

Comments of Constellation on AEP Competitive Bid Plan

11/13/2012

Comments on AEP Presentation entitled: Second Stakeholder Workshop, Part 1 Presentation (November 8, 2012)

1. Determination of Energy Volumes – Provisions within the Competitive Bid Plan (CBP) that rely on load volumes estimated by AEP for settlement purposes should be altered to reflect settlement based on actual data. Other utilities within PJM are able to successfully settle based on actual data, and it is imperative that supplier charges be based on that actual (rather than estimated) data. Constellation requests that AEP investigate alternative settlement mechanisms, including but not limited to using the PJM Long Form Declaration of Authority to assign the energy obligation to winning bidders and structure the settlement process to include settlement against actual, rather than estimated, load.
2. Data – Constellation reiterates its request for AEP to include hourly load and customer count data for retail customers served under Governmental Aggregation Programs (see redline of AEP Bidding Rules – DRAFT).

Comments on AEP Presentation entitled: Second Stakeholder Workshop, Part 2 Presentation (November 9, 2012)

1. Load Settlement of Energy – Same as above.
2. Deviations from Duke's MSSA – Constellation supports the CBP provisions that maintain non-energy LSE obligations with AEP but requests that those obligations be spelled out in a sample PJM invoice that clearly shows which obligations rest with the winning bidder and which obligations remain with AEP.
3. Contingency Plan – Constellation does not agree with AEP's assessment that the "Step Up Process" is not in the best interest of customers and requests that the process be included in the final version of the MSSA (see redline of AEP Energy Supply Agreement - DRAFT).

Given Constellation's serious concerns with the provisions associated with settlement against estimated rather than actual load volumes, we would like to request that AEP convene a third stakeholder meeting to discuss the settlement process and any additional outstanding issues raised through the stakeholder process.

Constellation also submits redline versions of the AEP Energy Supply Agreement (DRAFT) and AEP Bidding Rules (DRAFT) that capture issues raised above and other suggestions related to the CBP documents.

Attachments:

AEP_Bidding_Rules_5_NOV_2012_DRAFT Exelon Comments.doc

AEP_Energy_Supply_Agreement_5_NOV_2012_DRAFT_Exelon Comments.doc