

THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE RESOLUTION

No. 711 Session of 2010

INTRODUCED BY BOBACK, BAKER, BEYER, BISHOP, CALTAGIRONE,  
D. COSTA, DAY, FAIRCHILD, GINGRICH, GRELL, GROVE, HARKINS,  
HELM, HORNAMAN, MAJOR, MARSICO, MILLARD, MURT, PICKETT,  
READSHAW, REICHLEY, SAYLOR, SIPTROTH, SONNEY, STERN, SWANGER,  
WANSACZ, YOUNGBLOOD AND YUDICHAK, MARCH 24, 2010

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 24, 2010

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to  
2 undertake a study and analysis of the availability of  
3 competitive electric generation suppliers in the service  
4 territories of electric utilities where electric generation  
5 rate caps have previously expired in this Commonwealth.

6 WHEREAS, The General Assembly enacted the Electricity  
7 Generation Customer Choice and Competition Act, 66 Pa.C.S. Ch.  
8 28, on December 3, 1996; and

9 WHEREAS, The intended purpose of this law was to foster  
10 competition in the generation and retail sale of electricity;  
11 and

12 WHEREAS, Among other things, it is the declared policy of the  
13 Electricity Generation Customer Choice and Competition Act that:

14 (1) the cost of electricity is an important factor in  
15 decisions made by businesses concerning locating, expanding  
16 and retaining facilities in this Commonwealth; and

17 (2) electric service is essential to the health and  
18 well-being of residents, to public safety and to orderly

economic development, and electric service should be available to all customers on reasonable terms and conditions;

and

WHEREAS, It is further the declared policy of the law that the Commonwealth must begin the transition from regulation to greater competition in the electricity generation market to benefit all classes of customers and to protect the Commonwealth's ability to compete in the international and national marketplace for industry and jobs; and

WHEREAS, The General Assembly intended through the Electricity Generation Customer Choice and Competition Act that all classes of customers in each electric distribution territory be given an opportunity to choose a competitive electric generation supplier; and

WHEREAS, In certain electric distribution service territories, electric retail choice has been realized through a variety of competitive electric supply offerings by electric generation suppliers; and

WHEREAS, In other electric distribution territories, electric retail choice, particularly for residential customers, has not been realized; and

WHEREAS, In those electric service territories where there are competitive offerings, all classes of customers are able to select an electric generation supplier resulting in more favorable pricing opportunities and other renewable energy promotions; and

WHEREAS, In the absence of competitive electric generation suppliers, electric customers may only be left with the option of receiving default service from their electric distribution

1 company; and

2 WHEREAS, The General Assembly has a sincere interest in  
3 promoting competitive electric rates and allowing customers to  
4 elect to purchase electricity supply from whatever sources the  
5 customer may so choose; therefore be it

6 RESOLVED, That the Legislative Budget and Finance Committee  
7 be directed to undertake a review and analysis of the  
8 availability of electric generation supply offerings in each of  
9 the electric distribution territories where the generation rate  
10 caps have already expired; and be it further

11 RESOLVED, That the Legislative Budget and Finance Committee  
12 specifically produce all of the following:

13 (1) an examination of the general manner in which the  
14 transition to market-based electric rates was accomplished  
15 within these service territories;

16 (2) a determination of how customer rates have been  
17 affected within the electric service territories where  
18 electric generation rate caps have expired;

19 (3) an analysis of how market competition has or has not  
20 developed among electric generation suppliers within the  
21 service territories where electric generation rate caps have  
22 expired;

23 (4) a review of competitive electric generation supplier  
24 offerings within the service territories where electric  
25 generation rate caps have expired, including a specific  
26 review of offerings made to each electric customer class;  
27 and be it further

28 RESOLVED, That the Legislative Budget and Finance Committee  
29 issue recommendations to the General Assembly regarding measures  
30 that may be taken to further foster competition and promote more

1 electric generation supplier offerings in every electric  
2 distribution service territory in this Commonwealth; and be it  
3 further

4 RESOLVED, That the Legislative Budget and Finance Committee  
5 proceed expeditiously and with diligence to consider these  
6 important matters, given that the electric generation rate caps  
7 will be expiring for the remaining areas of Pennsylvania on  
8 December 31, 2010; and be it further

9 RESOLVED, That the Legislative Budget and Finance Committee  
10 consult with the following entities in discharging its  
11 responsibilities:

12 (1) the Pennsylvania Public Utility Commission;

13 (2) individuals representing electric generation  
14 companies with an affiliate owning generation that was  
15 formerly subject to cost-of-service regulation under a  
16 subsidiary of the same parent company;

17 (3) individuals representing electric generation  
18 companies without an affiliate owning generation that was  
19 formerly subject to cost-of-service regulation under a  
20 subsidiary of the same parent company;

21 (4) each electric distribution company in this  
22 Commonwealth;

23 (5) the Retail Electric Supply Association;

24 (6) the Electric Power Generation Association;

25 (7) the Office of Consumer Advocate;

26 (8) the Office of Small Business Advocate;

27 (9) any other organization or entity that may be of  
28 assistance;

29 and be it further

30 RESOLVED, That the Legislative Budget and Finance Committee

1 complete its work no later than December 31, 2010.