

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission, on its) Application No. NG-102/PI-225
Motion seeking to review policies and)
practices relating to the administration of) PROGRESSION ORDER #5
customer choice programs for natural gas)
service offered within the State of Nebraska.) Entered: April 26, 2022
)

COMMENTS OF PUBLIC ALLIANCE FOR COMMUNITY ENERGY (ACE)

The Public Alliance for Community Energy (ACE) is the retail natural gas supply organization of NMPP Energy. ACE, a Nebraska Interlocal agency, was formed in 1998 by a group of communities to compete in the Choice Gas program and today is 74 communities strong. As a Nebraska-based supplier, ACE has participated in every year of the Nebraska Choice Gas program. ACE is a recognized Competitive Natural Gas Provider under the Nebraska Public Service Commission rules and directives.

ACE was created with three goals in mind: lower rates for all consumers through competition, advocacy for the consumers by keeping abreast of issues that impact ratepayers' gas bills and a potential direct benefit to communities through a revenue return program. Since its beginning, ACE has worked tirelessly to meet these goals. ACE appreciates the Commission's interest in the Choice Gas Program. By seeking input from the administrator and participating suppliers, the program can be improved to benefit all parties, including the administrator, suppliers, and most importantly, the ratepayers.

ACE Comments

1. **2022 Selection Period**

In general, the 2022 Choice Gas two-week Selection Period ran smoothly. The decision to reduce the selection period to three weeks from 2021's five-week selection was a positive one based on comments from customers who indicated they appreciated not being inundated with marketing materials from multiple suppliers for such an extended period of time. The shortened timeframe also reduced overhead costs for all suppliers and the program administrator while still allowing more than adequate time for customers to make an informed decision on their choice of supplier. ACE would advocate for a return to the long-standing two-week selection period in place for over 20 years prior to changes made in 2021 and 2022. Two weeks is adequate time for consumers to make a choice and longer periods subject Choice Gas customers to further onslaught of marketing materials via mail, email, text messages and phone calls.

ACE would also advocate for the elimination of phone calls and text messages unless customers directly opt in to receive these types of marketing. Based on surveys conducted by Black Hills Energy, this method of marketing is considered to be the most intrusive.

2. **Timeframe for rollover rates to be set**

Each year, the Choice Gas Administrator establishes a timeframe for various activities within the Choice Gas Program to occur. There is generally good communication between the Administrator and Suppliers to coordinate these activities on a timely basis. One concerning item on the timeline though is the limited amount of time suppliers have to establish rates for rollover customers, i.e., rates for customers who do not actively choose a supplier during the selection period and roll over to their previous supplier.

For the 2022 selection period, ACE's file of rollover customers was received just before noon on Friday, May 6, 2022, in accordance with the administrator's timeline of activity. Per the timeline, rollover rates were to be available to rollover customers on Tuesday, May 10, 2022. While on paper, four days may seem adequate for this to occur, with the file received at noon on a Friday this simply wasn't sufficient. Projected gas supply needs of those customers must be compiled and analyzed before gas can be procured. Little time remained on Friday afternoon leaving only Monday to secure those needs. Particularly this year, that timeframe occurred during a very volatile market period and with only one day to hedge that load, did not serve customers well. ACE would advocate for at least a week to 10 days to establish pricing for rollover customers.