

State of Illinois

Illinois Commerce Commission

Illinois Commerce Commission)	
On its own motion)	
)	
Proceeding to monitor the ongoing)	Docket No. 03-0056
Development of the marketplace for)	
Commonwealth Edison Customers)	

**Staff of the Illinois Commerce Commission’s reply to
Rebuttal Comments of the RES Coalition**

The staff of the Illinois Commerce Commission (“Staff” and “Commission”) replies to the Rebuttal Comments of the RES Coalition (“RES Coalition Rebuttal), filed by MidAmerican Energy Company, Blackhawk Energy Services, L.L.C, Constellation New Energy, Inc., and Peoples Energy Services Corporation as the Retail Electric Suppliers Coalition (“RES Coalition”).

Termination of reporting requirements at end of transition period

Like Commonwealth Edison Company (“ComEd”), the RES Coalition argues that the end of the Public Utilities Act’s mandatory transition period for retail electric services may introduce market changes that increase the appeal of competitive choice for these services . (RES Coalition’s Rebuttal, page 1). As the Staff of the Illinois Commerce Commission’s Reply to Initial Comments of Commonwealth Edison (“Staff’s Reply”) already notes, while Staff agrees that the end of the transition period may make competitive options in ComEd’s service territory more attractive, Staff disagrees that these newly competitive conditions warrant the automatic end of Commission market-monitoring efforts. (Staff’s Reply, page 1.) . Staff’s Reply also reminds that the Commission, in its Order Initiating Proceeding, clearly indicates that it “intends to track the nature of the competitive market on a forward-going basis” and that the present proceeding “will serve as a forum and mechanism for the Commission’s consideration and monitoring of competitive developments.” (Staff’s Reply, page 2, citing Order Initiating Proceeding, page 1; Order Initiating Proceeding cites Interim Order in docket 02-0479 (ComEd “Rate 6L Petition”), page 78.)

Rather than eliminating reporting requirements altogether at the end of the transition period, Staff’s Reply recommends that the Commission let time eliminate certain reporting requirements as the transition period’s termination renders them irrelevant, while maintaining ComEd’s obligation to provide information relevant to, and indicative of, continued retail activity in the ComEd marketplace. (Staff’s Reply, page 2.) Although Staff’s Reply does not expressly address retail electric supplier (“RES”) reporting requirements referenced in the

RES Coalition's Rebuttal, Staff similarly favors the elimination of certain RES reporting requirements rendered irrelevant by the transition period's termination, such as the number of customers on power-purchase option assignment, as well as data items G, H, and J identified in the Commission's Interim Order in this proceeding (differentiated from its Interim Order in docket 02-0479). Although RESs need not continue reporting types of products offered, for instance, they should continue to report relevant market-monitoring information including the number of customers on direct RES supply and the duration of contracts.

As Staff's Reply notes,

The end of the mandatory transition period does not end the retail market's evolution in ComEd's service territory, nor does it eliminate concerns about market direction or the state of competition generally. Accordingly the Commission should continue to receive market information past the end of the transition period until it determines that a viable competitive environment renders formal monitoring unnecessary.

(Staff's Reply, page 3.)

Conclusion

Accordingly Staff continues to recommend – the RES Coalition's Rebuttal notwithstanding – that the Commission's data-collection and market-monitoring efforts be maintained beyond the end of the mandatory transition period. Staff recognizes that some required RES data becomes irrelevant when transition charges disappear and recommends that reporting be adjusted accordingly.

Respectfully submitted,

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