under the Public Utility Code and Commission regulations?**

A POR program where the EGS purchases the utility’s receivables is not prohibited under the Public Utility Code and Commission regulations.

**3. Given that POR programs are voluntary and the Commission could not require an EGS to purchase an EDC’s receivables, what effect would that have on the viability of SCB if an EGS does not include a POR program in its SCB plan?**

Under the description of the issue as provided in this question, if an EGS did not include POR in its SCB plan, the EGS would effectively be deciding to dual bill. In other words, if the EGS did not undertake to purchase the utility’s receivables for its customers, there would be no basis upon

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<sup>3</sup> See, e.g., the rules established for supplier consolidated billing by the Public Utility Commission in Texas § 25.479 (Issuance and Format of Bills), § 25.480 (Bill Payment and Adjustments) and § 25.483 (Disconnection of Service); and Chapter 515-7-6 of the Georgia Public Service Commission rules on Natural Gas Marketer Billing Practices.

<sup>4</sup> See, e.g., Application of PECO Energy Company for Approval of its Restructuring Plan, Docket R-00973953.

<sup>5</sup> Docket M-00960890, F.0015, Order entered April 14, 2000.

which it would be entitled to bill for those charges. As such, this does not seem to be a likely scenario for a supplier that is genuinely intending to offer SCB.

**4. If the Commission decides to explore these topics further, what are the preferred procedural methods for doing so?**

If, after the en banc hearing and filing of stakeholder comments, the Commission identifies topics that merit further exploration, it should issue follow-up questions for comment in this docket. Workshops and collaboratives to address technical implementation issues are most effective when the Commission has given clear prior guidance on the legal and policy issues.

**IMPACT ON THE MARKET**

**1. How would implementation of SCB affect Pennsylvania's retail electric market?**

SCB allows competitive suppliers to significantly enhance the nature and quality of the relationship with their customers and also enables competitive suppliers to offer an expanded array of innovative products and services that utility consolidated billing simply does not accommodate. The time is now to usher in the next era of competitive energy products and services, as made possible by SCB.

Suppliers value highly the ability to have control of the customer interface and the presentation of their products as is made possible with SCB. By contrast, the current format of utility consolidated bills offers very limited ability for suppliers to include relevant information for their customers. Supplier consolidated billing would provide suppliers with the improved ability to communicate with their customers and offer increased innovation in their product offerings, thereby making the bill and competitive offerings more consumer-oriented as a result. This is a significant benefit for choice customers.

SCB should be an option in concert with the existing UCB and dual bill constructs to maximize the ability of suppliers to participate in the retail electric market consistent with their individual business plans and proficiencies. Suppliers currently operating in jurisdictions such as Texas and Georgia have already made significant investments in billing infrastructure to provide supplier consolidated billing. It is clear from the suppliers' performance of the billing function in other jurisdictions that they possess the experience, expertise and operational capability to provide supplier consolidated billing for Pennsylvania consumers as well. The approval of supplier consolidated billing may facilitate market entry by suppliers to operate and do business in Pennsylvania that are not already doing business in the State.

## **2. What are the benefits to consumers associated with implementation of SCB?**

There are significant consumer benefits to be realized as a result of the implementation of SCB. First, it is responsive to mass market consumer preferences for a single bill. At the early stages of energy choice, consumers voiced dissatisfaction and confusion at receiving two bills associated with their electricity service – one for the competitive commodity supply and one for delivery charges. A consolidated bill logically permits all of the charges associated with the customer's service to appear in one place and allows the customer to pay for all of the associated charges in one transaction. It also allows suppliers to be better prepared to respond to consumer billing questions when all of the relevant information is presented in a holistic manner.

Supplier consolidated billing allows the supplier and the consumer to have a direct relationship. To a large extent, given the invisibility of electrons and the infrequency of face-to-face interactions with the entity providing energy service, the consumer's perception of the product and service received is embodied in the bill itself. The supplier is relegated to a limited amount of space on

the utility consolidated bill to communicate with the customer. By contrast, SCB gives suppliers the improved ability to communicate with their customers through the bill, in the form of customized bill messages, product information, consumer education and other information. SCB also allows consumers to receive detailed information about their energy usage and proactive steps consumers can take to manage it.

SCB allows suppliers to offer consumers a suite of innovative products and services that cannot be accommodated under utility consolidated billing. This includes demand response products, time varying rates, product bundling with energy supply, such as smart thermostats, home service warranties and maintenance plans, and other DER products and services. Utility billing systems simply are not designed to be robust enough to handle diverse competitive supplier offerings or to rapidly respond to supplier product innovation. Suppliers can and will do that with SCB.

Another consumer benefit of SCB is to leverage ratepayer investments in advanced metering infrastructure that have been made in Pennsylvania. AMI provides increased granular data that competitive suppliers can use to develop innovative new time varying products and demand response products. A chief constraint on making those new products available is the limits imposed by utility billing systems. SCB removes that constraint and allows competitive suppliers to develop and introduce innovative products and services to suit consumer preferences.

**3. Is implementation of SCB necessary to facilitate the introduction of products and services to retail electric customers in Pennsylvania and to boost competition in the electric generation market? Is SCB needed to facilitate the provision of smart-meter related products like Time-of-Use (TOU)?**

Competitive suppliers have been and will continue to make their best efforts to develop and offer products to Pennsylvania customers that satisfy their needs and desires. Utility billing system

limitations under utility consolidated billing are a barrier to offering the extensive level of product innovation that was an initial driver and impetus for restructuring. We have not yet achieved the equivalent of the “cell phone” breakthrough that was achieved as a result of telecom deregulation. SCB is an important component of realizing that breakthrough for energy consumers.

The Texas electric market provides a compelling example of the type of product innovations that competitive suppliers can offer via supplier consolidated billing. As detailed in the 2017 Scope of Competition in Electric Markets in Texas Report<sup>6</sup> prepared by the Public Utility Commission of Texas, “[a]s of September 2016, 109 REPs were operating in ERCOT, providing 440 total unique products, 97 of which solely support electricity generated from 100% renewable sources.”<sup>7</sup> The Report provides further detail on residential supplier participation and the number of product offerings by utility service territory as shown below:

Number of REPs and Products Serving Residential Customers, September 2016<sup>8</sup>

<b>TDU Service Territory</b>	<b>Residential Suppliers</b>	<b>Number of Products</b>
AEP Central	52	355
AEP North	49	295
CenterPoint	55	400
Oncor	55	390
Sharyland – McAllen	14	103
Sharyland Utilities	22	155
TNMP	49	320

<sup>6</sup> Available at: [http://www.puc.texas.gov/industry/electric/reports/scope/2017/2017scope\\_elec.pdf](http://www.puc.texas.gov/industry/electric/reports/scope/2017/2017scope_elec.pdf)

<sup>7</sup> 2017 Scope of Competition in Electric Markets in Texas Report, at page 2.

<sup>8</sup> Id. at page 3, Table 1.

The PUCT's Power to Choose website, accessible at [www.powertochoose.org](http://www.powertochoose.org), displays the plethora of supplier product offerings that are currently available.

**4. What effect would implementation of SCB have on standard offer programs (SOP) and how would they interact, if at all?**

SCB should have no impact on standard offer programs (SOP) and would not dilute the effectiveness of SOP. The purpose of SOP is to provide consumers with a low risk exposure to energy choice and shopping. Participating customers are referred to a competitive supplier offering of a fixed-rate price, seven percent below the electric utility's current Price to Compare, for a one-year term with no cancellation or termination fees. The utility can still proceed to respond to SOP inquiries as it does now. Since there will be no diminution in the consumer protections afforded to the customer under SCB, there is no need to consider restricting supplier participation in SOP if they choose to offer this form of billing.

Moreover, if a customer is taking service from an EGS that offers SCB then that customer is aware of its energy choice options and has made an affirmative choice to engage in the competitive marketplace. Accordingly, the purpose of SOP has been satisfied with respect to that customer.

**MECHANICS – HOW IT WOULD WORK**

**1. Should an EGS be required to meet more stringent financial/bonding requirements, demonstrate that it possesses the technical expertise to perform billing and customer service functions, or make any other showing before being permitted to offer SCB? If so, what should those requirements be and what process should the Commission use to review an EGS's eligibility?**

It may be appropriate for the Commission to consider enhanced supplier qualifications, including more stringent financial requirements and demonstration of the technical capability to perform billing and customer relations functions. That being said, the enhanced supplier qualifications

should be designed to appropriately ensure consumer protection without imposing a disproportionate financial or technical burden on suppliers. Moreover, the qualifications should not be so stringent as to unnecessarily preclude supplier participation or restrict participation to only the largest suppliers.

**2. Would a pilot program involving an EDC working with an EGS or group of EGSs to design and implement a SCB platform be appropriate?**

No Response.

**3. What steps would the Commission need to take to ensure that EDCs receive payment according to the terms of the POR program in a timely fashion?**

The utilities current supplier coordination tariffs detail the terms of currently approved POR programs. Utility tariffs should be updated to include terms under which supplier consolidated billing will be implemented, including purchase of a utility's receivables. A stakeholder work group should be convened to develop uniform, standard master agreements to govern interactions between suppliers and the utilities under SCB.

In markets where SCB is currently utilized, the EDCs receive payment by wire transfer or similar electronic funds transfer a set number of days after the customer is invoiced. Such processes are not noticeably different from the manner in which suppliers receive payments from EDCs under utility consolidated billing.

**4. What type of costs may be incurred by EDCs and EGSs when implementing SCB in Pennsylvania's retail electric market? Would the costs of implementation outweigh the potential benefits? Who should be responsible for paying those costs?**

EGSs will shoulder the expense of implementing their own billing systems. Because SCB exists in other jurisdictions, many EGSs have already made that investment in order to serve customers

in those other states, either through in-house software for billing and account management or off-the-shelf billing platforms. Importantly, because SCB is required for suppliers participating in the Texas and Georgia retail markets, pre-existing billing systems from vendors are commonly available to perform this function. Updating such software to accommodate the particular needs of a given market or utility is commonplace in the industry.

Any utility implementation costs should be recovered from all customers on a competitively neutral basis. This is appropriate because SCB is a retail market enhancement that will enhance competition and facilitate innovative product offerings, the availability of which benefits all customers.

**5. Is it feasible/appropriate to designate an EGS offering SCB as default service provider? See 66 Pa. C.S. §§ 2803 (definition of default service provider), 2807(e) (relating to obligation to serve) and 52 Pa. Code § 54.183 (relating to default service provider).**

The assumption underpinning this question is that the right to disconnect for nonpayment arises from the utility's obligation to serve. NEM disputes the veracity of this assumption. The right to disconnect for nonpayment stems from the consumable nature of the commodity and the inability to repossess or reclaim it after its use. This is true regardless of whether an EGS or EDC is providing the commodity service. The utility is not uniquely capable of determining whether and when a consumer should be terminated for nonpayment. A competitive supplier is just as proficient at following Commission regulations for the billing and collection process. In fact, competitive suppliers have a proven track record of doing just that in the other markets that currently permit SCB. Also, under the SCB model, the utility will retain the responsibility for performing the actual physical shut-off, to the extent that does require special expertise.

## **COLLECTIONS – TERMINATION**

### **1. Does an EGS offering SCB need the power to order termination of a customer’s service?**

Yes, EGSs offering SCB need the power to order termination of a customer’s service for nonpayment in order manage bad debt risk. To be clear, under SCB, the supplier takes responsibility for the utility delivery portion of the bill. In other words, the supplier assumes the risk of nonpayment. Allowing suppliers to order termination for nonpayment would permit them to properly manage this risk (the utilities are currently permitted to collect for customer bad debt in their rates), by appropriately providing suppliers with payment collection tools, i.e., the ability to issue a disconnect request to the utility for nonpaying customers and to request customer deposits. Also under SCB, the utility would retain its traditional delivery service responsibility for performing physical customer connection/disconnection.

Once the commodity is consumed, it cannot be reclaimed. Consumers that are able to pay should not be entitled to avoid payment for a commodity product they have consumed, based on the provider’s status as an EGS. Moreover, other debt collection methods are not cost effectively deployed by EGSs serving mass market customers.

### **2. Would allowing an EGS to order an EDC to terminate a customer’s service comply with Chapter 14 of the Public Utility Code, 66 Pa. C.S. §§ 1401-1419, and Chapter 56 of the Commission’s regulations, 52 Pa. Code §§ 56.81-56.83, 56.91-56.101, 56.111-56.118?**

EGSs have the technical expertise and qualifications to perform billing and collections processes to reliably support the request to the utility to terminate service to customers for nonpayment. Allowing EGSs to request that the EDC terminate service for nonpayment is consistent with the intent of Chapter 14 that timely payments from customers be received for the commodity service that is rendered.

**3. If an EGS purchases an EDC's receivables and the EDC is no longer owed any money, does the EDC (or EGS) have the authority under the Public Utility Code and Commission regulations to terminate service for nonpayment of distribution charges?**

As a policy matter, the identity of the billing entity as an EDC or EGS should not be determinative of a consumer's obligation to pay their bill if they are able. Under SCB, wherein the EGS is the billing entity, if the consumer doesn't pay its bill and under conformance with established payment hierarchies, the consumer owes money for distribution charges, then the EGS should be able to notify the utility to take action to terminate for nonpayment.

**4. What safeguards should an EGS employ to ensure proper termination and reconnection of service by the EDC (e.g., steps to ensure timely sharing of data with EDCs; use of termination checklists; steps to promote customer understanding regarding the functions handled by the EGS versus those handled by the EDC)? What role, responsibility, and discretion does the EDC have in executing the termination process?**

The EGS would be responsible for complying with all applicable laws and Commission-approved regulations and processes on billing and collection to ensure proper termination and reconnection of service by the EDC. Because SCB has been successfully implemented in other jurisdictions, EDI transaction sets for the timely sharing of data between the EGS and utility already exist. Moreover, suppliers and EDCs already routinely communicate regarding customer accounts, billing needs and service requests.

The EGS will have to develop internal processes for ensuring timely compliance with regulations as well. This is a standard, normal practice that the EGS undertakes for compliance with any Commission regulation. A "termination checklist" to be employed by EGSs may be something to be developed on a uniform, standard basis through a stakeholder workgroup.

Consumers will need to be educated about EGS functions versus EDC functions. The consumer education can include supply agreements, bill messaging, supplier and EDC websites as well as responsive messages to consumer inquiries directed to both the EGS and EDC. Customers should be informed on their bills and elsewhere that aside from calls regarding emergencies (which should be directed to the EDC) or making complaints to the Commission, that all customer service inquiries should be directed to the supplier.

**5. Would a blocking mechanism to prevent switching by customers who have made payment arrangements with the EGS be permitted under the Public Utility Code and Commission regulations, and prudent from a public policy perspective?**

No Response.

**6. What consumer protections, if any, should be implemented by an EGS if a blocking mechanism is permitted?**

No Response.

**7. What steps should EGSs take to ensure proper accounting for value-added service (VAS) charges pursuant to Chapter 56 of the Commission's regulations, 52 Pa. Code §§ 56.23, 56.24, including allocation of customer payments to accounts with past due balances? Does the Commission have authority under the Public Utility Code to require an EGS to follow these regulations with respect to accounting for VAS charges? Should procedures be put in place to ensure that nonpayment of VAS not lead to termination of service? If so, what procedures should be implemented?**

If a consumer is in danger of being terminated for nonpayment and the consumer is enrolled to receive a value-added service as part of its agreement with the supplier, the value-added service agreement should be suspended and the customer enrolled in a commodity-only agreement to preserve the consumer's ability to continue to receive commodity service to the extent it endeavors in good faith to pay its bill. This is in the best interest of the supplier and the consumer.

NEM is, however, concerned about the suggestion related to an EGS accounting requirement for value-added services. It seems it would have the potential to institute something akin to EGS tariffs, which would thwart the innovation that SCB is intended to spur. Additionally, when the supplier is bundling value-added services with commodity, that product “bundling” typically allows the supplier to offer the package of services at a rate that is lower than if the component parts were purchased by the consumer on an individual basis.

### **LOW-INCOME CUSTOMERS / ASSISTANCE PROGRAMS**

**1. Should EGSs offering SCB be permitted to include LIHEAP and CAP customers? If so, how would SCB and these programs interact, especially with regard to customer notification and education?**

LIHEAP and CAP customers should have equal access and ability to shop for competitive energy products and services. EGS compliance with service regulations related to service to these customers is, of course, critical. To the extent that the EDCs already manage, track and process these types of programs, it seems reasonable to continue in the same manner; the primary difference will be that the EDC will transmit credits and other relevant information to the customer’s supplier so that the customer’s account and invoices can be updated. In cases where such programs require the direct involvement of the supplier, the supplier can be expected to interact with the assistance provider and others who help customers with their bills in much the same way as the EDCs currently do. In order to perform this role properly and appropriately manage the compliance risk, suppliers should have access to utility data that identifies customers in special needs groups.

- 2. If EGSs offering SCB are permitted to include LIHEAP and CAP customers, how would these programs interact and what changes (statutory, regulatory and programmatic) would be necessary?**

See Response to Question 1 above.

- 3. How would EGSs ensure that programs to assist low-income customers remain in place in accordance with the policy established in 66 Pa. C.S. § 2802(17) (relating to declaration of policy)?**

Section 2802(17) sets forth policy that public purpose costs, such as those for low income assistance programs, be recovered through a nonbypassable rate mechanism. EDCs would need to communicate the nonbypassable charge, as with its other delivery rate information, through an EDI transaction to the EGS for collection on the supplier consolidated bill.

- 4. How would EGS-implementation of SCB affect existing universal service billing procedures?**

The principle manner in which universal service billing procedures would be affected is that suppliers must be provided with utility data necessary to identify those customers and properly bill them. Electronic transactions between the utility and supplier will be need to be utilized to share information for the calculation of bill credits and payments for those customers.

- 5. Would an EGS with SCB have an obligation to answer or refer to the EDC questions regarding low-income programs and to educate customers on the options and programs available?**

The EGS with SCB must be compliant with Commission regulations pertaining to service to low income customers, including determinations the Commission may make about educating low income customers about available programs and options.

## **POSSIBLE ALTERNATIVES**

- 1. Changes to utility consolidated billing (UCB) to allow for additional flexibility needed to bill for smart-meter related services like Time-of-Use (TOU) and the addition of charges for EGS value-added services.**

Changes to UCB to allow for billing of TOU rates and value-added services is not a workable solution. ESCO products are complex and change on a dynamic basis. The cumbersome process to change utility billing systems simply cannot accommodate all of the varied EGS products as well as future “to be developed” products. Moreover, retaining the utility as the billing provider injects too much regulatory interference in competitively designed products. In essence, it limits the universe of EGS products to those which the utility is willing to accommodate and will deter or prevent development of new products by EGSs.

- 2. Unbundling of billing services. Possible models include providing open, non-discriminatory access to the EDC’s billing system to EGSs and other billing entities at tariffed prices. What other unbundling models are possible?**

As a general matter, if the functionality does not now exist in the utility billing system to accommodate diverse supplier offerings, it is unclear how providing open access to that system would materially improve EGS’ ability to offer more innovative products.

- 3. Unbundling of other related and specified services.**

Unbundling of competitive services from utility delivery rates is critical to providing consumers with transparent rate information that they can use to shop for those services. Unbundling of competitive services will enhance the competitive marketplace, as will the availability of the SCB option. These solutions reinforce (not replace) each other.

**4. Allowance of third-party billing agents, such as EGSs, or an independent billing agent in place of UCB or SCB.**

Additional detail is required as to what is contemplated by this alternative. In general, billing is a competitive function and can be performed by a third-party billing agent, such as an EGS, or independent billing agent. The third-party billing agent or independent agent would be required to comply with applicable billing service regulations. It is unclear why this proposal would be construed as offering benefits superior to SCB.

**Conclusion**

NEM appreciates this opportunity to offer its comments in support of the approval and implementation of a supplier consolidated billing option in Pennsylvania.

Sincerely,

A handwritten signature in blue ink, appearing to read "Craig Goodman", with a long horizontal flourish extending to the right.

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