

BEFORE THE PUBLIC SERVICE COMMISSION OF NEBRASKA

In the Matter of the Commission, on its own motion, seeking to review policies and practices relating to the administration of customer choice programs for natural gas services offered within the State of Nebraska.)
) **Application No. NG-102 /PI-225**
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COMMENTS OF CONSTELLATION NEWENERGY – GAS DIVISION, LLC

On August 6, 2019 the Nebraska Public Service Commission (“Commission”) opened a docket to gather information regarding customer choice programs for natural gas service as well as to review the administration of such programs offered within the State of Nebraska (“Choice program”). In this docket, the Commission has previously requested comments on occasion as well as conducted two workshops on various topics. More recently, on March 30, 2021, the Commission issued Progression Order No. 4 which, in the interest of continuing discussion on the Nebraska Black Hills Energy Choice program, scheduled a June 22, 2021 workshop and, while not soliciting written comments in advance of the that workshop, provided those parties who wanted to submit written comments prior to the June workshop, the opportunity to do so one week in advance. Constellation NewEnergy – Gas Division, LLC (“CNEG”), as a certificated competitive natural gas provider (“CNGP”) in the Nebraska Choice program, submitted comments when previously solicited and was actively engaged in the prior workshops. CNEG plans to attend the upcoming workshop virtually and offers these brief comments in advance of that workshop.

CNEG is a full-service provider of natural gas supply and transportation-related services to retail customers throughout North America. CNEG is one of the top three US retail natural

gas suppliers and serves gas Choice customers throughout the country. CNEG and its predecessors have successfully served residential, commercial and agricultural customers in the Nebraska Choice program since 1999.¹ CNEG looks forward to continued discussion on the Nebraska Choice program at the June 22nd workshop.

CNEG Comments

1. Customer awareness of the 2021 Selection Period

With the elimination of the pre-sign option in advance of the 2021 Selection Period, CNEG spoke to numerous customers who were unaware that they were unable to pre-sign in 2021 and were instead limited to making a selection during the 2021 Selection Period only. CNEG believes this contributed to an additional 101 Nebraska customers who rollover and do not make a valid selection during the Selection Period as compared to 2020 metrics.

Choice Program Year	Nebraska rollover ² customer count
2020	5,381
2021	5,482

CNEG recommends that next year Black Hills Energy begin to promote the Selection Period dates earlier and with greater emphasis. Potential improvements for consideration are:

¹ Additional information about CNEG can be found in the CNEG comments filed on September 13, 2019 in this proceeding.

² Customers who automatically roll over to the same supplier and price option at a price determined by the supplier that is made publicly available within 15 days after the selection period ends, i.e. customers who do not make a valid selection during the Selection Period.

- Send out notices in January and February about the program and its timeline. Use a high-impact colored envelope for notices.
- Place a banner on the Black Hills Energy website that highlights program changes and schedule.
- Send a system-wide email to all eligible customers.

2. Length of the 2021 Selection Period

If customer awareness of the Selection Period dates could be improved in the future as recommended above, CNEG believes it would then be reasonable to reduce the Selection Period from five (5) weeks to either three (3) or four (4) weeks in the future. A five (5) week Selection Period in 2021 placed significant strain on utility and supplier resources for the five (5) week period. This burden could be reduced somewhat if the length of the Selection Period was decreased. However, this recommendation is contingent upon a higher level of customer awareness of the program timeline.

3. Commercial Customer Delegation Agreements

CNEG continues to support the continued use of Delegation Agreements with commercial customers but recommends a change that could greatly improve customer satisfaction.

With elimination of Delegations Agreements for residential customers in 2021, one unfortunate consequence was that among large commercial accounts which include some meters that are classified as residential, these large commercial customers were prohibited from including all of their accounts on one Delegation Agreement. This resulted in the customer having to track down the utility Control

Number for perhaps one or two residential meters, while the Delegation Agreement was acceptable for the balance of their accounts. This resulted in a high level of customer irritation and was potentially time consuming for them.

CNEG recommends that in the future a Delegation Agreement apply to the entirety of a commercial customer's accounts even if an incidental portion of meters under that commercial account are classified as residential.

4. Choice Program Capacity Allocation

The 2021 Selection Period in Nebraska occurred March 18th to April 22nd. The Tallgrass Interstate Gas Transmission, LLC ("Tallgrass") capacity allocation release took place on April 16th which was in the midst of the Selection Period. This resulted in a significant level of customer confusion, as pricing that a customer requested on April 15th, materially changed after April 16th. This made little sense to customers and created dissatisfaction among them. Internally, it placed an inordinate amount of workload and stress on CNEG's pricing team as it was necessary to reconfigure the entire Nebraska Choice pricing model while the Selection Period was taking place. Black Hills Energy had provided CNGP's with the estimated total capacity cost increases in advance of the Selection Period; however, this estimate was in aggregate with actual costs that were materially different at certain delivery locations which contributed to customer frustration.

CNEG recommends that in the future capacity release happens in advance of the Selection Period dates. This will mitigate customer confusion and irritation, as well as reduce the chance for error associated with the release.

5. Choice Program Data Availability

Black Hills Energy provides system wide customer data to assist CNGP's in making valid offers to individual Choice program customers. This data is extremely valuable but is currently only provided through spreadsheet exchange via email when the Selection Period takes place.

CNEG recommends that in the future this data be provided throughout the year electronically via Electronic Data Interchange ("EDI") or Web Scape to increase efficiency of the process and to improve CNGP access to accurate information that remains current with customer enrollment and switching activity.

Thank you for the opportunity to further comment on the Black Hills Energy Choice program. CNEG looks forward to participating in the upcoming Choice workshop on June 22nd.

Date: June 15, 2021