

DUQUESNE LIGHT STATEMENT NO. 5

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition Of Duquesne Light Company :
For Approval Of Default Service Plan : **Docket No. P-2016-_____**
For The Period June 1, 2017 Through :
May 31, 2021 :

**DIRECT TESTIMONY OF
MARCIE MORRISON**

Dated: May 2, 2016

1 **I. INTRODUCTION**

2 **Q. Please state your full name, business affiliation and address.**

3 A. My name is Marcie Morrison. I am the Interim Director of Customer Engagement for
4 Duquesne Light Company ("Duquesne Light" or the "Company"). My business address
5 is 411 Seventh Avenue MD 15-1, Pittsburgh, PA 15219.

6
7 **Q. Please describe your professional and educational background.**

8 A. I graduated from LaRoche College with a Bachelor of Science degree in Management
9 and Administration, Minor in Customer Information Systems. I have experience in
10 Utility Management (Process Improvement, IT, Quality Assurance, Call Center, Billing,
11 and Project Management). Prior to joining Duquesne Light, I had more than 15 years of
12 experience in the utility industry working for Equitable Gas and Peoples Natural Gas
13 Companies. I have previously held positions of Senior Lead Application Analyst,
14 Manager, Process Improvement, Quality Assurance Technical Project Manager and
15 Senior Systems Analyst.

16
17 **Q. Please describe your current responsibilities as Interim Director of Customer
18 Engagement.**

19 A. My overall responsibilities are to develop and establish policies, procedures and
20 programs for providing customer service to the Company's 588,000 customers. As
21 Interim Director of Customer Engagement, I am responsible for the relationships with
22 residential, commercial and industrial customers. Customer programs such as

1 Energy Efficiency and Demand Response are also included as part of my Customer
2 Engagement responsibilities.

3
4 **Q. What is the purpose of your Direct Testimony?**

5 A. The purpose of my testimony is threefold. First, I describe the Company's Customer
6 Choice Communication Program. Next, I provide an overview of the Company's
7 Standard Offer Customer Referral Program, and finally, I provide an overview of the
8 Company's proposal for Customer Assistance Program ("CAP") portability.

9
10 **Q. Are you sponsoring any exhibits as part of your Direct Testimony?**

11 A. Yes, I am sponsoring two exhibits:

- 12 • Exhibit MM – 1 is a copy of the customer choice section of the new Mover Packet
- 13 • Exhibit MM – 2 is a copy of the "Take Charge of Your Electric Bill" PUC
14 Publication.

15
16 **Q. Were these exhibits all prepared by you or under your supervision?**

17 A. Yes, all of the above referenced exhibits were prepared by me or under my supervision.
18

19 **II. CUSTOMER CHOICE COMMUNICATION PROGRAM**

20 **Q. Can you please provide an overview of how the Company educates customers about
21 shopping?**

22 A. Yes. As part of its eighth default service plan ("DSP VIII" or "Plan") covering the
23 June 1, 2017 through May 31, 2021 period, Duquesne Light plans to promote electric

1 choice to customers in its service territory utilizing the following communication
2 avenues:

- 3 • Online, via its website
- 4 • “New Mover Packet”
- 5 • Interactive voice response (IVR) phone system, and
- 6 • Watt Choices staffed events.

7
8 **Q. Describe how Duquesne Light educates customers about shopping on its website?**

9 A. Duquesne Light promotes electric choice on its website, www.DuquesneLight.com, in a
10 number of ways. Customers can access a wide range of electric choice information,
11 including several direct links to www.PAPowerSwitch.com, currently located under the
12 Customer Service tab located on the “For Your Home” page. Duquesne Light is
13 launching a new website, and the electric choice information will be found under the
14 Customer Service tab located on the home page. Here, customers can learn about electric
15 choice, how to participate, Price-to-Compare (“PTC”) information, selecting a supplier,
16 accelerated switching, and view frequently asked questions (“FAQs”). The FAQs cover
17 topics such as supplier information, PTC, changing suppliers, billing information,
18 slamming, restructuring, energy assistance, renewable resources, metering and customer
19 service.

20
21 **Q. Describe how Duquesne Light educates customers about shopping through the new**
22 **mover information packet.**

1 A. In order to advise new customers and a subset of moving customers of their
2 opportunity to participate in customer choice, Duquesne Light promotes shopping
3 via its “New Mover Packet.” This packet contains a variety of useful information
4 for new customers including a section on customer choice. The customer choice
5 section reinforces that electric customers in Pennsylvania have the option to choose
6 their electric supplier and that EGSs may offer lower prices. It refers customers to
7 both the Pennsylvania Public Utility Commission's (“Commission”) website,
8 www.PAPowerSwitch.com, and the Office of Consumer Advocate’s (“OCA”)
9 electric shopping guide at www.oca.state.pa.us. Phone numbers for both the
10 Commission and the OCA are provided. Lastly, it reminds customers that no matter
11 whom they buy their power from, the reliability and quality of their local
12 distribution service will not change. Approximately 50,000 “New Mover Packets”
13 are distributed annually. Exhibit MM - 1 is a copy of the material sent to new
14 customers via the new Mover Packet.

15
16 **Q. Describe how Duquesne Light educates customers about shopping through its IVR
17 phone system.**

18 A. Duquesne Light includes in its IVR system a selection to advise customers of their
19 opportunity to choose a supplier and refers them to www.PAPowerSwitch.com.
20 Residential customers contacting the Company to initiate or move electric service, to
21 discuss choice questions, or to resolve high bill concerns will hear the IVR customer
22 choice referral.

23

1 **Q. Describe how Duquesne Light educates customers about shopping through its Watt**
2 **Choices Energy Efficiency and Conservation Program.**

3 A. Watt Choices is the Company’s energy efficiency program. Watt Choices is
4 visible at community events promoting various residential energy efficiency
5 programs. At these events, energy efficiency program material is available for
6 customers to take home. Because of the increase in questions regarding suppliers
7 and customer choice, the Take Charge of Your Electric Bill PA Power Switch
8 brochure is included as take home material at these events. The brochure directs
9 customers to the Commission's website, helping them make an informed decision
10 concerning supplier shopping. Exhibit MM – 2 is a copy of the “Take Charge of
11 Your Electric Bill” PUC Publication included at the Watt Choices table events.

12
13 **Q. Which customers can be reached by the Company’s education efforts?**

14 A. Duquesne Light’s customer choice communications are available to all
15 customers. Specific communications vary by customer segment. The Company’s
16 website is accessible to all customers and the general public. Residential and
17 Commercial & Industrial customers can obtain customer choice information on
18 the “For Your Home” and “For Your Business” sections. The “New Mover
19 Packet” is mailed to new residential customers and existing residential customers
20 who have moved within the service territory after residing in the same address for
21 at least two years. The IVR reaches residential customers who contact Duquesne
22 Light to initiate or move service, discuss customer choice, or resolve a high bill
23 complaint. Watt Choices communications related to customer choice reaches primarily

1 residential customers, including low income customers, who attend events throughout
2 the year.

3
4 **III. STANDARD OFFER CUSTOMER REFERRAL PROGRAM**

5 **Q. Please provide an overview of the Company's current SOP.**

6 A. The Company's current Standard Offer Program ("SOP") targets non-shopping
7 residential and Small C&I customers who contact the Company with four types of calls.
8 Specifically, customers who contact the Company: 1) to initiate or move service, 2) to
9 discuss choice questions, 3) to resolve high bill concerns, or 4) to inquire about the
10 SOP are provided information regarding participation in the Company's SOP. After the
11 customer's specific inquiry has been resolved, Duquesne Light's customer service
12 representative ("CSR") promotes the SOP utilizing an established script. When the
13 customer indicates that he/she is interested in participating in the SOP, he/she is
14 transferred to a participating EGS for program details and enrollment.

15
16 **Q. Why does Duquesne Light's SOP require EGSs to enroll SOP customers?**

17 A. In the DSP VII proceeding, Duquesne Light and the Parties agreed to conduct a
18 collaborative with interested Parties to consider changes to the Company's existing
19 SOP, including, among other things, the use of a third party to enroll customers or
20 other means to improve customer enrollments. The Company held a collaborative to
21 gain stakeholder input on the Company's existing SOP. The outcome of the
22 collaborative was that the existing program was cost effective, and the Parties

1 agreed to keep the existing SOP structure in place with the Company sending
2 interested customers directly to the EGS for enrollment.

3
4 **Q. What are the benefits of the Company's SOP?**

5 A. The SOP benefits customers by offering customers a price 7% below the current PTC
6 and introducing new customers to shopping. An important benefit of Duquesne Light's
7 SOP is the low costs for EGSs to participate. The customer acquisition fee paid by
8 participating EGSs is currently \$10.28 per enrollment. The Company's existing SOP
9 avoids the costs of paying a third party to enroll customers, maintains a reasonable cost
10 for EGSs, and avoids charging any cost for the program to customers.

11
12 **Q. What disclosures are provided to customers concerning price charges under the**
13 **SOP?**

14 A. In the Company's DSP VII case, the parties agreed through Settlement to adjust the SOP
15 script provided to each eligible customer. The current script is: "I see you are eligible for
16 the voluntary Standard Offer program, which provides a price for generation service from
17 a supplier for 12 months that is 7% off Duquesne Light's current price to compare. Please
18 note that our price to compare is adjusted to reflect market prices twice a year on Dec. 1
19 and June 1. As a result, while your Standard Offer rate will remain fixed, your
20 overall savings will vary as our Price to Compare changes. Your Standard Offer Rate
21 may be higher or lower than the next Price to Compare. If you are interested in the
22 Standard Offer Program, I will transfer you to a supplier who is participating for more
23 information. Customers who enroll are free to leave the Standard Offer Program at any

1 time during the 12 months, and return to Duquesne Light's default service or another
2 EGS, with no termination/cancellation fee imposed”.

3
4 **Q. Describe the results of the SOP to date.**

5 A. Since the program’s inception, August 16, 2013 through March 2016, Duquesne Light
6 had 21,738 residential referrals and 17,037 residential enrollments for a 78% referral-to-
7 enrollment rate. For the same period, the Company had 554 small commercial referrals
8 and 463 small commercial enrollments for an 84% referral-to-enrollment rate. The
9 Company has consistently had four participating EGSs for the residential customer class
10 and one EGS for the small commercial customer class.

11
12 **Q. Is the Company proposing to maintain its current customer acquisition fee?**

13 A. Yes, Duquesne Light is proposing to maintain the \$10.28 customer acquisition fee. The
14 Company proposes to keep the customer acquisition fee at \$10.28 for the duration of
15 Default Service Plan VIII. The expenses associated with the SOP are CSR training,
16 reporting and minor IT updates to the SOP enrollment tool as EGSs enter and leave the
17 offering.

18
19 **IV. CAP CUSTOMER SHOPPING**

20 **Q. Please explain the Company’s position with respect to CAP customer shopping.**

21 A. The Company will support the extension of shopping to CAP customers under certain
22 customer protections and conditions. First, CAP customers that shop should be provided
23 protections from increased bills resulting from shopping and variable rate contracts.

1 Second, any CAP shopping plan must determine how customer protections will be
2 implemented, and reported, whether the protections and associated costs are the
3 responsibility of the EGS or the EDC, and provide sufficient time for process and system
4 implementation and customer education. If these protections are adopted and
5 implemented, the customer CAP credit will be applied to the distribution, generation and
6 transmission portion of the bill in the same manner for CAP shopping customers as it is
7 for CAP customers receiving default service. All CAP customers will be billed at the
8 percentage of their budget billing amount based on their percentage of income as defined
9 in the Company's most recent PUC approved Universal Services Plan.

10
11 **Q. Why does the Company support protections for CAP shopping?**

12 A. The CAP program is designed to provide an opportunity for low income customers to
13 avoid termination of service for nonpayment. If CAP customers' bills are increased, the
14 CAP credit will not be sufficient, customers will not be able to pay and will face
15 termination of service.

16
17 **Q. Will Duquesne Light provide education specifically designed for CAP customers
18 regarding the opportunity to shop for electric generation?**

19 A. Yes, Duquesne Light proposes to conduct a CAP customer education plan once the
20 protections for CAP customers have been finalized and implemented. The proposed plan
21 will include specific information about the CAP program benefits and pricing,
22 information about the PTC, shopping components (including cancellation fees), and any
23 further information that will provide CAP customers with details to make informed

1 decisions concerning shopping. The Company proposes to utilize direct mailing, website,
2 bill inserts, the Company's customer service representatives, community-based
3 organizations, and CAP agencies to disseminate information to CAP customers.

4
5 **Q. What are the expected costs for the CAP customer education plan?**

6 A. The Company expects the costs for the education plan, including materials and
7 notification letter, to be approximately \$200,000 per year of this default plan.

8
9 **Q. How will the Company recover the costs of the education plan?**

10 A. The Company's current tariff allows for these costs to be recovered through Retail
11 Market Enhancements.

12
13 **V. CONCLUSION**

14 **Q. Does this conclude your Direct Testimony at this time?**

15 A. Yes.

VERIFICATION

I, Marcie L. Morrison, Interim Director, Customer Engagement for Duquesne Light Company ("Duquesne Light"), hereby state that the testimony set forth in Duquesne Light Statement No. 5 is true and correct to the best of my knowledge, information and belief, and that if asked orally at a hearing on this matter, my answers would be as set forth herein.

I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.



Date: April 29, 2016

Marcie L. Morrison, Interim Director, Customer
Engagement

The Pennsylvania **ELECTRIC CHOICE PROGRAM**

Pennsylvania residents have the option to choose the company that generates their electricity. Choosing an alternative supplier for generation service may save you money, but the choice is yours. Duquesne Light will continue to deliver electricity to you even if you switch to another generation supplier.



PAPowerSwitch.com is the Public Utility Commission's website to help consumers shop for power suppliers. When you click on "Shop for Electricity" and plug in your ZIP code, the site will give you a list of suppliers, a comparison of their offers, and much more. If you don't have access to the Internet, you can call the PUC at 1-800-692-7380.

The website of the Pennsylvania Office of the Consumer Advocate, www.oca.state.pa.us, is another good source of information. There you will find a free online guide that provides "apples to apples" comparisons for alternative energy suppliers in each utility's service area in the state, including Duquesne Light's. You also can call 1-800-684-6560 for information.

The Price to Compare (PTC), measured in cents per kilowatt-hour, is used to compare prices and potential savings among generation suppliers. The PTC, which can be found at the bottom of Page 3 of your Duquesne Light bill, tells you how much you are paying for your supply and transmission charges.

CHOOSING A SUPPLIER

On PAPowerSwitch.com, you can narrow your search for an electric supplier by choosing the services and features that matter most.

- Filter by fixed or variable term
- Choose your term length
- Find suppliers who offer discounts and incentives
- Review each supplier's terms & conditions before you make a selection



SHOP

It's easy to lower your energy costs or find the services you need.

1. Visit PAPowerSwitch.com on your desktop, tablet or phone.
2. Enter your zip code to find the suppliers who are making offers and the "price to compare." A usage calculator translates your kilowatt hours from your electric bill into savings.



SWITCH

Once you choose a supplier, you can switch by calling the electric supplier or by signing up through the supplier's website. Your new supplier will notify your electric utility of the change. The electric utility will then contact you by mail to confirm the change.



SAVE

Shopping for a new electric supplier can help you lower your energy rate. PAPowerSwitch.com also helps you learn more about steps you can take to make your home more energy-efficient.

RIGHTS AND PROTECTIONS in the competitive energy marketplace

You have the right to:

- Receive a "price to compare" from both the utility and competitive supplier
- Access new services, technological advances, improved efficiency and competitive prices
- Be protected from unfair, deceptive, fraudulent and anti-competitive practices
- Expect the same quality and maintenance of your electric distribution service, as monitored by the PUC
- Receive unbiased, accurate, easy-to-understand information to help shop for power

Take steps to protect yourself.

1. Always read and understand your contract's disclosure statement and the terms and conditions of your contract.
2. Contact your supplier if you're concerned it isn't acting in good faith.
3. If the supplier doesn't resolve your concerns, contact the PUC to file an informal complaint.

TAKE CHARGE OF YOUR ELECTRIC BILL.



Contact the Pennsylvania Public Utility Commission at 1-800-692-7380.

TAKE CHARGE OF YOUR BILL
AT PAPOWERSWITCH.COM



FOLLOW US ON



In Pennsylvania, you have the power to switch your electric supplier and gain greater control over your electric bill. You can switch to the supplier who offers the lowest price, or choose a supplier who provides a specific service you want, such as **green/renewable energy**.