

**STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION**

**Proceeding on Motion of the Commission to** )  
**Assess Certain Aspects of the Residential and** ) **Case 12-M-0476**  
**Small Non-Residential Retail Energy Markets in** )  
**New York State** )

**In the Matter of Retail Access Business Rules** ) **Case 98-M-1343**

**In the Matter of Electronic Data Interchange** ) **Case 98-M-0667**

**COMMENTS OF THE  
NATIONAL ENERGY MARKETERS ASSOCIATION**

The National Energy Marketers Association (NEM)<sup>1</sup> hereby submits comments on the DPS Staff Report Regarding Accelerated Switching of Commodity Providers for All Customer Classes filed on October 17, 2014, pursuant to the Notice of Staff Report issued on the same date. Staff originally filed a proposal on July 28, 2014, in which it proposed to modify the UBP to accommodate the accelerate switching of commodity providers for consumers. Staff's original proposal would allow a consumer to switch to a different provider within five business days of the date the consumer agreed to the switch, and the switch could occur off-cycle. After the conclusion of two technical conferences, Staff submitted a revised proposal. The significantly limited revised proposal would change the switching process for residential consumers so that the three day cancellation period would run concurrently with the ESCO and utility switching processes (whereas now the cancellation period runs prior). For changes in electric supplier,

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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.

Staff proposes that the switch occur on the next scheduled meter read date so long as the enrollment request is received by the utility at least five business days before the scheduled meter read date (reduced from fifteen days). Staff proposes that stakeholder discussions continue with respect to off-cycle switching and an accelerated switching process for natural gas consumers.

NEM supports the implementation of accelerated switching processes as it will enhance the consumer shopping experience and mitigate consumer exposure to price spike events such as occurred this past winter. NEM submits that Staff's original proposal, despite the technical difficulties claimed in its implementation, would have best-served New York consumers. We suggest that the revised proposal serve as a starting point toward achievement of a robust accelerated switching process such as was originally recommended by Staff (switch effectuated in five business days, available for off-cycle switching, applicable to electric and natural gas consumers).

Consumers have historically been confused and dissatisfied by the prolonged delay in the switching process when they shop for energy, an outlier in our digital society where most transactions can be accomplished in minutes, if not instantaneously, and often effectuated with a few keystrokes on a smart phone or computer. The conditions of this past winter have served to highlight the importance of effectuating timely customer switching to the supplier of their choice. Staff has proposed to address this issue by shortening the switching period for residential electricity and gas customers by allowing the three day cancellation period to run concurrently with the ESCO and utility switching processes, and for electric customers only, requiring utility processing of enrollment requests received five days (reduced from fifteen days) before the scheduled meter read date. While sub-optimal in comparison with Staff's original

recommendation, the revised proposal is in the public interest because it will allow consumers to exercise their choices in a more timely fashion.

An accelerated switching process will positively enhance the consumer energy shopping experience in general. However, under the conditions that were experienced this winter, it will specifically aid consumers faced with increasing variable rates to switch to a different supplier (competitive or regulated) that can offer them a more desirable product on a more expeditious basis so they do not continue to incur charges at the higher rate. The Pennsylvania Public Utility Commission recently adopted an accelerated switching timeline of three business days for electric choice customers,<sup>2</sup> premised on the need to provide consumers with a faster timeframe within which they can avail themselves of more competitive rates, particularly under market conditions such as those that were just experienced. NEM recommends that the Commission adopt the accelerated switching process as proposed by Staff for implementation by the utilities as soon as is practicable as an initial step toward achievement of a truly accelerated switching process (switch effectuated in five business days, available for off-cycle switching, applicable to electric and natural gas consumers) as had originally been proposed by Staff.

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<sup>2</sup>Pennsylvania PUC Docket L-2014-2409383, Order, issued April 3, 2014. The Pennsylvania PUC reasoned that accelerating the switching process will, “allow customers to more quickly and easily switch electric suppliers, which will allow customers to more fully realize the benefits of a fully functioning retail market through quicker and easier access to a more favorable retail rate. These changes will also allow customers to avoid being trapped on unfavorable and volatile rate plans as many were this past winter. Furthermore, these changes will advance competition in the retail market as EGSs will need to respond more quickly to customer concerns or risk losing them to more agile competitors.” (Order at 34).

## Conclusion

NEM appreciates this opportunity to offer comments in support of the implementation of an accelerated switching process, beginning with the measures identified in Staff's revised proposal, and transitioning to a robust accelerated switching process for both electric and natural gas consumers.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Goodman". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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