

A graphic of the year '2016' in large, white, 3D-style numerals with a blue outline. The numbers are centered over a collage of utility-related icons: a light bulb, a circuit breaker, a water drop, a plug, and a document with a checklist. The entire graphic is set against a solid red background.

# 2016

## Utility Consumer Activities Report and Evaluation

Pennsylvania Public Utility Commission





# **Utility Consumer Activities Report and Evaluation 2016**

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# 1. Consumer Contacts to the Bureau of Consumer Services

The Pennsylvania Public Utility Commission's Bureau of Consumer Services (BCS) began investigating and writing decisions on utility consumer complaints and service termination cases in April 1977. Since then, BCS has investigated 2,054,011 cases, which include consumer complaints and payment arrangement requests (PARs), and has received 1,651,167 opinions and requests for information (inquiries). In 2016, BCS received 159,481 contacts by consumers including 63,266 utility customer contacts that required investigation. It is important to note that BCS determined 89 percent of the 2016 customer complaints investigated and reviewed had been appropriately handled by the subject utilities before the customers brought them to the PUC.

## Case Handling

The handling of utility complaint cases is the foundation for a number of BCS's programs. The case-handling process provides an avenue through which consumers can obtain redress for errors and responses to inquiries. However, customers are required by Commission regulations to attempt to resolve problems directly with their utilities prior to filing a complaint or requesting a payment arrangement with the PUC. Although exceptions are permitted under extenuating circumstances, BCS generally handles those cases in which the utility and customer could not find a mutually satisfactory resolution to the problem.

Once a customer contacts the PUC with an informal complaint or PAR, BCS notifies the utility that a complaint or PAR has been filed. The utility sends all records concerning the complaint, including records of its contacts with the customer regarding the complaint to BCS. A BCS investigator reviews the records, interacts with both the complainant and utility as necessary, renders a decision and closes the case.

## Consumer Feedback Survey

In order to monitor its own service to consumers, BCS uses a third party to survey a sampling of customers who have contacted BCS with a utility-related problem or PAR. The purpose of the survey is to collect information from the consumer's perspective about the quality of the BCS complaint-handling service. The following table shows how consumers rate the service they received from BCS.

### Consumer Rating of BCS Service

How would you rate the service you received from the PUC (BCS)?	2015	2016
Excellent	61%	62%
Good	22%	18%
Fair	9%	11%
Poor	8%	9%

According to the survey results, 80 percent of consumers who contacted BCS in 2016 rated the BCS's service as "excellent" or "good." Appendix A presents more information about how consumers rated the service they received from BCS in 2015 and 2016. BCS management frequently reviews the findings of the consumer feedback survey and promptly investigates any negative trends to improve staff performance and ultimately customer service.

## Databases

To manage and use its complaint data effectively, BCS maintains a computer-based Consumer Services Information System (CSIS) through a contract with the Pennsylvania State University. This system enables BCS to aggregate and analyze the thousands of informal complaints that are reported to the Commission each year. In this way, BCS can address generic as well as individual problems. BCS policy analysts categorize complaints into one of 36 specific problem categories. This case information is transmitted to the CSIS database for analysis. The analysis from case information is used by BCS to generate reports to the Commission, utilities, legislators and the public. The reports present information regarding utility performance, industry trends, investigations, new policy issues and the impact of utility or Commission policy.

The majority of the data presented in this report is from CSIS. In addition, this report includes statistics from BCS's Collections Reporting System (CRS), Local Exchange Carrier Reporting System (LECRS) and Compliance Tracking System (CTS). Both the CRS (for electric and gas) and the LECRS (for telephone) provide valuable resources for measuring changes in company collection performance, including the number of residential service terminations, while CTS maintains data on the number and type of apparent infractions attributable to the major utilities.

## Distinctions Among Cases

A number of cases were removed from the analyses that appear later in this report because the cases did not fairly represent company behavior. One treatment of the data involved the removal of complaints about problems over which the Commission has no jurisdiction, information requests that did not require investigation and most cases where the customers indicated that they had not contacted the company prior to contacting the Commission.

Commercial customer contacts were also excluded from the data used in the analysis. Although BCS's regulatory authority has largely been confined to residential accounts, the Bureau handled 1,065 cases from commercial customers in 2016. Of these cases, 340 were related to loss of utility service, while the remaining 725 were consumer complaints.

With respect to the 340 commercial cases, BCS cannot make payment arrangements for those accounts. Due to its limited jurisdiction over commercial cases, BCS does not issue decisions regarding commercial disputes. Instead, Bureau investigators give commercial customers information regarding the company position or attempt to mediate a mutually acceptable agreement regarding the disputed matter. Many such cases are referred to the Office of Administrative Law Judge's Mediation Unit for Alternative Dispute Resolution where an attempt is made to mediate a resolution between the utility and its customer.

The following table shows the vast majority of cases handled by BCS in 2016 involved residential utility service. Appendix B presents a comparison of the number of residential and commercial consumer complaints and PARs for 2015 and 2016.

## Total Volume of Consumer Complaints and Payment Arrangement Requests (PARs) to BCS in 2016\*

Industry	Consumer Complaints		Payment Arrangement Requests	
	Residential	Commercial**	Residential	Commercial**
Electric	5,890	405	34,812	237
Gas	1,566	89	13,796	73
Water	714	39	3,864	26
Telephone	1,470	192	81	4
Other***	3	0	5	0
<b>Total</b>	<b>9,643</b>	<b>725</b>	<b>52,558</b>	<b>340</b>

\* This chart represents “investigated cases” only, and not those cases handled on the first call.

\*\* All cases in 2016 that involved commercial accounts were deleted from the analyses in the subsequent chapters.

\*\*\* Sewer and steam heat complaints are designated as “other” in this table and the tables that follow.

Generally, customer contacts to BCS fall into three basic categories: consumer complaints, PARs and inquiries. Consumer complaints and PARs are taken in by BCS for further investigation, while inquiries are not. BCS classifies consumer complaints as contacts regarding disputes about utilities’ actions related to billing, service delivery, repairs, etc. PARs are classified as contacts involving payment negotiations for unpaid utility service. Consumer complaints and PARs often are collectively referred to as informal complaints. Inquiries include information requests, opinions from consumers and complaints addressed on the initial call which do not require further investigation on the part of BCS.

### Consumer Complaints

Most consumer complaints regarding the electric, gas, water, sewer and steam heat industries deal with matters covered under 52 Pa. Code, Chapter 56, Standards and Billing Practices for Residential Utility Service and/or Chapter 14 of the Public Utility Code, the Responsible Utility Customer Protection Act. For the telephone industry, most of the cases found in the consumer complaint category deal with matters covered by 52 Pa. Code, Chapter 64 Standards and Billing Practices for Residential Telephone Service and Chapter 63 Telephone Service. For the most part, consumer complaints represent those customers who contacted the Commission due to the inability of the utility and the customer to reach a mutually satisfactory resolution to a dispute.

## Consumer Complaints by Industry\*

### 2015-16

Industry	2015	2016	% Change
Electric	6,859	6,295	-8%
Gas	1,923	1,655	-14%
Water	663	753	14%
Telephone	1,236	1,662	34%
Other	3	3	0%
<b>Total</b>	<b>10,684</b>	<b>10,368</b>	<b>-3%</b>

\* Table includes both residential and commercial consumer complaints.

Electric and gas utilities accounted for 61 percent and 16 percent, respectively, of all consumer complaints investigated by BCS in 2016. Water utilities accounted for 7 percent, while telephone utilities were the subject of 16 percent.

### Justified Consumer Complaints

BCS investigators issue decisions regarding consumer complaint cases. BCS policy analysts review a sampling of the cases and utility records to determine if the utility took appropriate action when handling its customer contacts. This approach focuses strictly on the regulatory aspect of the complaint and evaluates utilities negatively only where, in the judgment of BCS, the utility did not follow appropriate complaint-handling procedures or properly apply regulations. Specifically, a case is considered “justified” in the appeal to BCS if it is found that, prior to BCS intervention, the company did not comply with Commission Orders, regulations, reports, Secretarial Letters, tariffs, etc.

### Classification of Consumer Complaints

BCS has categorized the 2016 residential complaints into 14 categories for each of the electric, gas and water utilities and into 11 categories for each of the telephone utilities. The tables that show the percent of complaints in each category in 2016 appear in each industry chapter. The percentages shown in the tables are for all of the cases that residential consumers filed with BCS that were evaluated, not just the cases that are determined to be justified in coming to BCS. BCS analyzes the categories that generate complaints or problems for customers, even if the utility records indicate that the utility followed Commission procedures and guidelines in handling the complaint. BCS often discusses its findings with individual utilities so they can use the information to review their complaint-handling procedures in categories that seem to produce large numbers of consumer complaints to the Commission. The four tables in Appendix E show the actual number of cases in each category in 2016.

## Payment Arrangement Requests

PARs principally include contacts to BCS involving requests for payment terms in one of the following situations:

- Suspension/termination of service is pending;
- Service has been terminated and the customer needs payment terms to have service restored; or
- The customer wants to eliminate a debt or a past-due balance.

All of the measures pertaining to PARs are based on assessments of contacts to BCS from individual customers. As with consumer complaints, almost all customers had already contacted the utility prior to contacting BCS. During 2016, BCS handled 52,898 PARs from customers of the utilities under the Commission's jurisdiction.

Act 201 of 2004 amended Title 66 of the Public Utility Code by adding Chapter 14, the Responsible Utility Customer Protection Act, which changed the rules for terminations, reconnections and PARs. On June 9, 2011, the Commission adopted a final rulemaking order incorporating Chapter 14 into Chapter 56 of its regulations. The Independent Regulatory Review Commission (IRRC) approved these regulations on July 21, 2011. The revised Chapter 56 regulations have been in effect since Oct. 8, 2011. The law sets forth limits within which the Commission can establish payment arrangements between a public utility, customers and applicants. In addition to establishing the length of payment arrangements, Chapter 14 prohibits the Commission from establishing a second or subsequent payment arrangement, absent a decrease in income, if a customer has defaulted on a previous payment arrangement. Chapter 14 also prohibits the Commission from issuing payment arrangements involving customer assistance program arrearages.

On Oct. 22, 2014, Governor Corbett signed House Bill 939, also known as Act 155 of 2014, which among other things, reauthorized Chapter 14 for another ten years. In addition to reauthorizing Chapter 14, the General Assembly revised the law in a number of areas, including:

- Expanding the scope of the law to cover small gas companies, steam heating and wastewater utilities.
- Prohibiting termination of utility service on Fridays.
- Allowing physician assistants, along with physicians and nurse practitioners, to file medical certificates.
- Allowing all customers and applicants to pay security deposits in installments over 90 days. CAP-eligible customers are exempt from security deposit requirements.
- New utility reporting requirements concerning the use of medical certificates and high-arrearage accounts.
- A five-year PUC reporting requirement (due in years 2019 and 2024) on the implementation and impact of Chapter 14.

The re-authorized law went into effect in December 2014. The Commission strives to balance the needs of both consumers and utilities when implementing the new law and will provide all interested parties with opportunities to participate in the process. On July 21, 2016, the Commission proposed revisions to 52

Pa. Code Chapter 56, including sections that have been superseded by the reauthorized Chapter 14. Commission staff will be reviewing the comments and preparing new regulations for a future Final Order (Docket L-2015-2508421). The Commission appreciates the opportunity to continually evaluate its regulations regarding Chapter 14 so that the goals of increasing utility account collections and eliminating the subsidization of bad debt costs by paying customers do not erode consumer protections.

In 2016, the overall volume of PARs handled by the Commission increased by 5 percent from the previous year. PARs from electric customers increased 8 percent, while PARs from gas and water customers decreased 1 and 4 percent, respectively, since 2015. PARs from telephone customers declined 21 percent from 2015 to 2016.

### Payment Arrangement Requests (PARs) by Industry\* 2015-16

Industry	2015	2016	% Change
Electric	32,327	35,049	8%
Gas	13,951	13,869	-1%
Water	4,047	3,890	-4%
Telephone	107	85	-21%
Other	2	5	150%
<b>Total</b>	<b>50,434</b>	<b>52,898</b>	<b>5%</b>

\* Table includes both residential and commercial PARs. Please note: All consumer contacts requesting a payment arrangement are taken in and classified as a PAR. However, not all customers are eligible to receive a PAR.

As in past years, the majority of requests for payment arrangements in 2016 involved electric or gas companies. Of the PARs, 66 percent (35,049 cases) were from electric customers, and 26 percent (13,869 cases) were from gas customers. Also, 7 percent of PARs (3,890 cases) came from customers of various water utilities. Less than 1 percent of PARs (85 cases) came from telephone customers.

### Inquiries and Opinions

During 2016, BCS received 26,831 customer contacts that, for the most part, required no follow-up investigation beyond the initial contact. BCS classifies these contacts as “inquiries.” The inquiries for 2016 include contacts to the BCS Utility Customer Hotline, as well as contacts to BCS using mail service and email communication.

In large part, the inquiries in 2016 involved questions regarding the customer assistance programs. BCS also classifies certain PARs as inquiries. For example, BCS does not issue payment decisions on requests to restore or avoid suspension/termination of toll or non-basic telephone service. When consumers call with these problems, BCS classifies these requests as inquiries. Similarly, if a customer has recently been through the BCS payment arrangement process and calls again with a new request regarding the same account, BCS does not open a new PAR case. In these instances, BCS classifies the customer’s contact as an inquiry.

As in past years, BCS also has shifted some contacts that originated as consumer complaints and PARs into the inquiry category because it was not appropriate to count these contacts as informal complaints. Examples include complaints that were found to be duplicates, informal complaints filed against the wrong company, informal complaints that BCS handled in spite of the fact that customers had not previously contacted their companies about their problems and cases that the investigators verbally dismissed. These 949 cases accounted for 4 percent of inquiries in 2016.

BCS is able to expand its list of 80 reasons for contact as consumer reasons grow and change. Possible actions by BCS intake staff include: recording the consumer's opinion; giving information to the consumer; referring the consumer to a utility company; and referring the consumer to an agency or organization outside of the Commission. If the contact requires further action, the intake staff refers the contact to a BCS investigator, and the contact becomes a consumer complaint or a PAR. The following table shows the various reasons for contact for the 2016 inquiries.

### Categories of 2016 Inquiries

Reason for Contact	Number	Percent
CAP inquiry	6,694	25%
Unable to open new PAR – service on	5,976	22%
Termination or suspension of service	3,771	14%
Competition issues and requests for information	1,826	7%
Billing dispute	1,499	6%
PUC has no jurisdiction	1,193	4%
Rate protest	1,000	4%
Applicant/deposit issue	651	2%
People-delivered company service	591	2%
Request for general information	547	2%
Service (company facilities)	408	2%
Unable to open new PAR – service off	159	1%
Rate complaint	76	<1%
Weather outage	17	<1%
Cramming*	8	<1%
Slamming*	0	0%
Other miscellaneous reasons	2,005	7%
Reason for contact is not available	410	2%
<b>Total</b>	<b>26,831</b>	<b>100%</b>

\* Please refer to the Glossary of Terms.

## Residential Consumer Complaints Not Included in Industry Chapters

Traditionally, the primary focus of BCS's review of utilities' complaint handling has been on the performance of the major electric, gas, water and telephone utilities. However, for the past several years, BCS has included a limited amount of complaint information for the non-major utilities and the other service providers in the UCARE report. In 2016, BCS experienced a decrease in the overall number of residential consumer complaints for the non-major utilities. Consumer complaints decreased over the year in the electric, gas and water industries, and there was an increase in the telephone industry. This section presents information about the residential consumer complaints that are not included in the industry chapters that follow.

In 2016, BCS staff investigated consumer complaints about a variety of problems that consumers were having with the non-major companies under the Commission's jurisdiction. The vast majority of complaints not included in the industry chapters involved slamming.

The next-highest volume of complaints coming from residential customers of the non-major electric, gas, water and telephone companies involved billing disputes. Those two types of complaints accounted for 71 percent of the residential consumer complaints about the non-major companies in the electric industry; 54 percent of residential consumer complaints about the non-major gas companies; 38 percent of the residential consumer complaints about the non-major water companies; and 15 percent of the complaints about the non-major telecommunications companies.

Appendix C presents a summary of the residential informal complaints (consumer complaints and PARs) that are not included in the electric, gas, water and telephone chapters that follow. The table lists the non-major companies for these industries, the electric generation suppliers and natural gas suppliers and other providers of telecommunications services having five or more residential consumer complaints in 2016.

## Calls to the Commission about Electric and Gas Competition

In 2016, the Commission's call center employees used BCS's information system to record information from the consumer contacts about electric and gas competition. Statistics show that 91 percent of contacts about electric and gas competition are related to the electric industry, while 7 percent concern the gas industry. Call center employees recorded information from 3,991 consumer contacts about competition in the energy industries. Many calls came from consumers who called about various issues associated with customer choice in the electric and gas industries. Most frequently, consumers called about slamming and competition bill disputes (21 and 18 percent of calls, respectively).

In most instances, BCS classified these contacts as inquiries because they required no investigation or follow-up. However, some consumer contacts required further investigation and possibly action to resolve the consumer's concerns. In these cases, BCS classified the contact as a consumer complaint and investigated the consumer's issue. In 2016, slamming complaints produced the largest volume of competition-related consumer complaints. Appendix D-1 explains the types of competition complaints BCS handles.

In prior years, BCS investigated a number of consumer complaints in which consumers alleged they were assigned to an electric or gas supplier without their consent or knowledge (slamming). In 2016, BCS received 691 allegations of electric slamming and 29 allegations of slamming in the gas industry. There were seven allegations of slamming in the telephone industry. With respect to slamming, the Commission has



stated clearly, it “...will have zero tolerance for slamming by any means and in any form.”<sup>1</sup> The Commission views customer slamming as among the most serious violations of consumer regulations. Of the 727 slamming complaints received by BCS, 691 were filed by residential customers.

During the early phases of electric and gas competition, BCS expected it would receive consumer complaints associated with the transition to customer choice. As expected, many customers experienced a variety of problems as they began choosing electric and gas suppliers. BCS found that, after investigating these complaints, it was often difficult to determine who was at fault in causing the complaint. Thus, BCS decided that it would be unfair to include competition complaints with consumer complaints about other issues when it calculates the performance measures it uses to evaluate and compare companies within the electric and gas industries. BCS continued this practice in 2016. Therefore, BCS excluded 2,103 competition-related complaints from the data set used to prepare the tables in the electric industry chapter and 116 such complaints in the gas industry chapter.

## Informal Compliance Process and Infractions

BCS’s informal compliance process remains its primary compliance effort. This process gives each utility specific examples of apparent infractions of Chapters 14, 56, 63 and 64. The informal compliance process uses consumer complaints to identify, document and notify utilities of apparent deficiencies. The utilities can use the information to pinpoint and voluntarily correct deficiencies in their customer-service operations. The process begins by BCS notifying a utility of an alleged infraction. A utility that receives notification of an allegation has an opportunity to respond. If the information about the allegation is accurate, BCS expects the utility to take action to correct the problem or address any deficiencies that led to the infraction. Corrective actions may entail: modifying a computer program; revising company procedures or the text of a notice, bill or letter; or providing additional staff training to ensure the proper use of a procedure.

If the utility states the information is inaccurate, it needs to provide specific details and supporting data to disprove the allegation. BCS always provides a final determination to the utility regarding the alleged infraction. For example, if the utility provides supporting data indicating that the information about the allegation is inaccurate, BCS, after reviewing all of the information, informs the utility that, in this instance, the facts do not reflect an infraction of the regulations. On the other hand, if the company agrees the information forming the basis of the allegation is accurate, or if BCS does not find that the data supports the utility’s position that the information is inaccurate, BCS informs the company that the facts reflect an infraction of a particular section of the regulations. The notification process allows utilities to receive written clarifications of Chapter 14, 56, 63 or 64 provisions and the policies of the Commission and BCS.

The significance of apparent infractions identified by the informal compliance process is frequently emphasized by the fact that some represent systemic errors that are widespread and affect many utility customers. Since BCS receives only a small portion of the complaints that customers have with their utility companies, limited opportunities exist to identify such errors. Therefore, the informal compliance process is specifically designed to help utilities identify systemic errors. One example of a systemic error is a termination notice with text that does not comply with the requirements of Chapter 56. Each recipient of the notice is affected by that error. When such an error is discovered, BCS encourages utilities to investigate the scope of the problem and take corrective action. Some utilities have developed their own information systems to identify problems by reviewing complaints before they come to the Commission’s attention. BCS encourages utilities to continue this activity and share their findings with Bureau staff.

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<sup>1</sup> L-00970121, Public Meeting of May 21, 1998.

## 2. Performance Measures

For the most part, BCS uses complaints it receives from customers of the major electric, gas, water and telephone utilities to assess utilities' complaint-handling performance. In nearly every case, the customer had already contacted the company about the problem prior to contacting BCS. BCS reviews the utility's record as to how the utility handled the complaint when the customer contacted the company. The review includes several classifications and assessments that form the basis of all the performance measures presented in this and the next four chapters, with the exception of the number of terminations and termination rate. The termination statistics for the electric, gas and water companies are drawn from reports required by Chapter 56 at §56.231(a)(14), while telephone termination statistics are drawn from reports required by Chapter 64 at §64.201(7). The sections that follow explain the various measures BCS employs to assess utility performance.

### Consumer Complaint Rate

The calculation of the consumer complaint rate (consumer complaints per 1,000 residential customers) permits the reader to make comparisons among utilities of various sizes. BCS has found that high consumer complaint rates and extreme changes in consumer complaint rates from one year to the next are often indicative of patterns and trends that it should investigate. However, since many of the complaints in the consumer complaint rates are not "justified," BCS considers the "justified consumer complaint rate" (justified consumer complaints per 1,000 residential customers) to be a clearer indication of a utility's complaint handling performance.

### Justified Consumer Complaint Rate

BCS uses case evaluation to identify whether correct procedures were followed by the utility in responding to the customer's complaint prior to the intervention of BCS. Case evaluation is used to determine whether a case is "justified." A customer's case is considered "justified" if it is found that, prior to BCS intervention, the company did not comply with Commission Orders, policies, regulations, reports, Secretarial Letters or tariffs in reaching its final position. In the judgment of BCS, a case that is "justified" is a clear indication that the company did not handle a dispute properly or effectively, or, in handling the dispute, the company violated a rule, regulation or law.

The performance measure called "justified consumer complaint rate" reflects both volume of complaints and percent of consumer complaints found justified. The justified consumer complaint rate is the number of justified consumer complaints per 1,000 residential customers. By using this ratio, the reader can use the "justified" rate to compare utilities' performance within an industry and over time. BCS perceives the justified consumer complaint rate to be the bottom-line measure of performance that evaluates how effectively a company handles complaints from its customers.

BCS monitors the complaint rates and justified rates of the major utilities, paying particular attention to the number of justified complaints that customers file with the Commission. Justified complaints may indicate areas where BCS should discuss complaint-handling procedures with a utility so that its customers receive fair and equitable treatment when they contact the utility. When BCS encounters company case-handling performance (justified consumer complaint rate) that is significantly worse than average, there is reason to suspect that many customers who contact the utility are at risk of improper dispute handling by the utility. As part of the monitoring process, BCS compares the "justified" rates of individual utilities and industries over time and investigates significant changes when they occur. In the chapters that follow, BCS

compares the consumer complaint rates and the justified consumer complaint rates of the major utilities within the electric, gas, water and telephone industries.

## Response Time to Consumer Complaints

Once a customer contacts BCS with a complaint about a utility, the utility is notified. The utility then sends BCS its records of its contact with the customer regarding the complaint. Response time is the time span in days from the date of BCS's first contact with the utility regarding a complaint to the date on which the utility provides BCS with its report regarding the complaint. Response time quantifies the speed of a utility's response to BCS' informal complaints. In the following chapters, response time is presented as the average number of days that each utility took to supply BCS with its utility reports in response to consumer complaints.

## Payment Arrangement Request Rate

BCS normally intervenes at the customer's request only after direct payment negotiations between the customer and the company have failed. The volume of PARs from a utility's customers may fluctuate from year to year, or even from month to month, depending upon the utility's collection strategy as well as economic factors. The calculation of the PAR rate (PARs per 1,000 residential customers) permits the reader to make comparisons among utilities with differing numbers of residential customers. Nevertheless, unusually high or low rates and sizable changes in rates from one year to the next may reflect changes in company policies or bill collection philosophies, or they may be indicative of problems. BCS views such variations as potential areas for investigation.

## Justified Payment Arrangement Request Rate

Just as with consumer complaints, once a customer contacts BCS with a PAR, BCS notifies the utility. The company sends a report to BCS that details the customer's payments, usage and payment negotiation history. Many of these cases are "straight" PARs, without any other issue or complaint against the company. Those cases are processed in an automated fashion and are not evaluated in the justified rate. In cases where the utility claims ineligibility for a PUC payment plan or where there are complaints or claims in addition to the PAR, a BCS investigator considers the customer's record and makes a decision regarding the issues and amount owed and notifies the company and the customer of the decision. BCS policy analysts review a sampling of these case records to determine if the utility negotiated properly with the customer and uses this record to determine the outcome of the case. This approach evaluates companies negatively only when BCS finds appropriate payment negotiation procedures were not followed, or where the regulations have been misapplied. Specifically, a case is considered "justified" in the appeal to BCS if it is found that, prior to BCS intervention, the company did not comply with Commission regulations, reports, Secretarial Letters, tariffs or guidelines.

Changes in company policy can influence not only the volume of PARs to the Commission but also the effectiveness of a utility's payment negotiations. BCS uses the "justified PAR rate" to measure a utility's performance in handling PARs from customers. The justified PAR rate is the ratio of the number of justified PARs per 1,000 residential customers. BCS monitors the justified PAR rates of the major utilities. For example, BCS compares the "justified" rates of individual utilities and industries over time and investigates significant changes when they occur. In the chapters that follow, BCS compares the PAR rates and the justified PAR rates of the major utilities within the electric, gas, water and telephone industries. Because BCS receives a very large volume of requests for payment terms, it reviews a random sample of cases for the companies with the

largest number of PARs. For these companies, the justified PAR rate and response time are based on a statistically valid subset of the cases that came to BCS.

## Response Time to Payment Arrangement Requests

Once a customer contacts BCS for a PAR, BCS notifies the utility. The utility then sends BCS records that include the customer's payment history, the amount owed, prior payment arrangements and the results of the most recent payment negotiation with the customer. Response time is the number of days from the date BCS first contacts the utility regarding a PAR to the date on which the utility provides BCS with its utility report. Response time quantifies the speed of a utility's response to BCS PARs. In the following chapters, response time is presented as the average number of days that each utility took to supply BCS with its utility reports.

BCS calculates response time for the major electric, gas and water companies using only their responses to PARs from customers whose service has been terminated, who have a dispute with the company, or who have previously had a BCS payment arrangement for the amount that they owe.

However, response time to PARs for the telephone companies is the average number of days that each telephone company took to supply BCS with a utility report for all categories of PARs.

## Infraction Rate

During 2016, BCS continued its informal compliance notification process to improve utility compliance with applicable statutes and regulations relating to the treatment of residential accounts. To compare utilities of various sizes within an industry, BCS has calculated a measure called the infraction rate. The infraction rate is the number of informally verified infractions for each 1,000 residential customers.

Several considerations are important to keep in mind when viewing the infraction rate charts in the chapters that follow. First, the data does not consider the causes of the individual infractions. Second, some infractions may be more serious than others because of their systemic nature, and therefore may show ongoing or repetitive occurrences. Still other infractions may be more serious because they involve threats to the health and safety of utility customers.

The value of the infraction rate is to depict industry trends over time. The trend for 2016 is calculated using BCS's Compliance Tracking System (CTS) data as of Sept. 1, 2017. The 2016 trends may change if the total number of infractions increases or decreases upon review by BCS. This would occur if new infractions are discovered from customer complaints that originated in 2016, but were still under investigation by BCS when the data was retrieved from CTS. Often, the total number of infractions for the year will change from the number cited in this report. BCS will update the 2016 infraction rate in the report on 2017 complaint activity. Infraction rates for each major electric, gas, water and telephone utility company are shown for 2014, 2015 and 2016 in upcoming chapters. Appendix H shows detailed information about the infractions BCS gleaned from its review of the 2016 consumer complaints and PARs. The information presented in Appendix H shows the infractions of Chapter 56, Chapter 14 and other regulations for the major electric, gas and water companies, and the infractions of Chapters 63 and 64 for the major telephone companies.

## Termination Rate

Payment over time through a mutually acceptable payment arrangement is one possible outcome when a customer owes an outstanding balance to a utility company. Termination of the utility service is

another. BCS views termination of utility service as a utility's last resort when customers fail to meet their payment obligations. The calculation of the termination rate allows the reader to compare the termination activity of utilities with differing numbers of residential customers. For the electric, gas and water industries, the termination rate is the number of service terminations divided by the number of residential customers. For the telephone industry, the termination rate is the number of terminations for each 1,000 residential customers. Any significant increase in the termination rate would indicate a trend or pattern the Commission may need to investigate.

## BCS Performance Measures and Industry Chapters

The tables in the following chapters present the data alphabetically by company name. Each chapter includes tables that show the consumer complaint rate and the justified consumer complaint rate of each major utility. Also included in the industry chapters are tables that show the prior year's justified consumer complaint rates and justified PAR rates for each of the major utilities. The tables also reflect the average rates of the major utilities within the industry for each of these measures. In addition, each industry chapter presents tables that show infraction rates, response times to consumer complaints and PARs, and the termination rates for the major utilities.

It is important to note that the electric and gas industry chapters present only data from those utilities that have more than 100,000 residential customers. For the first time in the water industry chapter, the individual statistics for the Class A water utilities that have fewer than 100,000 residential customers ("Other Class A") are being presented; however, the "Other Class A" rates continue to be presented as a whole and the Class A Averages are presented based on the individual rates of the water utilities that have more than 100,000 residential customers and the "Other Class A" companies as a whole. The telephone chapter presents data from those local service providers serving more than 50,000 residential customers.

BCS has found the inclusion of statistics for the smaller utilities can skew the average of industry statistics in ways that do not fairly represent industry performance. For this reason, BCS excluded the statistics involving UGI-Electric when it calculated the 2015 and 2016 averages for the electric industry. Similar to previous years, statistics for UGI-Electric are included in the appendices of this report.

## Universal Service and Energy Conservation Programs

The Commission has a long history of involvement in universal service and energy conservation programs that help utility consumers obtain and keep service, and conserve energy. At the end of the water and telephone chapters that follow, readers will find highlights of the water and telephone programs that the Commission has supported and encouraged, not only in 2016, but in prior years as well.

BCS monitors and evaluates the universal service and energy conservation programs of the electric and gas companies. The goal in monitoring these programs is to help the Commission fulfill its oversight responsibilities by increasing the effectiveness of utility collections while protecting the public's health and safety.

The electric and gas programs include: Customer Assistance Programs; the Low-Income Usage Reduction Programs; Utility Hardship Fund Programs; Customer Assistance and Referral Evaluation Services programs; and other programs to assist low-income customers. BCS's reporting on these programs is no longer included in this report.

In October 2017, the Commission released the 17th annual report on Universal Service Programs and Collections Performance. BCS prepared the report, which presents 2016 universal service and collections data for the major electric and natural gas distribution companies. The report is available on the Commission's website at: [http://www.puc.pa.gov/General/publications\\_reports/pdf/EDC\\_NGDC\\_UniServ\\_Rpt2016.pdf](http://www.puc.pa.gov/General/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2016.pdf)

### 3. Electric Industry

In 2016, the Commission had jurisdiction over 15 electric distribution companies (EDCs). However, the majority of the consumer complaints and PARs involving the electric industry were from residential customers of the seven major EDCs: Duquesne Light Co. (Duquesne), PECO Energy Co. (PECO), PPL Electric Utilities Inc. (PPL) and the four FirstEnergy companies – Metropolitan Edison Co. (Met-Ed), Pennsylvania Electric Co. (Penelec), Pennsylvania Power Co. (Penn Power) and West Penn Power Co. (West Penn). This chapter will focus exclusively on those seven companies. Most of the complaints and PARs dealt with matters covered under Chapter 56 of our regulations or Chapter 14 of the Public Utility Code. Generally, consumer complaints and PARs represent customer appeals to the Commission resulting from the inability of the company and the customer to reach a mutually satisfactory resolution to a dispute or payment negotiation.

The statistics in the tables on the pages that follow depict the performance of each of the seven major electric utilities in 2016. The tables in the appendices also include UGI-Electric, a major EDC with fewer than 100,000 residential customers. PECO's statistics include data for both electric and gas service. Because their gas and/or electric customers contact the same call center and receive only one bill per billing period, PECO is unable to separate and report data by gas and electric service. BCS investigated complaints in 2016, generated as a result of the electric choice program, which allows customers to choose an electric generation supplier (EGS). However, as mentioned in the first chapter, BCS removed these complaints from the data it used to prepare the tables on consumer complaints and PARs. Appendices F and G present 2015 and 2016 statistics on the performance of the seven largest EDCs, as well as UGI-Electric.

#### Consumer Complaints

During 2016, BCS handled 4,726 consumer complaints from residential customers of the various EDCs and 1,164 consumer complaints from residential customers of EGSs. Of these residential complaints, 80 percent (4,686) were from customers of the seven largest EDCs. For the analyses in this chapter, BCS excluded a total of 246 consumer complaints about the major EDCs that involved competition issues.

#### Consumer Complaint Categories

The following table shows the percentage of 2016 complaints from residential customers of the seven largest EDCs in each of the 14 categories used by BCS policy analysts. Appendix E, Table 1, provides the actual number of cases that fell into each category in 2016.



## Consumer Complaint Categories: 2016 Major Electric Distribution Companies

Categories	Duquesne	Met-Ed**	PECO+**	Penelec**	Penn Power	PPL**	West Penn**	Electric Average
Billing Disputes	24%	13%	20%	17%	29%	23%	8%	<b>18%</b>
Credit and Deposits	12%	20%	18%	27%	17%	5%	15%	<b>16%</b>
Personnel Problems	16%	11%	16%	13%	11%	15%	13%	<b>14%</b>
Metering	10%	19%	3%	14%	11%	6%	17%	<b>12%</b>
Termination or PAR Procedures	9%	9%	17%	8%	6%	15%	8%	<b>11%</b>
Discontinuance/Transfer	8%	8%	10%	4%	4%	19%	6%	<b>8%</b>
Other Payment Issues	13%	6%	7%	5%	5%	9%	4%	<b>7%</b>
Damages	1%	3%	2%	3%	2%	2%	8%	<b>3%</b>
Service Interruptions	2%	2%	1%	3%	1%	1%	11%	<b>3%</b>
Rates	1%	2%	1%	2%	13%	1%	<1%	<b>2%</b>
Service Quality	1%	2%	2%	2%	2%	1%	3%	<b>2%</b>
Scheduling Delays	2%	1%	<1%	1%	0%	0%	1%	<b>1%</b>
Service Extensions	<1%	2%	0%	1%	0%	<1%	2%	<b>1%</b>
All Other Problems	1%	2%	3%	2%	2%	2%	2%	<b>2%</b>
<b>Total-Number*</b>	<b>407</b>	<b>425</b>	<b>463</b>	<b>441</b>	<b>266</b>	<b>435</b>	<b>495</b>	<b>2,932</b>

\*Based on residential complaints opened in 2016 and evaluated by BCS as of June 16, 2017.

\*\*Based on a probability sample of cases.

+PECO statistics include electric and gas.

- Categories are for all residential complaints filed with BCS that were evaluated, whether or not they were found to be justified. See Appendix D-1 for an explanation of complaint categories and Appendix E, Table 1, for the number of cases in each category.
- In 2016, billing disputes accounted for 18 percent, credit and deposits accounted for 16 percent and personnel problems accounted for 14 percent of the consumer complaints for the major EDCs. These three categories accounted for 48 percent of consumer complaints about the major EDCs.



**2016 Residential Consumer Complaint Rates/  
Justified Consumer Complaint Rates  
Major Electric Distribution Companies**

<b>Company</b>	<b>Consumer Complaint Rate</b>	<b>Justified Consumer Complaint Rate</b>
Duquesne	1.12	0.09
Met-Ed	1.51	0.17*
PECO+	0.63	0.05*
Penelec	1.35	0.15*
Penn Power	2.25	0.22
PPL	0.50	0.04*
West Penn	1.29	0.15*
<b>Average</b>	<b>1.24</b>	<b>0.13</b>

\* Justified consumer complaint rate based on a probability sample of cases.

+ PECO statistics include electric and gas.

- The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers. The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- For the major EDCs, the average of the consumer complaint rates was over nine times greater than the average of the justified consumer complaint rates.
- Appendix F, Table 1, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each major EDC in 2015 and 2016.

**2015-16 Justified Residential  
Consumer Complaint Rates  
Major Electric Distribution Companies**

Company	2015	2016
Duquesne	0.27	0.09
Met-Ed*	0.25	0.17
PECO*+	0.08	0.05
Penelec*	0.18	0.15
Penn Power	0.16	0.22
PPL*	0.06	0.04
West Penn*	0.11	0.15
<b>Average</b>	<b>0.16</b>	<b>0.13</b>

\* Based on a probability sample of cases.

+ PECO statistics include electric and gas.

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- The average of the justified consumer complaint rates for the major electric distribution companies decreased from 0.16 in 2015 to 0.13 in 2016.
- Of the seven major EDCs, four had justified consumer complaint rates that were higher than the industry average. Five of the seven major EDCs had justified consumer complaint rates that decreased from 2015 to 2016.
- Appendix F, Table 1, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each major EDC in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Consumer Complaints  
Major Electric Distribution Companies**

<b>Company</b>	<b>Number of Days 2015</b>	<b>Number of Days 2016</b>	<b>Change in Days 2015 to 2016</b>
Duquesne	20.3	20.7	0.4
Met-Ed	15.7	17.7	2.0
PECO+	11.6	13.9	2.3
Penelec	14.7	17.2	2.5
Penn Power	16.0	14.7	-1.3
PPL	18.6	12.0	-6.6
West Penn	14.9	17.7	2.8
<b>Average</b>	<b>16.0</b>	<b>16.3</b>	<b>0.3</b>

+ PECO statistics include electric and gas.

- The calculation for average response time includes all residential consumer complaints for the major electric companies.
- Overall, the average response time increased slightly from 16.0 days in 2015 to 16.3 days in 2016.
- PPL had the shortest consumer complaint response time in 2016 at 12.0 days, while Duquesne had the longest at 20.7 days. PPL had the greatest decrease, 6.6 days, in consumer complaint response time from 2015 to 2016.

### Payment Arrangement Requests

In 2016, BCS handled 34,812 PARs from residential customers of the EDCs. There were 498 PARs from residential customers of Pennsylvania's EGSs. Of the residential PARs, 97 percent (33,752) were from customers of the seven largest EDCs. In 2016, BCS reviewed a representative sample of the PARs for the seven largest EDCs. Thus, the calculation for justified PAR rate that appears in the pages that follow is based on a subset of cases that BCS received from the customers of these utilities. BCS believes that the size of the samples gives a reasonable indication of the performance of these companies. Appendix G, Table 1, provides additional statistics regarding the PARs from residential customers of the major EDCs.

**2016 Residential Payment Arrangement Request (PAR) Rates/  
Justified PAR Rates\*  
Major Electric Distribution Companies**

Company	PAR Rate	Justified PAR Rate
Duquesne	4.34	0.23
Met-Ed	8.94	1.01
PECO+	4.12	0.28
Penelec	9.25	0.91
Penn Power	10.97	0.98
PPL	9.36	0.67
West Penn	5.22	0.33
<b>Average</b>	<b>7.46</b>	<b>0.63</b>

\* All companies have justified PAR rates based on a probability sample of cases.

+ PECO statistics include electric and gas.

- The PAR rate equals the number of PARs for each 1,000 residential customers. The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- On average, there were more than seven PARs to BCS for each 1,000 residential customers of the major EDCs in 2016. There was less than one justified PAR for each 1,000 residential customers.
- Appendix G, Table 1, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each major EDC in 2015 and 2016.

**2015-16 Justified Residential  
Payment Arrangement Request (PAR) Rates\*  
Major Electric Distribution Companies**

Company	2015	2016
Duquesne	0.71	0.23
Met-Ed	0.64	1.01
PECO+	0.30	0.28
Penelec	0.59	0.91
Penn Power	0.79	0.98
PPL	0.52	0.67
West Penn	0.22	0.33
<b>Average</b>	<b>0.54</b>	<b>0.63</b>

\* All companies have justified PAR rates based on a probability sample of cases.

+ PECO statistics include electric and gas.

- The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- The average of the justified PAR rates for the seven major EDCs increased from 0.54 in 2015 to 0.63 in 2016.
- The justified PAR rates increased for five of the seven major EDCs from 2015 to 2016. Four of the major EDCs had justified PAR rates greater than the 2016 industry average while three of the major EDCs had justified PAR rates below the industry average.
- Appendix G, Table 1, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each major EDC in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Payment Arrangement Requests (PARs)  
Major Electric Distribution Companies**

Company	Number of Days 2015	Number of Days 2016	Change in Days 2015 to 2016
Duquesne	16.4	15.7	-0.7
Met-Ed	10.3	12.5	2.2
PECO+	4.7	4.9	0.2
Penelec	11.3	13.1	1.8
Penn Power	11.2	13.0	1.8
PPL	13.1	7.5	-5.6
West Penn	11.8	14.6	2.8
<b>Average</b>	<b>11.3</b>	<b>11.6</b>	<b>0.3</b>

+ PECO statistics include electric and gas.

- The calculation for average response time includes PARs from customers of the major electric companies whose service has been terminated, who have a dispute with the company, or who have previously had a BCS payment arrangement for the amount that they owe.
- The average response time for the seven major EDCs increased by 0.3 days. The average response time went from 11.3 days in 2015 to 11.6 days in 2016.
- There was a wide range of PAR response times among the major EDCs in 2016, from a low of 4.9 days for PECO to a high of 15.7 days for Duquesne.

## Termination and Reconnection of Service

Each month, the electric companies report to the Commission the number of residential accounts that they terminated for non-payment during the previous month. They also report the number of previously terminated residential accounts that they reconnected during the month. Some EDCs maintain a fairly consistent pattern of termination behavior, while others fluctuate from year to year. The number of reconnections varies from year to year and from company to company, depending on a variety of factors. The EDC reconnects a customer's terminated service when a customer either pays his/her debt in full or makes a significant payment on the debt and agrees to a payment arrangement for the balance owed to the company. The following tables indicate the annual number of residential accounts each of the seven largest EDCs terminated and reconnected in 2014, 2015 and 2016. The first table also presents the termination rates for each of these companies.

## Residential Service Terminations/Termination Rates Major Electric Distribution Companies

Company	Residential Service Terminations				Termination Rates		
	2014	2015	2016	% Change 2015-16	2014	2015	2016
Duquesne	23,853	16,601	12,726	-23%	4.52	3.16	2.42
Met-Ed	25,071	25,136	25,276	1%	5.12	5.10	5.10
PECO+	89,655	87,144	85,937	-1%	6.20	5.99	5.86
Penelec	20,657	21,579	22,121	3%	4.10	4.30	4.41
Penn Power	4,482	4,951	4,651	-6%	3.16	3.47	3.24
PPL	56,777	52,229	40,849	-22%	4.65	4.26	3.32
West Penn	12,133	12,551	14,878	19%	1.95	2.02	2.38
<b>Total</b>	<b>232,628</b>	<b>220,191</b>	<b>206,438</b>	<b>-6%</b>			
<b>Average of Rates</b>					<b>4.24</b>	<b>4.04</b>	<b>3.82</b>

+ PECO statistics include electric and gas.

- The termination rate is the number of service terminations divided by the number of residential customers, expressed as a percent.
- Overall, the seven major EDCs terminated 6 percent less residential accounts in 2016 than in 2015.

## Residential Service Reconnections Major Electric Distribution Companies

Company	2014	2015	2016	% Change 2015-16
Duquesne	18,523	10,578	8,710	-18%
Met-Ed	20,185	20,503	20,811	2%
PECO+	67,343	67,000	70,228	5%
Penelec	15,959	16,506	16,942	3%
Penn Power	3,925	4,880	4,201	-14%
PPL	42,767	39,083	30,669	-22%
West Penn	9,472	9,732	11,744	21%
<b>Total</b>	<b>178,174</b>	<b>168,282</b>	<b>163,305</b>	<b>-3%</b>

+ PECO statistics include electric and gas.

- Overall, the seven major EDCs reconnected 3 percent less residential accounts in 2016 than in 2015.

## Compliance

BCS provides utilities with written clarifications or explanations of Chapter 56 provisions and other Commission regulations and policies. The use of “infraction rate” is intended to help the Commission monitor the duty of electric companies at 66 Pa. C.S. §2807(d) to, at a minimum, maintain customer services under retail competition at the same level of quality as existed prior to the beginning of the Electricity Generation Customer Choice and Competition Act of 1996.

The infraction rates in the table that follows are based on informal complaints that residential consumers filed with BCS from 2014 through 2016. Infractions identified on complaints involving competition issues are included in the infraction statistics. Appendix H, Table 1, presents detailed information about the infractions identified in 2016 cases to the BCS.

### Commission Infraction Rates Major Electric Distribution Companies

Company	2014	2015	2016
Duquesne	0.10	0.27	0.11
Met-Ed	0.25	0.19	0.15
PECO+	0.02	0.04	0.06
Penelec	0.13	0.15	0.09
Penn Power	0.08	0.28	0.24
PPL	0.06	0.06	0.05
West Penn	0.15	0.11	0.09

+ PECO statistics include electric and gas.

- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- The infraction rate from 2015 to 2016 for PECO increased, while the rates for the remaining six major EDCs decreased.
- Appendix H, Table 1, presents the actual number of infractions for 2016 categorized by infraction category.
- As shown in Appendix H, Table 1, the credit standards and deposits category is noteworthy due to both high volume and high percentage of the total number of infractions.



## 4. Natural Gas Industry

In 2016, the Commission had jurisdiction over 25 natural gas distribution companies (NGDCs). However, the majority of the consumer complaints and PARs involving the gas industry came from residential customers of the seven major NGDCs: Columbia Gas of Pennsylvania Inc. (Columbia), National Fuel Gas Distribution Corp. (NFG), Peoples Natural Gas Co. (Peoples), Peoples-Equitable Division (Peoples-Equitable), Philadelphia Gas Works (PGW), UGI Utilities Inc.-Gas (UGI-Gas) and UGI Penn Natural Gas. This chapter will focus exclusively on those seven utilities. As with the electric industry, most of the complaints and PARs dealt with matters covered under Chapter 56 of our regulations or Chapter 14 of the Public Utility Code. Generally, those consumer complaints and PARs represent customer appeals to the Commission resulting from the inability of the company and the customer to reach a mutually satisfactory resolution to a dispute or payment negotiation.

The statistics in the tables on the pages that follow depict the performance of each of the seven major gas utilities in 2016. Appendices F and G provide statistics for these utilities from 2015 and 2016.

### Consumer Complaints

During 2016, BCS handled 1,493 consumer complaints from residential customers of the various NGDCs and 73 consumer complaints from residential customers of natural gas suppliers (NGSs). Of these residential complaints, 96 percent (1,439) were from customers of the seven largest NGDCs. For the analyses of the seven major gas companies that appear in this chapter, BCS excluded 13 consumer complaints that involved competition issues.

### Consumer Complaint Categories

The following table shows the percentage of 2016 complaints from residential customers of the seven major gas utilities in each of the 14 categories used by BCS policy analysts. Appendix E, Table 2, provides the actual number of cases that fell into each category in 2016.

## Consumer Complaint Categories: 2016 Major Natural Gas Distribution Companies

Categories	Columbia	NFG	Peoples	Peoples-Equitable	PGW**	UGI-Gas	UGI Penn Natural	Gas Average
Personnel Problems	28%	15%	20%	21%	15%	16%	14%	<b>17%</b>
Billing Disputes	17%	11%	7%	14%	20%	17%	11%	<b>16%</b>
Discontinuance/Transfer	7%	11%	6%	4%	17%	6%	14%	<b>12%</b>
Termination or PAR Procedures	14%	4%	8%	8%	12%	21%	9%	<b>12%</b>
Metering	3%	6%	7%	4%	11%	5%	0%	<b>7%</b>
Other Payment Issues	5%	9%	5%	7%	10%	3%	2%	<b>7%</b>
Damages	5%	15%	17%	5%	4%	7%	8%	<b>7%</b>
Scheduling Delays	4%	11%	8%	14%	4%	1%	3%	<b>6%</b>
Credit and Deposits	8%	2%	5%	3%	2%	12%	17%	<b>5%</b>
Service Quality	4%	2%	13%	12%	2%	1%	9%	<b>5%</b>
Service Extensions	3%	13%	3%	3%	<1%	5%	6%	<b>3%</b>
Rates	3%	0%	0%	1%	0%	2%	0%	<b>1%</b>
Service Interruptions	0%	0%	0%	1%	0%	0%	0%	<b>&lt;1%</b>
All Other Problems	0%	2%	0%	1%	1%	5%	8%	<b>2%</b>
<b>Total-Number*</b>	<b>76</b>	<b>47</b>	<b>109</b>	<b>91</b>	<b>436</b>	<b>110</b>	<b>65</b>	<b>934</b>

\*Based on residential complaints opened in 2016 and evaluated by BCS as of June 16, 2017.

\*\*Based on a probability sample of cases.

- Categories are for all residential complaints filed with BCS that were evaluated, whether or not they were found to be justified. See Appendix D-1 for an explanation of complaint categories and Appendix E, Table 2, for the number of cases in each category.
- In 2016, personnel problems generated 17 percent of the complaints about the major gas companies followed by billing disputes (16 percent). Complaints about discontinuance/transfer accounted for 12 percent of residential consumer complaints about the major gas companies.

**2016 Residential Consumer Complaint Rates/  
Justified Consumer Complaint Rates  
Major Natural Gas Distribution Companies**

<b>Company</b>	<b>Consumer Complaint Rate</b>	<b>Justified Consumer Complaint Rate</b>
Columbia	0.32	0.02
NFG	0.27	0.02
Peoples	0.48	0.02
Peoples-Equitable	0.48	0.04
PGW	1.64	0.37*
UGI-Gas	0.38	0.02
UGI Penn Natural	0.50	0.03
<b>Average</b>	<b>0.58</b>	<b>0.07</b>

\* Justified consumer complaint rate based on a probability sample of cases.

- The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers. The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- In 2016, the average of the consumer complaint rates was over eight times the average of the justified consumer complaint rates for the seven major gas companies.
- Appendix F, Table 2, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each major gas company in 2015 and 2016.

**2015-16 Justified Residential  
Consumer Complaint Rates  
Major Natural Gas Distribution Companies**

Company	2015	2016
Columbia	0.02	0.02
NFG	0.06	0.02
Peoples	0.04	0.02
Peoples-Equitable	0.04	0.04
PGW*	0.28	0.37
UGI-Gas	0.04	0.02
UGI Penn Natural	0.09	0.03
<b>Average</b>	<b>0.08</b>	<b>0.07</b>

\* Justified consumer complaint rate based on a probability sample of cases.

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- The average justified consumer complaint rate for the major gas companies decreased from 0.08 in 2015 to 0.07 in 2016.
- The justified consumer complaint rates for NFG, Peoples, UGI-Gas and UGI Penn Natural decreased, while the rates for Columbia and Peoples-Equitable remained stable. PGW's 2016 justified consumer complaint rate was higher than the 2016 industry average and its rate increased from 2015 to 2016.
- Appendix F, Table 2, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each major gas company in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Consumer Complaints  
Major Natural Gas Distribution Companies**

Company	Number of Days 2015	Number of Days 2016	Change in Days 2015 to 2016
Columbia	5.9	5.2	-0.7
NFG	5.7	5.4	-0.3
Peoples	2.9	4.3	1.4
Peoples-Equitable	2.4	2.1	-0.3
PGW	15.6	17.9	2.3
UGI-Gas	12.7	5.0	-7.7
UGI Penn Natural	14.1	8.3	-5.8
<b>Average</b>	<b>8.5</b>	<b>6.9</b>	<b>-1.6</b>

- The calculation for average response time includes all residential consumer complaints for the major gas companies.
- The average response time for the major gas companies decreased from 8.5 days in 2015 to 6.9 days in 2016.
- Consumer complaint response time performance varied among the major gas companies in 2016, from a low of 2.1 days for Peoples-Equitable to a high of 17.9 days for PGW.

### Payment Arrangement Requests

In 2016, BCS handled 13,772 PARs from residential customers of the NGDCs. There were 24 PARs from residential customers of Pennsylvania's NGSS. Of the residential PARs, 96 percent (13,257) were from customers of the seven major NGDCs. In 2016, BCS reviewed a representative sample of the PARs for case outcome for PGW, UGI-Gas and UGI Penn Natural. Thus, the calculation for justified PAR rate that appears in the pages that follow is based on a subset of cases that BCS received from customers of these utilities. BCS believes that the size of the samples gives an adequate indication of the performance of these companies. Appendix G, Table 2, provides additional statistics regarding the PARs from residential customers of the major NGDCs.

**2016 Residential Payment Arrangement Request (PAR) Rates/  
Justified PAR Rates\*  
Major Natural Gas Distribution Companies**

Company	PAR Rate	Justified PAR Rate
Columbia	1.75	0.03
NFG	1.68	0.07
Peoples	2.10	0.05
Peoples-Equitable	1.83	0.13
PGW	15.98	0.62*
UGI-Gas	6.31	0.37*
UGI Penn Natural	8.89	0.94*
<b>Average</b>	<b>5.51</b>	<b>0.31</b>

\* Based on a probability sample of cases.

- The PAR rate equals the number of PARs for each 1,000 residential customers. The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- On average, there were more than five PARs to BCS for each 1,000 residential customers of the major NGDCs in 2016. There was less than one justified PAR for each 1,000 residential customers.
- Appendix G, Table 2, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each major gas company in 2015 and 2016.

**2015-16 Justified Residential  
Payment Arrangement Request (PAR) Rates\*  
Major Natural Gas Distribution Companies**

Company	2015	2016
Columbia	0.03	0.03
NFG	0.11	0.07
Peoples	0.04	0.05
Peoples-Equitable	0.07	0.13
PGW*	0.39	0.62
UGI-Gas*	0.64	0.37
UGI Penn Natural*	1.21	0.94
<b>Average</b>	<b>0.36</b>	<b>0.31</b>

\* Based on a probability sample of cases.

- The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- The average of the justified PAR rates for the seven major gas utilities decreased from 0.36 in 2015 to 0.31 in 2016. Three of the seven major gas companies had increases in their justified PAR rates.
- The 2016 justified PAR rates among the major NGDCs ranged from a low of 0.03 for Columbia to a high of 0.94 for UGI Penn Natural.
- Appendix G, Table 2, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each major gas company in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Payment Arrangement Requests (PARs)  
Major Natural Gas Distribution Companies**

Company	Number of Days 2015	Number of Days 2016	Change in Days 2015 to 2016
Columbia	2.5	2.4	-0.1
NFG	2.7	2.9	0.2
Peoples	1.8	1.5	-0.3
Peoples-Equitable	1.4	1.3	-0.1
PGW	10.3	10.0	-0.3
UGI-Gas	5.2	1.6	-3.6
UGI Penn Natural	4.9	1.7	-3.2
<b>Average</b>	<b>4.1</b>	<b>3.0</b>	<b>-1.1</b>

- The calculation for average response time includes PARs from customers of the major NGDCs whose service has been terminated, who have a dispute with the company, or who have previously had a BCS payment arrangement for the amount that they owe.
- From 2015 to 2016, the average response time for the major gas companies decreased by 1.1 days.
- The 2016 PAR response times for the major NGDCs varied from a low of 1.3 days for Peoples-Equitable to a high of 10.0 days for PGW.

### Termination and Reconnection of Service

Each month, the gas utilities report to the Commission the number of residential accounts that they terminated for nonpayment during the previous month. They also report the number of previously terminated residential accounts that they reconnected during the month. Historically, utilities have shown a varied pattern of termination behavior, from a consistent pattern to one that fluctuates from year to year. The number of reconnections varies from year to year and from company to company, depending on a variety of factors. The NGDC reconnects a customer's terminated service either when a customer pays his/her debt in full or makes a significant payment on the debt and agrees to a payment arrangement for the balance owed to the company. The tables that follow indicate the annual number of residential accounts each of the seven largest gas utilities terminated and reconnected in 2014, 2015 and 2016. The first table also presents the termination rates for each of these companies.



### Residential Service Terminations/Termination Rates Major Natural Gas Distribution Companies

Company	Residential Service Terminations				Termination Rates		
	2014	2015	2016	% Change 2015-16	2014	2015	2016
Columbia	11,252	12,664	9,945	-21%	2.91	3.27	2.55
NFG	9,942	9,025	1,422	-84%	5.00	4.53	0.72
Peoples	9,436	7,894	7,536	-5%	2.86	2.38	2.27
Peoples-Equitable	7,607	3,562	5,845	64%	3.12	1.45	2.40
PGW	29,769	29,602	25,805	-13%	6.34	6.29	5.46
UGI-Gas	11,149	9,658	12,029	25%	3.36	2.85	3.48
UGI Penn Natural	7,242	6,829	6,826	<-1%	4.81	4.50	4.47
<b>Total</b>	<b>86,397</b>	<b>79,234</b>	<b>69,408</b>	<b>-12%</b>			
<b>Average of Rates</b>					<b>4.06</b>	<b>3.61</b>	<b>3.05</b>

- The termination rate is the number of service terminations divided by the number of residential customers, expressed as a percent.
- Overall, the seven major gas companies terminated 12 percent less residential accounts in 2016 than in 2015.

### Residential Service Reconnections Major Natural Gas Distribution Companies

Company	2014	2015	2016	% Change 2015-16
Columbia	6,212	7,088	5,199	-27%
NFG	6,753	6,081	913	-85%
Peoples	5,210	5,597	5,081	-9%
Peoples-Equitable	5,620	2,361	4,006	70%
PGW	19,836	19,672	16,771	-15%
UGI-Gas	5,240	5,559	7,556	36%
UGI Penn Natural	4,008	4,222	4,318	2%
<b>Total</b>	<b>52,879</b>	<b>50,580</b>	<b>43,844</b>	<b>-13%</b>

- Overall, the seven major NGDCs reconnected 13 percent less residential accounts in 2016 than in 2015.

## Compliance

BCS provides utilities with written clarifications or explanations of Chapter 56 provisions and other Commission regulations and policies. The use of “infraction rate” is intended to help the Commission monitor the duty of natural gas companies at 66 Pa. C.S. §2206(a) to, at a minimum, maintain customer services under retail competition at the same level of quality as existed prior to the beginning of the Natural Gas Choice and Competition Act of 1999.

The infraction rates in the table that follows are based on the review of informal complaints that residential consumers filed with BCS from 2014 through 2016. Infractions identified on complaints involving competition issues are included in the infraction statistics. Appendix H, Table 2, presents detailed information about the infractions identified on 2016 cases to the BCS.

### Commission Infraction Rates Major Natural Gas Distribution Companies

Company	2014	2015	2016
Columbia	0.01	0.01	0.01
NFG	0.03	0.04	0.02
Peoples	0.08	0.03	0.02
Peoples-Equitale	0.01	0.03	0.03
PGW	0.20	0.35	0.50
UGI-Gas	0.08	0.03	0.01
UGI Penn Natural	0.03	0.07	0.04

- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- From 2015 to 2016, infraction rates decreased for NFG, Peoples, UGI-Gas, and UGI Penn Natural, while the infraction rate increased for PGW. The rates for Columbia and Peoples-Equitale remained stable.
- Appendix H, Table 2, presents the actual number of infractions for 2016 categorized by infraction category.
- As shown in Appendix H, Table 2, the dispute handling category is noteworthy due to both high volume and high percentage of the total number of infractions.

## 5. Water Industry

In 2016, the Commission had jurisdiction over 83 water companies, including 22 municipal water companies. The Commission categorizes the non-municipal water companies into one of three classifications: A, B and C. Those three classifications are based on the amount of the company's annual revenues.

The non-municipal water companies with the largest annual revenues are classified as Class A water companies. Class A water companies must have annual revenues of \$1 million or more for three years in a row. In 2016, nine Class A water companies served residential customers. The number of residential customers for these companies ranged from 2,413 for SUEZ Water Bethel to 598,988 residential customers for Pennsylvania American Water Co. (PAWC). In 2016, the Class A water companies were Aqua Pennsylvania Inc. (Aqua), Audubon Water Co., Columbia Water Co., Newtown Artesian Water Co., PAWC, SUEZ Water Bethel f/k/a United Water Bethel, SUEZ Water PA f/k/a United Water of Pennsylvania Inc. and York Water Co. Although Superior Water Co. (Superior) is also a Class A water company, it was acquired by Aqua and effective Jan. 1, 2016, all of its complaints are filed under Aqua. For the first time in this chapter, in addition to the statistics for the two largest companies, PAWC and Aqua, the individual statistics for the "Other Class A" companies are being presented; however, the "Other Class A" rates continue to be presented as a whole and the Class A averages are presented based on the individual rates of PAWC, Aqua and the "Other Class A" companies as a whole.

The other classes of water companies have lower annual revenues and, typically, fewer residential customers. In 2016, eight Class B companies were operating. Class B water companies have annual revenues between \$200,000 and \$999,999. In 2016, the number of residential customers for the Class B companies ranged from 287 to 2,589. There were 43 Class C companies in 2016. Class C water companies have annual revenues of less than \$200,000. The number of residential customers for the Class C companies ranged from two to 1,153 in 2016.

The municipal water companies are owned by municipalities. The Commission's jurisdiction is limited to regulating the rates and service of customers served by the municipal water companies that are outside the boundaries of the municipalities.

The majority of residential consumer complaints and PARs to BCS came from customers of the Class A water companies. Most of the complaints and PARs from water customers dealt with matters covered by Chapter 56 of our regulations or Chapter 14 of the Public Utility Code. These consumer complaints and PARs represent customer appeals to the Commission resulting from the inability of the company and the customer to reach a mutually satisfactory resolution to a dispute or payment negotiation.

The tables on the pages that follow depict the performance of the Class A water companies in 2016. Appendices F and G also present statistics about the performance of the Class A water companies.

### Consumer Complaints

During 2016, BCS handled a total of 714 consumer complaints from residential customers of the various water companies. Of those complaints, 96 percent (688) were from customers of the Class A companies. The remaining 4 percent were from customers of smaller water companies. While a majority of consumer complaints involved the Class A water companies in 2016, the Commission devoted a significant amount of attention to the smaller water companies. Sometimes the amount of time BCS spends on a few

complaints from customers of a smaller company exceeds the amount of time it spends addressing complaints filed against one of the larger companies. This is because larger companies typically have more resources to respond appropriately to complaints and PARs as compared to smaller water companies with limited resources.

In 2016, customers of the small water companies filed complaints with BCS for a variety of reasons. Of the 26 consumer complaints filed about the “Non-Class A” water companies, 38 percent (10 cases) involved billing disputes.

### Consumer Complaint Categories

The following table shows the percentage of 2016 complaints from residential customers of the Class A water companies in each of the 14 categories used by BCS policy analysts. Appendix E, Table 3, provides the actual number of cases that fell into each category in 2016.

## Consumer Complaint Categories: 2016 Major Water Companies

Categories	Aqua	PAWC	Large Class A Avg	Audubon	Columbia	Newtown Artesian	SUEZ Bethel	SUEZ PA	York	"Other Class A" Avg**	All Class A Water Average***
Billing Disputes	35%	35%	<b>35%</b>	0%	33%	100%	0%	27%	16%	<b>23%</b>	<b>33%</b>
Termination or PAR Procedures	10%	19%	<b>16%</b>	67%	33%	0%	0%	7%	5%	<b>11%</b>	<b>16%</b>
Metering	9%	10%	<b>10%</b>	0%	0%	0%	0%	13%	0%	<b>7%</b>	<b>9%</b>
Service Quality	8%	8%	<b>8%</b>	0%	33%	0%	0%	17%	26%	<b>20%</b>	<b>9%</b>
Personnel Problems	10%	5%	<b>7%</b>	0%	0%	0%	0%	10%	11%	<b>9%</b>	<b>7%</b>
Damages	2%	7%	<b>5%</b>	33%	0%	0%	0%	0%	11%	<b>5%</b>	<b>5%</b>
Credit and Deposits	8%	4%	<b>5%</b>	0%	0%	0%	0%	0%	0%	<b>0%</b>	<b>5%</b>
Discontinuance/ Transfer	5%	5%	<b>5%</b>	0%	0%	0%	0%	3%	5%	<b>4%</b>	<b>5%</b>
Other Payment Issues	3%	1%	<b>2%</b>	0%	0%	0%	0%	10%	5%	<b>7%</b>	<b>3%</b>
Service Interruptions	1%	2%	<b>2%</b>	0%	0%	0%	0%	10%	0%	<b>5%</b>	<b>2%</b>
Scheduling Delays	2%	1%	<b>1%</b>	0%	0%	0%	0%	0%	5%	<b>2%</b>	<b>1%</b>
Service Extensions	1%	1%	<b>1%</b>	0%	0%	0%	0%	0%	0%	<b>0%</b>	<b>1%</b>
Rates	1%	<1%	<b>&lt;1%</b>	0%	0%	0%	0%	0%	0%	<b>0%</b>	<b>&lt;1%</b>
All Other Problems	4%	2%	<b>3%</b>	0%	0%	0%	0%	3%	16%	<b>7%</b>	<b>3%</b>
<b>Total-Number*</b>	<b>182</b>	<b>309</b>	<b>491</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>30</b>	<b>19</b>	<b>56</b>	<b>547</b>

\* Based on residential complaints opened in 2016 and evaluated by BCS as of June 16, 2017.

\*\* Calculated based on the rate of "Other Class A" companies as a whole.

\*\*\* Calculated based on the rates of Aqua, PAWC and "Other Class A" companies as a whole.

- Categories are for all residential complaints filed with BCS that were evaluated, whether or not they were found to be justified. See Appendix D-1 for an explanation of complaint categories and Appendix E, Table 3, for the number of cases in each category.
- Of residential complaints filed against the Class A water companies, 33 percent involved billing disputes.

**2016 Residential Consumer Complaint Rates/  
Justified Consumer Complaint Rates  
Major Water Companies**

Company	Consumer Complaint Rate	Justified Consumer Complaint Rate
Aqua	0.52	0.11
PAWC	0.70	0.12
<b>Large Class A Average</b>	<b>0.61</b>	<b>0.12</b>
Audubon	1.15	0.77
Columbia	0.32	0.00
Newtown Artesian	0.10	0.00
SUEZ Bethel	0.00	0.00
SUEZ PA	0.58	0.04
York	0.38	0.02
<b>“Other Class A” Average*</b>	<b>0.44</b>	<b>0.04</b>
<b>All Class A Average**</b>	<b>0.56</b>	<b>0.09</b>

\* Calculated based on the rate of “Other Class A” companies as a whole.

\*\* Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

- The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers. The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- The Large Class A consumer complaint rate is over five times greater than the justified consumer complaint rate.
- Appendix F, Table 3, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each Class A water company in 2015 and 2016.

**2015-16 Justified Residential  
Consumer Complaint Rates  
Major Water Companies**

Company	2015	2016
Aqua	0.17	0.11
PAWC	0.17	0.12
<b>Large Class A Average</b>	<b>0.17</b>	<b>0.12</b>
Audubon	0.00	0.77
Columbia	0.11	0.00
Newtown Artesian	0.00	0.00
SUEZ Bethel	0.00	0.00
SUEZ PA	0.02	0.04
York	0.00	0.02
<b>“Other Class A” Average*</b>	<b>0.01</b>	<b>0.04</b>
<b>All Class A Average**</b>	<b>0.12</b>	<b>0.09</b>

\* Calculated based on the rate of “Other Class A” companies as a whole.

\*\* Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- The Large Class A average justified consumer complaint rate decreased from 0.17 in 2015 to 0.12 in 2016.
- Appendix F, Table 3, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each Class A water company in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Consumer Complaints  
Major Water Companies**

Company	Number of Days 2015	Number of Days 2016	Change in Days 2015 to 2016
Aqua	22.7	19.5	-3.2
PAWC	20.7	23.0	2.3
<b>Large Class A Average</b>	<b>21.7</b>	<b>21.3</b>	<b>-0.4</b>
Audubon	68.5	12.0	-56.5
Columbia	8.3	2.5	-5.8
Newtown Artesian	1.0	1.0	0.0
SUEZ Bethel	10.0	0.0	-10.0
SUEZ PA	12.4	16.2	3.8
York	2.3	5.5	3.2
<b>“Other Class A” Average*</b>	<b>11.8</b>	<b>11.4</b>	<b>-0.4</b>
<b>All Class A Average**</b>	<b>18.4</b>	<b>18.0</b>	<b>-0.4</b>

\* Calculated based on the rate of “Other Class A” companies as a whole.

\*\* Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

- The calculation for average response time includes all residential consumer complaints for the Class A water companies.
- The average response time for Aqua decreased by 3.2 days from 2015 to 2016. The average response time for PAWC increased 2.3 days, from 20.7 days in 2015 to 23.0 days in 2016.

### Payment Arrangement Requests

In 2016, BCS handled 3,864 PARs from residential customers of the water industry. Of the residential PARs, 99 percent (3,828) were from customers of the Class A water companies. As in past years, for the companies with the largest volume of requests, BCS policy analysts reviewed a representative sample of PARs for case outcome. In 2016, BCS reviewed a sample of the PARs for PAWC. Thus, the calculation for justified PAR rate that appears in the pages that follow is based on a subset of cases that BCS received from customers of these companies. BCS believes the size of the sample gives a reasonable indication of the performance. Appendix G, Table 3, provides additional statistics regarding the PARs from residential customers of the Class A water companies.



**2016 Residential Payment Arrangement Request (PAR) Rates/  
Justified PAR Rates  
Major Water Companies**

Company	PAR Rate	Justified PAR Rate
Aqua	1.77	0.11
PAWC	4.85	0.60*
<b>Large Class A Average</b>	<b>3.31</b>	<b>0.35</b>
Audubon	0.00	0.00
Columbia	3.16	0.00
Newtown Artesian	0.00	0.00
SUEZ Bethel	0.00	0.00
SUEZ PA	1.56	0.04
York	1.77	0.08
<b>“Other Class A” Average**</b>	<b>1.60</b>	<b>0.06</b>
<b>All Class A Average***</b>	<b>2.74</b>	<b>0.26</b>

\* Justified PAR rates based on a probability sample of cases.

\*\* Calculated based on the rate of “Other Class A” companies as a whole.

\*\*\* Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

- The PAR rate equals the number of PARs for each 1,000 residential customers. The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- On average, there were nearly three PARs to BCS for each 1,000 residential customers of the Class A water companies in 2016. There was less than one justified PAR for each 1,000 residential customers.
- Appendix G, Table 3, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each Class A water company in 2015 and 2016.

**2015-16 Justified Residential  
Payment Arrangement Request (PAR) Rates  
Major Water Companies**

Company	2015	2016
Aqua	0.11	0.11
PAWC*	0.96	0.60
<b>Large Class A Average</b>	<b>0.54</b>	<b>0.35</b>
Audubon	0.00	0.00
Columbia	0.00	0.00
Newtown Artesian	0.00	0.00
SUEZ Bethel	0.00	0.00
SUEZ PA	0.19	0.04
York	0.00	0.08
<b>“Other Class A” Average**</b>	<b>0.08</b>	<b>0.06</b>
<b>All Class A Average***</b>	<b>0.38</b>	<b>0.26</b>

\* Based on a probability sample of cases.

\*\* Calculated based on the rate of “Other Class A” companies as a whole.

\*\*\* Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

- The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- The justified PAR rate for PAWC decreased between 2015 and 2016, while Aqua’s rate remained stable.
- Appendix G, Table 3, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each Class A water company in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Payment Arrangement Requests (PARs)  
Major Water Companies**

Company	Number of Days 2015	Number of Days 2016	Change in Days 2015 to 2016
Aqua	17.1	11.2	-5.9
PAWC	14.9	12.5	-2.4
<b>Large Class A Average</b>	<b>16.0</b>	<b>11.8</b>	<b>-4.2</b>
Audubon	0.0	0.0	0.0
Columbia	1.2	4.2	3.0
Newtown Artesian	0.0	0.0	0.0
SUEZ Bethel	0.0	0.0	0.0
SUEZ PA	10.9	10.3	-0.6
York	1.3	2.4	1.1
<b>"Other Class A" Average*</b>	<b>5.2</b>	<b>5.3</b>	<b>0.1</b>
<b>All Class A Average**</b>	<b>12.4</b>	<b>9.6</b>	<b>-2.8</b>

\* Calculated based on the rate of "Other Class A" companies as a whole.

\*\* Calculated based on the rates of Aqua, PAWC and "Other Class A" companies as a whole.

- The calculation for average response time includes PARs from customers of the Class A water companies whose service has been terminated, who have a dispute with the company, or who have previously had a BCS payment arrangement for the amount that they owe.
- Aqua's response time decreased 5.9 days to 11.2 days in 2016. PAWC's response time decreased 2.4 days, from 14.9 days in 2015 to 12.5 days in 2016.

## Termination and Reconnection of Service

Each month, the water utilities report to the Commission the number of residential accounts that they terminated for nonpayment during the previous month. They also report the number of previously terminated residential accounts that they reconnected during the month. Historically, utilities have shown a varied pattern of termination behavior, from a consistent pattern to one that fluctuates from year to year. The number of reconnections varies from year to year and from company to company, depending on a variety of factors. The water company reconnects a customer's terminated service either when a customer pays his/her debt in full or makes a significant payment on the debt and agrees to a payment arrangement for the balance owed to the company. The tables that follow indicate the annual number of residential accounts each of the water utilities terminated and reconnected in 2014, 2015 and 2016. The first table also presents the termination rates for each of these companies.

**Residential Service Terminations/Termination Rates**  
**Major Water Companies**

Company	Residential Service Terminations				Termination Rates		
	2014	2015	2016	% Change 2015-16	2014	2015	2016
Aqua	6,111	5,294	6,735	27%	1.56	1.36	1.70
PAWC	8,161	20,750	17,796	-14%	1.37	3.48	2.97
<b>Large Class A Total</b>	<b>14,272</b>	<b>26,044</b>	<b>24,531</b>	<b>-6%</b>			
<b>Large Class A Average of Rates</b>					<b>1.47</b>	<b>2.42</b>	<b>2.34</b>
Audubon	3	3	0	-100%	0.12	0.12	0.00
Columbia	125	132	183	39%	1.34	1.40	1.93
Newtown Artesian	58	53	50	-6%	0.62	0.56	0.52
Superior*	7	10	N/A	N/A	0.19	0.27	N/A
SUEZ Bethel	0	0	0	0%	0.00	0.00	0.00
SUEZ PA	376	428	725	69%	0.71	0.80	1.35
York	1,237	1,192	1,113	-7%	2.12	1.99	1.86
<b>“Other Class A” Total</b>	<b>1,806</b>	<b>1,818</b>	<b>2,071</b>	<b>14%</b>			
<b>“Other Class A” Average of Rates**</b>					<b>0.73</b>	<b>0.73</b>	<b>0.94</b>
<b>All Class A Total</b>	<b>16,078</b>	<b>27,862</b>	<b>26,602</b>	<b>-5%</b>			
<b>All Class A Average of Rates***</b>					<b>1.22</b>	<b>1.86</b>	<b>1.87</b>

\* Superior was acquired by Aqua and all of its complaints are filed under Aqua as of 1/1/16.

\*\* Calculated based on the rate of “Other Class A” companies as a whole.

\*\*\* Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

- The termination rate is the number of service terminations divided by the number of residential customers, expressed as a percent.
- Overall, the Class A water companies terminated 5 percent less residential accounts in 2016 than in 2015.

## Residential Service Reconnections Major Water Companies

Company	2014	2015	2016	% Change 2015-16
Aqua	3,952	3,521	4,815	37%
PAWC*	4,899	16,850	15,601	-7%
<b>Large Class A Total</b>	<b>8,851</b>	<b>20,371</b>	<b>20,416</b>	<b>&lt;1%</b>
Audubon	1	0	0	0%
Columbia	70	85	118	39%
Newtown Artesian	52	43	47	9%
Superior**	2	1	N/A	N/A
SUEZ Bethel	0	0	0	0%
SUEZ PA	256	283	467	65%
York	634	698	820	17%
<b>“Other Class A” Total</b>	<b>1,015</b>	<b>1,110</b>	<b>1,452</b>	<b>31%</b>
<b>All Class A Total</b>	<b>9,866</b>	<b>21,481</b>	<b>21,868</b>	<b>2%</b>

\* Reconnection data excludes January through March 2014.

\*\* Superior was acquired by Aqua and all of its complaints are filed under Aqua as of 1/1/16.

- Overall, the Class A water companies reconnected 2 percent more residential accounts in 2016 than in 2015.

## Compliance

BCS provides water utilities with written clarifications or explanations of Chapter 56 provisions and other Commission regulations and policies.

The infraction rates in the table that follows are based on the review of informal complaints that residential consumers filed with BCS from 2014 through 2016. Appendix H, Table 3, presents detailed information about the infractions identified on 2016 cases to the BCS.

### Commission Infraction Rates Major Water Companies

Company	2014	2015	2016
Aqua	0.27	0.25	0.20
PAWC	0.39	0.25	0.18
Audubon	0.00	0.00	0.77
Columbia	0.11	0.00	0.00
Newtown Artesian	0.11	0.00	0.00
SUEZ Bethel	0.00	0.00	0.00
SUEZ PA	0.06	0.02	0.04
York	0.00	0.00	0.00

- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- The infraction rates for Aqua and PAWC decreased from 2015 to 2016, while the infraction rates for Audubon and SUEZ PA increased. The rates for Columbia, Newtown Artesian, SUEZ Bethel and York remained stable.
- Appendix H, Table 3, presents the actual number of infractions for 2016 categorized by infraction category.
- As shown in Appendix H, Table 3, the dispute handling category is noteworthy due to both high volume and high percentage of the total number of infractions.

## Programs That Assist Low-Income Customers

Several water companies voluntarily operate programs to assist low-income customers in maintaining water service.

Aqua Pennsylvania Inc. (Aqua) - In 1994, Aqua implemented a pilot program that provided payment assistance and conservation services to low-income customers. Aqua named this program "Helping Hand." In 1996, Aqua made the program a permanent part of its low-income assistance.

Helping Hand is for customers at or below 200 percent of the federal poverty level. On April 1, 2009, in recognition of the current economic climate, the company eased the remaining minimum requirements. The company reduced the minimum past amount due from \$150 to \$110, and the minimum number of days past due from 30 to 21.

Each household enrolled in the Helping Hand program receives a plumbing inspection, including minor repairs, and/or a conservation kit, containing water-saving devices. The customer also receives water usage and conservation information. Customers who make their payments on time and in full receive a credit of \$20 per month applied to their arrearage.

At the end of 2016, 254 active participants were enrolled in the Helping Hand program. During the year, Aqua spent \$111,191 to complete eligibility interviews and household audits. In addition, the company provided \$15,840 in arrearage forgiveness credits to 241 program participants.

Pennsylvania American Water Co. (PAWC) – In 1991, PAWC established the “Help to Others” (H2O) program. The H2O program provides customers with an 80 percent discount on their monthly service fees – a savings of about \$12 per month. The program also provides water-saving devices and conservation education. As of March 2017, there were 16,145 customers billed the discounted rate.

In addition to a discount for water, the company also offers a discount for wastewater customers. This discount offers a 15 percent discount off the total wastewater billing for those who qualify. As of March 2017, there were 1,528 customers billed the discount for wastewater.

As part of the H2O program, PAWC also participates with the Dollar Energy Fund to provide cash grants of up to \$500 per year for those water and wastewater customers listed above. Dollar Energy Fund is a hardship fund administrator that provides cash assistance to utility customers who need help in paying their utility bills. During the 2015-16 program year, PAWC’s shareholders and customers provided \$347,477 in hardship fund benefits to 1,255 customers for an average benefit of \$277. In addition, PAWC’s shareholders provided \$11,772 for the 2015-16 program year for their wastewater customers. The funds provided benefits to 35 customers for an average benefit of \$336.

Suez Water Pennsylvania f/k/a United Water of Pennsylvania Inc. (Suez Water PA) – Suez Water PA implemented the “Suez Cares” f/k/a “UW Cares” program in 2005. Suez Cares is a nonprofit 501(c)(3) organization that provides financial assistance to customers who experience a temporary financial crisis caused by such occurrences as a job loss, severe illness, casualty or extensive military service. Cash grants up to \$100 are provided to qualifying customers who are first screened by the Salvation Army for eligibility. To be eligible for a grant, customers must have made a nominal payment within the last 90 days. During the 2016 program year, the company provided grants totaling \$3,687 to qualifying customers.

York Water Co. – In 2005, the York Water Co. established the “York Water Cares” program. This program offers qualified customers up to \$120 in arrearage forgiveness benefits and plumbing repairs. The repairs are designed to help the customer conserve and reduce overall water usage.

During 2016, the company expended \$950 for customer plumbing repairs and enrolled a total of eight new customers in the York Water Cares program. As of program end 2016, nine customers received arrearage forgiveness benefits totaling \$555 for an average benefit of approximately \$65 per customer. The company anticipates an annual savings of \$1,020 in costs for termination proceedings that may be avoided as a result of customer participation in the York Water Cares program.

## 6. Telephone Industry

During 2016, BCS handled consumer complaints, PARs and inquiries from the customers of a variety of telecommunications service providers, including incumbent local exchange carriers (ILECs), competitive local exchange carriers (CLECs), long-distance companies and resellers. In 2016, there were 629 providers of telecommunications services certificated and able to conduct business in Pennsylvania. Of this group of telecommunications providers, 37 were ILECs. Thirty-two of these ILECs were non-major utilities each serving fewer than 50,000 residential customers. The remaining five ILECs were major companies, each with more than 50,000 residential customers. Collectively, these five major telephone companies served over 1.2 million residential customers in 2016.

This chapter will focus exclusively on the five major ILECs in 2016 – CenturyLink (CenturyLink), Frontier Communications Commonwealth Telephone Co. (Frontier Commonwealth), Verizon North Inc. (Verizon North), Verizon Pennsylvania (Verizon PA) and Windstream Communications (Windstream).

Unlike the electric, gas and water chapters, the analyses of the five companies that appear in this chapter include complaints about competition-related issues such as slamming, competition-related service complaints and billing problems. This is the 14th year that BCS included competition-related complaints in its analyses of the largest telephone companies.

### Consumer Complaints

Although BCS handled consumer complaints about different types of telecommunications service providers in 2016, the complaints predominantly came from the residential customers of the five major ILECs. Overall, BCS handled 1,470 consumer complaints from residential customers of telecommunications service providers in 2016. Of those complaints, 1,386 were from residential customers of all of Pennsylvania's ILECs while 1,377 were from customers of the five major ILECs. Meanwhile, 52 consumer complaints were from residential customers of the CLECs operating in Pennsylvania. The remaining 32 consumer complaints were from residential customers of other providers of telecommunications services such as long-distance carriers, resellers, wireless carriers and Voice over Internet Protocol (VoIP) providers.

### Consumer Complaint Categories

The following table shows the percentage of 2016 consumer complaints from residential customers of the major telephone companies in each of the 11 categories used by BCS policy analysts to categorize consumer complaints about telephone companies.



## Consumer Complaint Categories: 2016

### Major Local Telephone Companies

Categories	Century-Link	Frontier Common-wealth	Verizon North	Verizon PA**	Wind-stream	Telephone Average
Unsatisfactory Service	47%	54%	66%	48%	65%	<b>51%</b>
Billing Disputes	22%	23%	14%	15%	5%	<b>15%</b>
Service Delivery	7%	11%	5%	12%	17%	<b>11%</b>
Service Terminations	7%	0%	5%	3%	1%	<b>3%</b>
Competition	0%	0%	0%	1%	4%	<b>1%</b>
Credit and Deposits	0%	0%	0%	1%	0%	<b>1%</b>
Discontinuance/Transfer	0%	0%	2%	1%	0%	<b>1%</b>
Annoyance Calls	2%	0%	0%	<1%	0%	<b>&lt;1%</b>
Toll Services	0%	0%	0%	<1%	0%	<b>&lt;1%</b>
Non-Recurring Charges	0%	0%	0%	0%	0%	<b>0%</b>
All Other Problems	15%	12%	8%	19%	8%	<b>16%</b>
<b>Total-Number*</b>	<b>55</b>	<b>74</b>	<b>59</b>	<b>634</b>	<b>78</b>	<b>900</b>

\*Based on residential complaints opened in 2016 and evaluated by BCS as of July 7, 2017.

\*\*Based on a probability sample of cases.

- Categories are for all residential complaints filed with BCS, whether or not they were found to be justified. See Appendix D-2 for an explanation of complaint categories and Appendix E, Table 4, for the number of cases in each category.
- Of all complaints for the major telephone companies, 77 percent fall into one of three complaint categories: unsatisfactory service, billing disputes or service delivery.
- Unsatisfactory service complaints account for 51 percent of the total number of consumer complaints filed against the five major telephone companies in 2016. In 2015, unsatisfactory service accounted for 34 percent of all consumer complaints filed against the major telephone companies.

The 2015 and 2016 consumer complaint figures for justified consumer complaint rates and response times for each of the major telephone companies are presented on the following pages. Appendix F, Table 4, provides additional statistics about the consumer complaints from residential customers of the five major local telephone companies.

**2016 Residential Consumer Complaint Rates/  
Justified Consumer Complaint Rates  
Major Local Telephone Companies**

<b>Company</b>	<b>Consumer Complaint Rate</b>	<b>Justified Consumer Complaint Rate</b>
CenturyLink	0.48	0.23
Frontier Commonwealth	0.84	0.46
Verizon North	0.45	0.25
Verizon PA	1.43	0.49*
Windstream	1.01	0.69
<b>Average</b>	<b>0.84</b>	<b>0.42</b>

\* Justified consumer complaint rate based on a probability sample of cases.

- The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers. The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- For the five major telephone companies, the average consumer complaint rate is two times greater than the average justified consumer complaint rate.
- Appendix F, Table 4, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each major telephone company in 2015 and 2016.

**2015-16 Justified Residential  
Consumer Complaint Rates  
Major Local Telephone Companies**

Company	2015	2016
CenturyLink	0.12	0.23
Frontier Commonwealth	0.25	0.46
Verizon North	0.14	0.25
Verizon PA*	0.37	0.49
Windstream	0.33	0.69
<b>Average</b>	<b>0.24</b>	<b>0.42</b>

\* Based on a probability sample of cases.

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- The justified consumer complaint rates for all five of the major telephone companies increased.
- Frontier Commonwealth, Verizon PA and Windstream had justified consumer complaint rates that were higher than the industry average.
- Appendix F, Table 4, presents the number of consumer complaints, the consumer complaint rate, the number of justified consumer complaints and the justified consumer complaint rate for each major telephone company in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Consumer Complaints  
Major Local Telephone Companies**

Company	Number of Days 2015	Number of Days 2016	Change in Days 2015 to 2016
CenturyLink	18.7	9.9	-8.8
Frontier Commonwealth	18.2	20.5	2.3
Verizon North	20.8	14.1	-6.7
Verizon PA	11.6	14.9	3.3
Windstream	22.3	26.3	4.0
<b>Average</b>	<b>18.3</b>	<b>17.1</b>	<b>-1.2</b>

- For the five major telephone companies, the average response time to consumer complaints decreased from 18.3 days in 2015 to 17.1 days in 2016.
- The response time for CenturyLink decreased by more than 8 days. In contrast, Windstream increased its average response time by 4.0 days since 2015.

### Payment Agreement Requests

Telephone service consists of three components: basic service, nonbasic service and toll service. BCS does not handle customer requests for payment agreements that involve toll or nonbasic services. For the telephone industry, PARs are principally contacts to BCS or to companies involving a request for payment terms for arrearages associated with basic service. Suspension of basic telephone service involves the temporary cessation of service without the consent of the customer and occurs when the customer owes money to the local telephone company. If the customer does not pay or make an agreement to pay the amount owed, the company proceeds to terminate the customer's service, which is the permanent cessation of service. The majority of PARs are from customers who contact BCS to request payment agreements after they have received a suspension notice.

Under Chapter 64, a customer contact in response to a suspension notice is a dispute (as the term is defined in §64.2) only if the contact includes a disagreement with respect to the application of a provision of Chapter 64. Where telephone cases involving telephone service suspension are concerned, failure to negotiate a payment agreement does not in itself mean that a dispute exists. Consequently, in this report, telephone cases that involve PARs have been separated from telephone PARs that also involve a dispute. For the telephone industry, PARs that involve a dispute are classified as consumer complaints. During 2016, BCS handled 81 PARs from residential customers of telecommunications service providers. Of these PARs, 78 were from residential customers of the five major telephone companies.

The 2015 and 2016 justified PAR rates and response times for the major telephone companies are presented in the tables that follow.

**2016 Residential Payment Agreement Request (PAR) Rates/  
Justified PAR Rates  
Major Local Telephone Companies**

Company	PAR Rate	Justified PAR Rate
CenturyLink	0.09	0.02
Frontier Commonwealth	0.06	0.02
Verizon North	0.01	0.00
Verizon PA	0.07	0.02
Windstream	0.04	0.01
<b>Average</b>	<b>0.05</b>	<b>0.01</b>

- The PAR rate equals the number of PARs for each 1,000 residential customers. The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- On average, there was less than one PAR to BCS for each 1,000 residential customers of the major telephone companies in 2016. There was less than one justified PAR for each 1,000 residential customers.
- Appendix G, Table 4, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each major telephone company in 2015 and 2016.

**2015-16 Justified Residential  
Payment Agreement Request (PAR) Rates  
Major Local Telephone Companies**

Company	2015	2016
CenturyLink	0.00	0.02
Frontier Commonwealth	0.02	0.02
Verizon North	0.00	0.00
Verizon PA	0.00	0.02
Windstream	0.00	0.01
<b>Average</b>	<b>0.00</b>	<b>0.01</b>

- The justified PAR rate equals the number of justified PARs for each 1,000 residential customers.
- The average justified PAR rate for the five major telephone companies increased from 0.00 in 2015 to 0.01 in 2016. CenturyLink, Frontier Commonwealth and Verizon PA had a justified PAR rates greater than the 2016 industry average.
- Three of the five major telephone companies had justified PAR rates that increased from 2015 to 2016. The justified PAR rates for Frontier Commonwealth and Verizon North remained stable.
- Appendix G, Table 4, presents the number of PARs, the PAR rate, the number of justified PARs and the justified PAR rate for each major telephone company in 2015 and 2016.

**2015-16 Response Time to BCS  
Residential Payment Agreement Requests (PARs)  
Major Local Telephone Companies**

Company	Number of Days 2015	Number of Days 2016	Change in Days 2015 to 2016
CenturyLink	13.5	5.4	-8.1
Frontier Commonwealth	11.0	16.8	5.8
Verizon North	7.3	27.0	19.7
Verizon PA	8.9	13.5	4.6
Windstream	11.0	19.3	8.3
<b>Average</b>	<b>10.3</b>	<b>16.4</b>	<b>6.1</b>

- The average response time to PARs for the five major telephone companies increased from 10.3 days in 2015 to 16.4 days in 2016.
- Of the five major telephone companies, only CenturyLink's response time to PARs decreased from 2015 to 2016.

### Termination of Service

Chapter 64 defines suspension as a temporary cessation of service without the consent of the customer. Termination of service, according to Chapter 64, is the permanent end of service after a suspension without the consent of the customer. Most PARs are cases relating to the termination of telephone service and are registered during the suspension phase. Many customers who have their basic service suspended are able to make payment agreements and avoid termination. Those who are not able to avoid termination cease to be customers once the termination of basic service takes place. Shifts in terminations can signal potential problems with customers maintaining basic telephone service and reflect the impact of universal service programs.

## Residential Service Terminations/Termination Rates Major Local Telephone Companies

Company	Residential Service Terminations				Termination Rates		
	2014	2015	2016	% Change 2015-16	2014	2015	2016
CenturyLink	8,100	7,044	9,588	36%	57.22	52.16	74.40
Frontier Commonwealth	2,988	2,460	2,388	-3%	27.02	23.20	23.62
Verizon North	5,928	4,164	4,056	-3%	31.67	24.62	27.07
Verizon PA	44,472	28,980	25,404	-12%	44.14	32.66	33.97
Windstream	3,720	3,204	3,132	-2%	36.64	33.10	34.51
<b>Total</b>	<b>65,208</b>	<b>45,852</b>	<b>44,568</b>	<b>-3%</b>			
<b>Average of Rates</b>					<b>39.34</b>	<b>33.15</b>	<b>38.71</b>

- The termination rate equals the number of basic service terminations for each 1,000 residential customers.
- Overall, the average residential service termination rate for the major telephone companies increased from 33.15 in 2015 to 38.71 in 2016.
- From 2015 to 2016, the terminations decreased for four of the five of the major telephone companies. The terminations for CenturyLink increased from 2015 to 2016. Verizon PA had the greatest decrease in terminations, down 12 percent since 2015.

### Compliance

The informal compliance notification process enables BCS to provide companies with written clarifications and explanations of Chapter 30, Chapter 63 and Chapter 64 provisions and BCS policies. The informal compliance process is specifically designed to identify systemic errors. Companies can then investigate the scope of the problem and take corrective action. Appropriate corrective action usually involves modifying a computer program; revising the text of a notice, a billing or a letter; changing a company procedure; or providing additional staff training to ensure the proper implementation of a sound procedure.

Each year, BCS retrieves infraction data from the BCS Compliance Tracking System and produces tables that present infraction statistics for the major telephone companies reviewed in this chapter. The infraction statistics are drawn from cases that residential consumers filed with BCS in 2014, 2015 and 2016. Appendix H, Table 4, present detailed information about the infractions identified on 2016 cases to the BCS.



## Commission Infraction Rates Major Local Telephone Companies

Company	2014	2015	2016
CenturyLink	0.35	0.24	0.50
Frontier Commonwealth	0.47	0.89	1.42
Verizon North	0.16	0.76	1.11
Verizon PA	0.38	0.75	1.20
Windstream	0.37	1.32	2.91

- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- Infraction rates for all five major telephone companies increased since 2015.
- Appendix H, Table 4, presents the actual number of infractions found on 2016 informal complaints for the major local telephone companies by infraction category.

### Universal Service Programs

As part of its ongoing responsibilities, BCS monitors the universal service programs of local telephone companies and wireless companies. For the telephone industry, universal service programs<sup>2</sup> include Lifeline 135 Service (Lifeline 135), Lifeline Service (Lifeline) and the Universal Telephone Assistance Program (UTAP). These programs ensure that low-income consumers have access to telephone service by providing discounts or credits for telephone service. The Commission approved the implementation of Pennsylvania's first universal service program for local telephone companies in 1989.<sup>3</sup> In December 1997, the Commission approved Lifeline service plans for 44 telephone companies which led to the statewide implementation of telephone companies' Lifeline programs in 1998.

### Lifeline and Lifeline 135 Service

The Commission's May 19, 2005, Final Lifeline Order (Final Order), at Docket No. M-00051871 expanded the Lifeline program eligibility to be consistent with the Federal Communications Commission's (FCC) programs.<sup>4</sup> It added the National School Free Lunch Program and an income-only based criterion (income at or below 135 percent of the federal poverty guidelines) as new criteria for Pennsylvania's Lifeline program eligibility. Second, the Final Order directed all jurisdictional Eligible Telecommunication Carriers

<sup>2</sup> With the exception of UTAP, these programs are supported fully or in part by federal universal service funds.

<sup>3</sup> The Link-Up America Program was the first universal service program. The FCC eliminated this program in 2012.

<sup>4</sup> FCC Report and Order and Further Notice of Proposed Rulemaking in the Matter of Lifeline and Link-Up, at CC Docket No. 04-87, WC Docket No. 03-109.

(ETCs)<sup>5</sup> to implement the Lifeline provisions contained in Chapter 30. Under these provisions,<sup>6</sup> ETCs are to inform new and existing customers about the availability of Lifeline services. They also must permit eligible Lifeline service customers to purchase any number of optional services (i.e. call waiting) at the tariffed rates for these services.

On Dec. 18, 2008, the Commission adopted the initial decision of a PUC administrative law judge ordering Verizon PA and Verizon North to revise their tariffs to permit their Lifeline 135 customers the opportunity to subscribe to three types of bundled service plans.<sup>7</sup> Those customers may subscribe to a bundled service package plan that offers 1) local service with three optional services; 2) local service with three optional services plus regional toll service; or 3) local service with three optional services plus regional toll service and long-distance service at a single monthly rate.

In August 2010, the Commission adopted the final Policy Statement on the Commonwealth of Pennsylvania Guidelines for Designation and Annual Recertification as an ETC for purposes of Federal Universal Service Support (ETC Guidelines).<sup>8</sup> Designation as an ETC for provision of Lifeline service would permit the wire-line and wireless providers to participate in the federal Universal Service Fund's (USF) Lifeline program in order to receive support from the Low-Income program of the federal USF for these services. In 2016, there were 17 wireless telephone companies providing Lifeline services in Pennsylvania. There were seven wireless telephone company ETC petitions pending.

On March 2, 2012, the FCC issued a Final Rule<sup>9</sup> which reformed and began to modernize the federal USF Lifeline program. The reforms substantially strengthen protections against waste, fraud and abuse; improve program administration and accountability; improve enrollment and consumer disclosures; initiate modernization of the program for broadband; and constrain the growth of the program in order to reduce the burden of all who contribute to the federal USF. In addition, the FCC identified numerous unserved census block groups in Pennsylvania where wireless ETCs may bid to receive Mobility Fund Phase 1 support to build infrastructure over which to deliver 3G or better broadband and voice service. In October 2012, T-Mobile Northeast, LLC and NEP Cellcorp, Inc. won the bids to build the infrastructure in designated areas of Pennsylvania.

The following table shows enrollment activity for the major telephone companies' Lifeline programs in 2015 and 2016.

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<sup>5</sup> To provide Lifeline services, telephone companies must be designated Eligible Telecommunications Carriers (ETC) by their state commission or the FCC. ETCs may receive universal service funding.

<sup>6</sup> 66 Pa. C.S. §§ 30 (f)(1-4). These rules apply to all Pennsylvania incumbent local exchange carriers and three competitive local exchange carriers.

<sup>7</sup> See Dockets C-20077916 and C-20077917.

<sup>8</sup> Docket No. M-2010-2164741, July 29, 2010, which codifies the guidelines at 52 Pa. Code § 69.2501.

<sup>9</sup> 47 CFR Part 54 – Universal Service

## Lifeline Service Activity 2015-16

Company	Total Number of Customers Who Received Lifeline Service		Total Number of Customers Enrolled as of December	
	2015	2016	2015	2016
CenturyLink	2,043	1,586	1,285	1,037
Frontier Commonwealth	2,062	1,292	1,152	1,016
Verizon North*	3,079	2,591	2,089	1,669
Verizon PA*	20,487	19,117	15,028	12,003
Windstream	3,610	2,641	2,182	1,550
<b>Total</b>	<b>31,281</b>	<b>27,227</b>	<b>21,736</b>	<b>17,275</b>

\* Includes customers enrolled in both the Lifeline and Lifeline 135 programs.

As of July 1, 2016, the monthly credit<sup>10</sup> is \$9.25 for the Lifeline 135 program, and \$11.75 for the Verizon companies' Lifeline program.

### Universal Telephone Assistance Program

Verizon PA implemented a Universal Telephone Assistance Program (UTAP) along with its Lifeline service program as part of a settlement agreement that was approved by the Commission August 4, 1995 (P-00930715, P-00950958). Verizon PA is the only company that offers a financial assistance program that helps existing Lifeline customers and qualified Lifeline applicants (with a pre-existing basic service arrearage) to restore their basic telephone service. The Dollar Energy Fund manages UTAP and distributes funds to qualified customers and Lifeline applicants. The average UTAP assistance grant given to customers in 2016 was \$54. Overall, UTAP distributed \$3,027 in financial assistance to 56 of Verizon PA's qualified customers in 2016.

### Automatic Notification Program

The Lifeline service automatic notification provision at 66 Pa.C.S. § 3019(f)(5) requires that all jurisdictional ETCs provide the Department of Human Services (DHS), formerly the Department of Public Welfare, with service descriptions, subscription forms, contact telephone numbers and service area information so DHS can notify its clients about the availability of Lifeline service. In 2005, a working group consisting of representatives of the PUC, Pennsylvania Telephone Association, the Office of Consumer Advocate and the Pennsylvania Utility Law Project worked with DHS to implement this provision. Commission staff coordinated with members of the working group to develop subscription forms and listings of company contacts by county. Commission staff continues to provide DHS with copies of informational brochures and a link to the Commission's website for information about companies that offer Lifeline programs.

### Wireless ETC Designation

Virgin Mobile USA, LP is the first wireless carrier designated by the Commission to be an ETC. On Dec. 22, 2010, the Commission approved Virgin Mobile's petition (Docket No. P-2010-2155915) for limited

<sup>10</sup> The monthly credit is subject to change due to the Federal Subscriber Line Cost rate changes.

designation as an ETC. In January 2011, Virgin Mobile filed a petition for reconsideration to lift the Public Safety Answering Point (PSAP) certification requirements since the FCC no longer required facilities-based carriers seeking ETC status to comply with the PSAP certification obligations. The Commission approved Virgin Mobile's petition for reconsideration on Feb.10, 2011. Effective Feb. 14, 2011, Virgin Mobile could operate its Lifeline program, Assurance Wireless, in Pennsylvania.

On Oct. 14, 2011, the Commission approved YourTel America's petition to become an ETC in Pennsylvania. The Commission approved the ETC petitions for Cricket Communications, Inc.; Keystone Wireless, LLC d/b/a Immix Wireless; T-Mobile Northeast, LLC; T-Mobile Central, LLC and Voicestream Pittsburgh, LP; Budget Prepay, Inc.; Global Connection, Inc. and Tag Mobile, LLC in 2012. Keystone and T-Mobile each petitioned for both low-income and high-cost support and sought federal Mobility Fund Phase 1 support. The federal Mobility Fund Phase 1 support will accelerate delivery of advanced mobile services to tens of thousands of road miles that currently lack 3G or 4G service. Winning bidders must deploy either 3G service within two years or 4G service within three years of the award. T-Mobile was approved for the federal Mobility Fund Phase 1 support in Pennsylvania. T-Mobile was awarded \$1,772,094, equaling 74.93 road miles.

The Commission approved the ETC petitions of Q-link Wireless, LLC; Blue Jay Wireless, LLC; Nexus Communications, Inc. and Telrite Corp. in 2013 and AmeriMex Communications Corp.; Airvoice Wireless, LLC; Buffalo-Lake Erie Wireless Systems Co., LLC and Sage Telecom Communications, LLC; Full Service Network, LP; iWireless, LLC and American Broadband and Telecommunications Company in 2015 and the amended ETC petition of NEP Cellcorp, Inc. during 2014. The Commission granted relinquishment of ETC designation for Aegis Telecom, Inc.; Cricket Communications, Inc.; NEP Cellcorp, Inc. and approved Budget Prepay, Inc.'s Petition for Limited Waiver of Annual Re-Certification Requirements for Lifeline Subscribers in 2015. During 2016, ETC designation was granted to Boomerang Wireless; NEXUS d/b/a Reach Out Wireless petitioned for and was granted relinquishment of ETC status.

The Commission became aware that Keystone Wireless was not offering Lifeline service. On Jan. 13, 2014, the Commission issued a letter to Keystone Wireless advising the company that it was ineligible for the high cost funding support from the federal USF mechanism, and that its information would be removed from our Lifeline information packets until it complied with the Commission Order approving the company's petition for ETC designation. Keystone Wireless, LLC legally changed its name to Limitless Mobile, LLC on Jan. 10, 2014. Limitless Mobile (Keystone) provided Lifeline service to one consumer during 2014, 2015 and 2016.

On Nov. 9, 2016, the Commission approved an order at Docket No. M-2016-2566383 which adopted the eligibility criteria and other changes that were implemented by the FCC in its Lifeline Reform and Modernization Order entered Apr. 27, 2016. Effective Dec. 2, 2016, eligibility and recertification for Lifeline was streamlined to include Supplemental Nutrition Assistance Program (SNAP), Medicaid, Supplemental Security Insurance (SSI), Federal Public Housing Assistance and Veterans Pension Benefit recipients, as well as those who verify income at or below 135% of the federal poverty income guidelines. The Low Income Home Assistance Program (LIHEAP), the National School Lunch Program, and Temporary Assistance for Needy Families (TANF) were removed as qualifying programs. The Department of Human Services COMPASS network was modified to accommodate the new eligibility requirements.

For more information about the telephone universal service programs, contact Theresa D. Mingarell in BCS at (717) 783-3232 or by email at [tmingarell@pa.gov](mailto:tmingarell@pa.gov).

# Glossary of Terms

**Competitive Local Exchange Carrier (CLEC)** - A telecommunications provider that competes with other already established telecommunications providers to provide local telephone service.

**Consumer Complaint Rate** - The number of consumer complaints per 1,000 residential customers.

**Consumer Complaints** - Cases to BCS involving billing, service, rates and other issues not related to requests for payment terms.

**Cramming** - The submission or inclusion of unauthorized, misleading or deceptive charges for products or services on an end-user customer's local telephone bill.

**Customer Assistance Programs (CAPs)** - Alternative collection programs set up between a utility company and a customer that allow low-income, payment-troubled customers to pay utility bills that are based on household size and gross household income. CAP participants agree to make regular monthly payments, which are usually less than the current bill, in exchange for continued utility service.

**Electric Distribution Company (EDC)** - Owner of the power lines and equipment necessary to deliver purchased electricity to the customer.

**Electric Generation Supplier (EGS)** - A person or corporation, generator, broker, marketer, aggregator or other entity that sells electricity, using the transmission or distribution facilities of an EDC.

**Hardship Funds** - Utility-sponsored funds that provide cash assistance to low-income utility customers to help them pay their utility bills.

**Incumbent Local Exchange Carrier (ILEC)** - A telecommunications company that was providing local telephone service in 1996 to customers in a specific geographic area designated by the Federal Communications Commission and held a certificate from the PUC.

**Infraction** - A misapplication or infringement of a Commission statute or regulation, particularly the standards and billing practices for residential utility service.

**Infraction Rate** - The number of informally verified infractions per 1,000 residential customers (includes infractions drawn from both consumer complaints and PARs).

**Inquiries** - Consumer contacts to BCS that, for the most part, require no follow-up investigation beyond the initial contact.

**Justified Consumer Complaint Rate** - The number of justified consumer complaints per 1,000 residential customers.

**Justified Payment Arrangement Request Rate** - The number of justified PARs per 1,000 residential customers.

**Local Exchange Carrier (LEC)** - A public utility that provides basic telephone service. The term does not exclude the utility's provision of toll service in addition to basic service.

**Natural Gas Distribution Company (NGDC)** - A natural gas utility regulated by the PUC that owns the gas lines and equipment necessary to deliver natural gas to the consumer.

**Natural Gas Supplier (NGS)** - An entity other than an NGDC that sells, or arranges to sell, natural gas to customers using the distribution lines of an NGDC.

**Payment Arrangement Request Rate** - The number of PARs per 1,000 residential customers.

**Payment Arrangement Requests (PARs)** - Consumer requests for payment arrangements principally include contacts to BCS involving a request for payment terms in one of the following situations: suspension/termination of service is pending; service has been suspended/terminated and the customer needs payment terms to have service restored; or the customer wants to retire an arrearage.

**Problem Categories** - A breakdown of residential consumer complaints by specific problem categories such as billing, credit and deposits, service quality, rates, etc.

**Response Time in Days** - Response time is the time span in days from the date of BCS's first contact with the company regarding a complaint to the date on which the utility provides BCS with its report regarding the complaint. Response time quantifies the speed of a utility's response to BCS consumer complaints and PARs.

**Slamming** - The unauthorized switching of a customer's service provider. In telecommunications, slamming refers to changing a customer's local exchange carrier or primary long-distance service provider without the customer's consent. In electric and gas, slamming refers to changing the customer's supply provider without customer authorization.

**Termination Rate** - For the electric and gas industries, termination rate is the number of service terminations divided by the number of residential customers. For the telephone industry, termination rate is the number of service terminations per 1,000 residential customers.

## Appendices

## Appendix A

### Consumer Ratings of BCS Service

How quickly did the PUC handle your request?		
	2015	2016
Very quickly	53%	54%
Fairly quickly	28%	27%
Not very quickly	7%	8%
Not at all quickly	9%	9%
Don't recall	1%	1%
Have not heard from PUC	2%	2%
How easy to understand was the information the PUC gave you about the outcome of the problem?		
	2015	2016
Very easy	51%	53%
Fairly easy	20%	20%
Not very easy	4%	3%
Not at all easy	2%	2%
Don't recall	4%	3%
Did not receive any information	19%	19%
How polite was the first person you talked with at the PUC?		
	2015	2016
Very polite	78%	76%
Fairly polite	14%	15%
Not very polite	2%	3%
Not at all polite	2%	2%
Don't recall	1%	1%
Did not speak to anyone	4%	4%
How interested in helping you was the first person you talked with at the PUC?		
	2015	2016
Very interested	69%	69%
Fairly interested	22%	19%
Not very interested	4%	4%
Not at all interested	2%	4%
Don't recall	1%	1%
Did not speak to anyone	2%	2%
If you had another problem with a utility, would you contact the PUC again?		
	2015	2016
Yes	86%	85%
No	5%	6%
Not sure	9%	9%



## Appendix B

### Total Volume of Consumer Complaints and Payment Arrangement Requests to BCS in 2015-16

Industry	Consumer Complaints						Payment Arrangement Requests					
	Residential			Commercial			Residential			Commercial		
	2015	2016	Percent Change	2015	2016	Percent Change	2015	2016	Percent Change	2015	2016	Percent Change
Electric	6,248	5,890	-6%	611	405	-34%	32,001	34,812	9%	326	237	-27%
Gas	1,765	1,566	-11%	158	89	-44%	13,818	13,796	<1%	133	73	-45%
Water	620	714	15%	43	39	-9%	4,024	3,864	-4%	23	26	13%
Telephone	1,091	1,470	35%	145	192	32%	106	81	-24%	1	4	300%
Other*	3	3	0%	0	0	0%	2	5	150%	0	0	0%
<b>Total</b>	<b>9,727</b>	<b>9,643</b>	<b>-1%</b>	<b>957</b>	<b>725</b>	<b>-24%</b>	<b>49,951</b>	<b>52,558</b>	<b>5%</b>	<b>483</b>	<b>340</b>	<b>-30%</b>

\* Sewer and steam heat complaints are designated as “other.”

## Appendix C

### 2016 Residential Informal Complaints (Consumer Complaints and PARs) for Companies Not Included in Industry Chapters

Company*	Number of Complaints	Total Number of Complaints Includes Secondary Company Complaints **
<b>ELECTRIC</b>		
Pike County Light and Power (EDC)	13	13
Other Electric Distribution Companies (EDCs)***	13	13
4 Choice Energy (EGS)	13	18
AEP Energy (EGS)	53	72
Agway Energy Services (EGS)	0	7
Alpha Gas & Electric (EGS)	0	8
Ambit Energy (EGS)	62	82
American Power & Gas of PA (EGS)	88	98
AP Gas and Electric (EGS)	9	11
Aspirity Energy Mid-States (EGS)	0	6
Astral Energy (EGS)	9	11
Champion Energy Services (EGS)	12	14
Clean Choice Energy (EGS)	0	6
Clearview Electric (EGS)	22	25
Commerce Energy (EGS)	0	7
Constellation Energy Power Choice (EGS)	13	19
Discount Power (EGS)	7	12
Dominion Energy Services (EGS)	0	6
Elec-Direct Energy Services (EGS)	65	89
Eligo Energy PA (EGS)	25	30
Energy Plus Holdings (EGS)	30	53

\*Only those non-major companies having five or more complaints in 2016 are listed individually. Non-major companies having less than five residential complaints in 2016 are included in the appropriate general category for their industry, i.e. "Other Electric Distribution Companies" or "Other CLECs," etc.

\*\* Includes complaints where the non-major company is listed as the secondary company.

\*\*\* Total number of complaints for those companies having fewer than five residential complaints. See the last table in Appendix C for a list of these companies.

## Appendix C (Continued)

### 2016 Residential Informal Complaints (Consumer Complaints and PARs) for Companies Not Included in Industry Chapters

Company*	Number of Complaints	Total Number of Complaints Includes Secondary Company Complaints **
<b>ELECTRIC (continued)</b>		
Energy Rewards/Comcast/Everyday Energy (EGS)	9	10
First Energy Solutions (EGS)	41	60
Frontier Utilities Northeast (EGS)	24	32
Great American Power (EGS)	11	14
Green Mountain Energy (EGS)	21	49
IDT Energy (EGS)	46	79
Inspire Energy Holdings (EGS)	11	14
Interstate Gas Supply (EGS)	17	36
Just Energy PA (EGS)	10	15
Liberty Power (EGS)	55	65
Life Energy (EGS)	14	18
National Gas and Electric (EGS)	8	9
New Energy Ventured - Mid Atlantic (EGS)	22	29
Nextera Energy Service PA (EGS)	24	34
North American Power and Gas (EGS)	32	54
NRG Solutions (EGS)	49	85
Oasis Energy (EGS)	35	46
Palmco Power PA (EGS)	39	53
Park Power (EGS)	16	24
Pennsylvania Gas and Electric (EGS)	55	81
Planet Energy PA (EGS)	143	159

\*Only those non-major companies having five or more complaints in 2016 are listed individually. Non-major companies having less than five residential complaints in 2016 are included in the appropriate general category for their industry, i.e. "Other Electric Distribution Companies" or "Other CLECs," etc.

\*\* Includes complaints where the non-major company is listed as the secondary company.

\*\*\* Total number of complaints for those companies having fewer than five residential complaints. See the last table in Appendix C for a list of these companies.

## Appendix C (Continued)

### 2016 Residential Informal Complaints (Consumer Complaints and PARs) for Companies Not Included in Industry Chapters

Company*	Number of Complaints	Total Number of Complaints Includes Secondary Company Complaints **
<b>ELECTRIC (continued)</b>		
Public Power (EGS)	9	14
Residents Energy (EGS)	8	13
Respond Power (EGS)	100	122
Rushmore Energy (EGS)	9	11
SFE Energy (EGS)	104	138
Shipley Oil Company (EGS)	20	23
Smartenergy.com (EGS)	18	21
Spark Energy (EGS)	18	22
Sperian Energy (EGS)	60	84
Star Energy Partners (EGS)	0	7
Starion Energy of PA (EGS)	27	37
Stream Energy (EGS)	22	36
Talen Energy (EGS)	9	21
Think Energy/Engie Retail (EGS)	11	21
Titan Gas and Power (EGS)	17	20
Town Square Energy East (EGS)	17	22
TriEagle Energy (EGS)	19	28
Verde Energy USA (EGS)	45	67
Viridian Energy (EGS)	0	5

\*Only those non-major companies having five or more complaints in 2016 are listed individually. Non-major companies having less than five residential complaints in 2016 are included in the appropriate general category for their industry, i.e. "Other Electric Distribution Companies" or "Other CLECs," etc.

\*\* Includes complaints where the non-major company is listed as the secondary company.

\*\*\* Total number of complaints for those companies having fewer than five residential complaints. See the last table in Appendix C for a list of these companies.

## Appendix C (Continued)

### 2016 Residential Informal Complaints (Consumer Complaints and PARs) for Companies Not Included in Industry Chapters

Company*	Number of Complaints	Total Number of Complaints Includes Secondary Company Complaints **
WGL Energy Services (EGS)	0	7
Xoom Energy PA (EGS)	7	10
YEP Energy (EGS)	0	5
Other Electric Generation Suppliers (EGSs)***	52	36
<b>Total Non-Major Electric</b>	<b>1,688</b>	<b>2,336</b>
<b>GAS</b>		
Peoples TWP (NGDC)	174	174
UGI Central Penn Gas (NGDC)	383	383
Other Natural Gas Distribution Companies (NGDCs)***	12	12
Dominion Energy Solutions (NGS)	12	17
IGS Energy (NGS)	0	5
Major Energy (NGS)	17	20
Pennsylvania Gas and Electric (NGS)	5	8
Planet Energy (NGS)	5	5
SFE Energy (NGS)	15	19
Shipley Energy (NGS)	6	8
Titan Gas & Power (NGS)	6	7
Other Natural Gas Suppliers (NGSs)***	31	33
<b>Total Non-Major Gas</b>	<b>666</b>	<b>691</b>

\*Only those non-major companies having five or more complaints in 2016 are listed individually. Non-major companies having less than five residential complaints in 2016 are included in the appropriate general category for their industry, i.e. "Other Electric Distribution Companies" or "Other CLECs," etc.

\*\* Includes complaints where the non-major company is listed as the secondary company.

\*\*\* Total number of complaints for those companies having fewer than five residential complaints. See the last table in Appendix C for a list of these companies.

## Appendix C (Continued)

### 2016 Residential Informal Complaints (Consumer Complaints and PARs) for Companies Not Included in Industry Chapters

Company*	Number of Complaints
<b>WATER</b>	
Community Utilities PA (WP)	8
Imperial Point Water (WP)	7
Reynolds Water (WP)	7
Other Private Water***	20
City of Lancaster (WM)	7
Municipal Water***	13
<b>Total Non-Major Water</b>	<b>62</b>
<b>TELEPHONE</b>	
Other Incumbent Local Exchange Carriers (ILECs)***	1
AT&T Local (CLEC)	5
Birch Communications (CLEC)	6
Frontier Communications CTSI (CLEC)	6
Full Service Network (CLEC)	10
Other Competitive Local Exchange Carriers (CLECs)***	6
Comcast Digital Phone (VOIP)	9
T-Mobile (wireless)	5
Tracfone (wireless)	8
Other Providers of Telecommunications Services***	40
<b>Total Non-Major Telephone</b>	<b>96</b>

\*Only those non-major companies having five or more complaints in 2016 are listed individually. Non-major companies having less than five residential complaints in 2016 are included in the appropriate general category for their industry, i.e. "Other Electric Distribution Companies" or "Other CLECs," etc.

\*\* Includes complaints where the non-major company is listed as the secondary company.

\*\*\* Total number of complaints for those companies having fewer than five residential complaints. See the last table in Appendix C for a list of these companies.

## Appendix C (Continued)

### 2016 Residential Informal Complaints (Consumer Complaints and PARs) for Companies Not Included in Industry Chapters

Companies with Less Than Five Residential Complaints	
<b>ELECTRIC</b>	
<u>Other EDCs:</u>	Borough of St. Clair, City Electric – Lewisburg, Duncannon Electric, Elkland Electric and Wellsboro Electric Co.
<u>Other EGSs:</u>	Amerigreen Energy, Bargain Energy, Bounce Energy PA, Central Energy – North East, Choose Energy, Cirro Energy, Con Edison Solutions, Dukesolutions, Entrust Energy, Gateway Energy, Greenlight Energy, Hudson Energy Services, Integrity Energy, Mack Services Group, Marathon Power, Rescom Energy, RPA Energy, Starcorp International, Sunwave Gas & Power PA, Superior Plus Energy Services, and UGI Energy Services
<b>GAS</b>	
<u>Other NGDCs:</u>	Chartiers Natural Gas, Herman Oil & Gas, Herman Riemer Gas Co., Leatherstocking Gas Co., Mountain Energy, Northeast Heat & Light, Pike County Light & Power and Pine-Roe Gas
<u>Other NGSS:</u>	Alpha Gas & Electric, Ambit Northeast, American Power & Gas of PA, Constellation Energy Gas Choice, Direct Energy Services, Gateway Energy Services, IDT Energy, North American Power & Gas, NRG Home, Oasis Power, Palmco Energy PA, Rhodes Energy and UGI Energy Service – Energylink
<b>WATER</b>	
<u>Other Private Water:</u>	Appalachian Utilities, Chester County Utilities, Finch Hill Water Co., High Ridge Water, Manwalamink Water, Penn Estates Utilities, Pocono Water, Rock Springs Water, Sun Valley Water Co., Templeton Water, Twin Lakes Water and West Hickory Water
<u>Municipal Water:</u>	Borough of Quakertown, City of Bethlehem, City of Dubois, City of Philadelphia, City of Pittsburgh and Hanover Water Works
<b>TELEPHONE</b>	
<u>Other ILECs:</u>	Frontier Communications
<u>Other CLECs:</u>	ACN Communications Services, Excel Telecommunications, RCN Telecom of PA and Service Electric Telephone
<u>Other Providers of Telecommunications Services:</u>	American Broadband Telecommunications Co., AT and T (IXC), Atlantic Broadband, Atlantic Telecom, Budget Prepay, Clear Rate Communications, Comcast Long Distance, Consolidated Communication of PA, Denver-Ephrata Telephone, Fairpoint Communications, First Communications, IDT America (local), IDT America Corp., Laurel Highland Telephone, Level 3 Communications, Metropolitan Telecommunications, North Penn Telephone, Qlink Wireless, Spectrotel, Talk America, Talk America Services, TDS Telecom, Virgin Mobil and Windstream Communications

## Appendix D-1

### Classification of Consumer Complaints

#### Electric, Gas & Water

**Billing Disputes** - Complaints about bills from the utility: high bills, inaccurate bills or balances, installation charges, customer charges, service charges, repair charges, late payment charges, frequency of bills and the misapplication of payment on bills.

**Competition** - Complaints about issues that are directly related to competition: enrollment/eligibility, application and licensing, supplier selection, changing/switching suppliers (includes slamming), advertising and sales, billing, contracts and credit and deposits. This category also includes any complaints about more general competition issues such as consumer education, pilot programs and restructuring.

**Credit & Deposits** - Complaints about a company's requirements to provide service: the applicant must pay another person's bill; the applicant must complete an application; the applicant must provide identification; or the applicant must pay a security deposit. This category also includes complaints about the amount of or the amortization of a deposit, the payment of interest on a deposit or the failure of a company to return a deposit to the customer.

**Damages** - Complaints about a company's lack of payment or lack of restored property related to damages to equipment, appliances or property due to service outages, company construction or repair, and improperly delivered or transferred service.

**Discontinuance/Transfer** - Complaints related to the responsibility for or the amount of bills after discontinuance or transfer of service: the customer requested discontinuance of service and the company failed to finalize the account as requested or transferred a balance to a new or existing account from the account of another person or location.

**Metering** - Billing complaints directly related to the reading of or the failure to read the customer's meter and the accuracy of the meter readings (company reading, customer supplied reading or misreading).

**Other Payment Issues** - Complaints about the amount of budget bills or the transfer of a customer's debt to a collection agency.

**Personnel Problems** - Complaints about performance by company personnel: a company representative did not finish the job correctly; a meter reader entered a customer's home to read the meter without knocking; company personnel will not perform a requested service; business office personnel treated the customer rudely; and the utility mismanaged its operations. This category also includes any complaints about sales such as appliance sales by the utility, as well as complaints about a company's CAP program or procedures.

**Rates** - General or specific complaints about a utility's rates: general or specific rates are too high; the company's rates are being used to recover advertising costs; or the customer is being billed on the incorrect rate.

**Scheduling Delays** - Complaints about problems with a company's scheduling: delays in scheduling or repairing service or relocating poles, failures to keep scheduled meetings or appointments and lack of accessibility to customers.



**Service Extensions** - Complaints about line extensions or installation of service: the responsibility for line extensions, the cost and payment for line extensions, inspection requirements, delay in installation, connection or disconnection of service and denial of service extensions.

**Service Interruptions** - Complaints about service interruptions: the frequency of service interruptions, the duration of interruptions or the lack of prior notice regarding interruptions.

**Service Quality** - Complaints about a utility's product: the quality of the product is poor (water quality, voltage or pressure); the company's equipment is unsatisfactory or unsafe; the company fails to act on a complaint about safety; the company plans to abandon service; the company does not offer needed service; the company wants to change location of equipment; or the company providing service is not certified by the Commission (defectos).

**Termination or PAR Procedures** - Complaints about termination and/or payment arrangement procedures: the customer claims no termination notice was received; the company failed to honor a medical certificate; or there was a delay in reconnection after the bill was paid.

**All Other Problems** - All other complaints that do not fit into the above categories, including, but not limited to, credit application procedures.

## Appendix D-2

### Classification of Consumer Complaints

#### Telephone

**Annoyance Calls** - Complaints about the company's failure to resolve problems related to receiving unsolicited sales calls or harassing calls. This includes the company's failure to change the phone number or initiate an investigation and problems with auto dialers and fax machines.

**Billing Disputes** - Complaints about bills from the utility: high bills, inaccurate bills or balances, installation charges, customer charges, service charges, repair charges, late payment charges, frequency of bills and the misapplication of payment on bills.

**Competition** - Complaints about changing/switching service providers, slamming, cramming, competition-related billing problems, contracts, competition-related service problems and all other problems associated with competition in the telecommunications marketplace.

**Credit & Deposits** - Complaints about a company's requirements to provide service: applicant payment of another person's bill, completion of an application, provision of identification or payment of a security deposit. This category also includes complaints about the amount of or the amortization of a deposit, the payment of interest on a deposit or the failure of a company to return a deposit to the customer.

**Discontinuance/Transfer** - Complaints related to responsibility for or the amount of bills after discontinuance or transfer of service; company failure to finalize the account as requested; or the company's transfer of a balance to a new or existing account from the account of another person or location.

**Non-Recurring Charges** - Complaints about one-time charges for installation of basic &/or non-basic services.

**Service Delivery** - Complaints about delays in service installations or disconnections of service and failures to keep scheduled appointments, lack of facilities to provide service, unauthorized transfer of service, unavailability of special services and the rudeness of business office personnel.

**Service Terminations** - Complaints about suspension or termination procedures when there is no need for a payment agreement.

**Toll Services** - Complaints about charges for local toll &/or long-distance toll services.

**Unsatisfactory Service** - Complaints about poor service quality, problems with the assignment of phone numbers, incorrect information in phone directories, lack of directories, equal access to toll network and service interruptions and outages.

**All Other Problems** - All other complaints that do not fit into the above categories, including complaints about audiotex (special phone entertainment or information services), excessive coin-phone rates, extended area of service (limited local calling area), rates (general or specific rates are too high or the customer is being billed on the incorrect rate) and sales of non-basic service (including the availability of certain services). Also included are complaints that were taken in by BCS but closed before they could be investigated because the consumer resolved the complaint with the company or because the consumer changed their mind about filing the complaint. In addition, some complaints, during investigation, were found to not fall under the PUC's jurisdiction.

## Appendix E - Table 1

### Consumer Complaint Categories: 2016\* Major Electric Distribution Companies

Categories**	Duquesne	Met-Ed***	PECO****+	Penelec ***	Penn Power	PPL***	UGI- Electric	West Penn***	Electric Total
Billing Disputes	97	56	94	75	77	102	5	41	547
Credit and Deposits	47	84	84	120	44	20	5	76	480
Personnel Problems	64	47	73	56	28	65	9	63	405
Metering	39	82	16	61	30	27	2	85	342
Termination or PAR Procedures	37	40	81	36	15	67	4	38	318
Discontinuance/Transfer	34	34	45	16	11	81	3	28	252
Other Payment Issues	52	24	34	23	12	37	1	21	204
Damages	6	12	7	13	5	10	2	42	97
Service Interruptions	9	8	3	13	2	6	0	56	97
Rates	4	8	4	7	34	4	1	1	63
Service Quality	6	8	8	7	4	5	0	17	55
Scheduling Delays	7	6	1	3	0	0	0	7	24
Service Extensions	1	7	0	4	0	1	0	11	24
All Other Problems	4	9	13	7	4	10	0	9	56
<b>Total</b>	<b>407</b>	<b>425</b>	<b>463</b>	<b>441</b>	<b>266</b>	<b>435</b>	<b>32</b>	<b>495</b>	<b>2,964</b>

\* Categories are for residential complaints opened in 2016 and evaluated by BCS as of June 16, 2017.

\*\* An explanation of the various complaint categories appears in Appendix D-1.

\*\*\* Statistics are based on a probability sample of cases.

+ PECO statistics include electric and gas.

## Appendix E - Table 2

### Consumer Complaint Categories: 2016\*

#### Major Natural Gas Distribution Companies

Categories**	Columbia	NFG	Peoples	Peoples-Equitable	PGW***	UGI-Gas	UGI Penn Natural	Gas Total
Personnel Problems	21	7	22	19	66	18	9	162
Billing Disputes	13	5	8	13	86	19	7	151
Discontinuance/Transfer	5	5	7	4	76	7	9	113
Termination or PAR Procedures	11	2	9	7	54	23	6	112
Metering	2	3	8	4	48	5	0	70
Other Payment Issues	4	4	5	6	43	3	1	66
Damages	4	7	19	5	17	8	5	65
Scheduling Delays	3	5	9	13	19	1	2	52
Credit and Deposits	6	1	5	3	10	13	11	49
Service Quality	3	1	14	11	9	1	6	45
Service Extensions	2	6	3	3	2	5	4	25
Rates	2	0	0	1	0	2	0	5
Service Interruptions	0	0	0	1	0	0	0	1
All Other Problems	0	1	0	1	6	5	5	18
<b>Total</b>	<b>76</b>	<b>47</b>	<b>109</b>	<b>91</b>	<b>436</b>	<b>110</b>	<b>65</b>	<b>934</b>

\* Categories are for residential complaints opened in 2016 evaluated by BCS as of June 16, 2017.

\*\* An explanation of the various complaint categories appears in Appendix D-1.

\*\*\* Statistics are based on a probability sample of cases.

### Appendix E - Table 3

#### Consumer Complaint Categories: 2016\*

#### Major Water Companies

Categories**	Aqua	PAWC	Large Class A Total	Audubon	Columbia	Newtown Artesian	SUEZ Bethel	SUEZ PA	York	"Other Class A" Total	All Class A Water Total
Billing Disputes	63	107	170	0	1	1	0	8	3	13	183
Termination or PAR Procedures	19	60	79	2	1	0	0	2	1	6	85
Metering	17	30	47	0	0	0	0	4	0	4	51
Service Quality	15	25	40	0	1	0	0	5	5	11	51
Personnel Problems	19	16	35	0	0	0	0	3	2	5	40
Damages	4	22	26	1	0	0	0	0	2	3	29
Credit and Deposits	15	11	26	0	0	0	0	0	0	0	26
Discontinuance/Transfer	9	15	24	0	0	0	0	1	1	2	26
Other Payment Issues	6	4	10	0	0	0	0	3	1	4	14
Service Interruptions	2	7	9	0	0	0	0	3	0	3	12
Scheduling Delays	3	2	5	0	0	0	0	0	1	1	6
Service Extensions	2	3	5	0	0	0	0	0	0	0	5
Rates	1	1	2	0	0	0	0	0	0	0	2
All Other Problems	7	6	13	0	0	0	0	1	3	4	17
<b>Total</b>	<b>182</b>	<b>309</b>	<b>491</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>30</b>	<b>19</b>	<b>56</b>	<b>547</b>

\* Categories are for residential complaints opened in 2016 and evaluated by BCS as of June 16, 2017.

\*\* An explanation of the various complaint categories appears in Appendix D-1.

## Appendix E - Table 4

### Consumer Complaint Categories: 2016\* Major Local Telephone Companies

Categories**	CenturyLink	Frontier Common-wealth	Verizon North	Verizon PA***	Windstream	Telephone Total
Unsatisfactory Service	26	40	39	305	51	461
Billing Disputes	12	17	8	93	4	134
Service Delivery	4	8	3	74	13	102
Service Terminations	4	0	3	21	1	29
Competition	0	0	0	9	3	12
Credit and Deposits	0	0	0	7	0	7
Discontinuance/Transfer	0	0	1	5	0	6
Annoyance Calls	1	0	0	1	0	2
Toll Services	0	0	0	1	0	1
Non-Recurring Charges	0	0	0	0	0	0
All Other Problems	8	9	5	118	6	146
<b>Total</b>	<b>55</b>	<b>74</b>	<b>59</b>	<b>634</b>	<b>78</b>	<b>900</b>

\* Categories are for residential complaints opened in 2016 and evaluated by BCS as of July 7, 2017.

\*\* An explanation of the various complaint categories appears in Appendix D-2.

\*\*\* Statistics are based on a probability sample of cases.

## Appendix F - Table 1

### 2015-16 Residential Consumer Complaint Statistics Major Electric Distribution Companies

Company Name	2016 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaints			
		2015	2016	% Change in #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015		Numbers <sup>2</sup> / Rates <sup>3</sup> 2016	
Duquesne	526,283	632	590	-7%	1.20	1.12	144*	0.27*	46	0.09
Met-Ed	495,698	731	747	2%	1.48	1.51	125*	0.25*	86*	0.17*
PECO <sup>5</sup>	1,466,107	1,143	929	-19%	0.79	0.63	117*	0.08*	78*	0.05*
Penelec	501,819	572	677	18%	1.14	1.35	89*	0.18*	77*	0.15*
Penn Power	143,536	180	323	79%	1.26	2.25	23	0.16	32	0.22
PPL	1,231,156	728	617	-15%	0.59	0.50	75*	0.06*	52*	0.04*
UGI-Electric	55,805	59	36	-39%	1.06	0.65	13	0.23	1	0.02
West Penn	623,830	655	803	23%	1.05	1.29	71*	0.11*	92*	0.15*
<b>Total</b>	<b>5,044,234</b>	<b>4,700</b>	<b>4,722</b>	<b>&lt;1%</b>			<b>657</b>		<b>464</b>	
<b>Average of Rates</b>					<b>1.07<sup>4</sup></b>	<b>1.24<sup>4</sup></b>		<b>0.16<sup>4</sup></b>		<b>0.13<sup>4</sup></b>

<sup>1</sup> Consumer complaint rate = consumer complaints per 1,000 residential customers.

<sup>2</sup> Estimated based on the number of cases in CSIS as of June 16, 2017.

<sup>3</sup> Justified consumer complaint rate = justified consumer complaints per 1,000 residential customers.

<sup>4</sup> Does not include UGI-Electric.

<sup>5</sup> PECO statistics include electric and gas.

\* Based on a probability sample of cases.

## Appendix F - Table 2

### 2015-16 Residential Consumer Complaint Statistics Major Natural Gas Distribution Companies

Company Name	2016 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaints			
		2015	2016	% Change in #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015		Numbers <sup>2</sup> / Rates <sup>3</sup> 2016	
Columbia	390,394	147	126	-14%	0.38	0.32	7	0.02	8	0.02
NFG	197,992	74	54	-27%	0.37	0.27	12	0.06	3	0.02
Peoples	331,814	182	159	-13%	0.55	0.48	14	0.04	6	0.02
Peoples-Equitable	243,371	121	118	-2%	0.49	0.48	9	0.04	9	0.04
PGW	473,019	827	776	-6%	1.76	1.64	134*	0.28*	173*	0.37*
UGI-Gas	345,693	150	130	-13%	0.44	0.38	13	0.04	6	0.02
UGI Penn Natural	152,760	87	76	-13%	0.57	0.50	13	0.09	5	0.03
<b>Total</b>	<b>2,135,043</b>	<b>1,588</b>	<b>1,439</b>	<b>-9%</b>			<b>202</b>		<b>210</b>	
<b>Average of Rates</b>					<b>0.65</b>	<b>0.58</b>		<b>0.08</b>		<b>0.07</b>

<sup>1</sup> Consumer complaint rate = consumer complaints per 1,000 residential customers.

<sup>2</sup> Estimated based on the number of cases in CSIS as of June 16, 2017.

<sup>3</sup> Justified consumer complaint rate = justified consumer complaints per 1,000 residential customers.

\* Based on a probability sample of cases.



## Appendix F - Table 3

### 2015-16 Residential Consumer Complaint Statistics Major Water Companies

Company Name	2016 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaints			
		2015	2016	% Change in #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015		Numbers <sup>2</sup> / Rates <sup>3</sup> 2016	
Aqua	396,150	198	207	5%	0.51	0.52	65	0.17	45	0.11
PAWC	598,988	345	420	22%	0.58	0.70	104	0.17	72	0.12
<b>Large Class A Total</b>	<b>995,138</b>	<b>543</b>	<b>627</b>	<b>15%</b>			<b>169</b>		<b>117</b>	
<b>Large Class A Average of Rates</b>					<b>0.54</b>	<b>0.61</b>		<b>0.17</b>		<b>0.12</b>
Audubon	2,603	2	3	50%	0.77	1.15	0	0.00	2	0.77
Columbia	9,500	10	3	-70%	1.06	0.32	1	0.11	0	0.00
Newtown Artesian	9,546	1	1	0%	0.11	0.10	0	0.00	0	0.00
SUEZ Bethel	2,413	1	0	-100%	0.41	0.00	0	0.00	0	0.00
SUEZ PA	53,805	22	31	41%	0.41	0.58	1	0.02	2	0.04
York	59,943	11	23	109%	0.18	0.38	0	0.00	1	0.02
<b>“Other Class A” Total</b>	<b>137,810</b>	<b>47</b>	<b>61</b>	<b>30%</b>			<b>2</b>		<b>5</b>	
<b>“Other Class A” Avg. of Rates<sup>4</sup></b>					<b>0.33</b>	<b>0.44</b>		<b>0.01</b>		<b>0.04</b>
<b>All Class A Total</b>	<b>1,132,948</b>	<b>590</b>	<b>688</b>	<b>17%</b>			<b>171</b>		<b>122</b>	
<b>All Class A Average of Rates<sup>5</sup></b>					<b>0.47</b>	<b>0.56</b>		<b>0.12</b>		<b>0.09</b>

<sup>1</sup> Consumer complaint rate = consumer complaints per 1,000 residential customers.

<sup>2</sup> Estimated based on the number of cases in CSIS as of June 16, 2017.

<sup>3</sup> Justified consumer complaint rate = justified consumer complaints per 1,000 residential customers.

<sup>4</sup> Calculated based on the rate of “Other Class A” companies as a whole.

<sup>5</sup> Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

## Appendix F - Table 4

### 2015-16 Residential Consumer Complaint Statistics Major Local Telephone Companies

Company Name	2016 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaints			
		2015	2016	% Change in #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015		Numbers <sup>2</sup> / Rates <sup>3</sup> 2016	
CenturyLink	128,876	35	62	77%	0.26	0.48	16	0.12	29	0.23
Frontier Commonwealth	101,106	39	85	118%	0.37	0.84	27	0.25	47	0.46
Verizon North	149,860	43	68	58%	0.25	0.45	24	0.14	37	0.25
Verizon PA	747,767	847	1,070	26%	0.95	1.43	328*	0.37*	366*	0.49*
Windstream	90,759	43	92	114%	0.44	1.01	32	0.33	63	0.69
<b>Total</b>	<b>1,218,368</b>	<b>1,007</b>	<b>1,377</b>	<b>37%</b>			<b>427</b>		<b>542</b>	
<b>Average of Rates</b>					<b>0.46</b>	<b>0.84</b>		<b>0.24</b>		<b>0.42</b>

<sup>1</sup> Consumer complaint rate = consumer complaints per 1,000 residential customers.

<sup>2</sup> Estimated based on the number of cases in CSIS as of July 7, 2017.

<sup>3</sup> Justified consumer complaint rate = justified consumer complaints per 1,000 residential customers.

\* Based on a probability sample of cases.

## Appendix G - Table 1

### 2015-16 Residential Payment Arrangement Request (PAR) Statistics Major Electric Distribution Companies

Company Name	2016 Residential Customers	Residential PARs to BCS			PAR Rates <sup>1</sup>		Justified PARs			
		2015	2016	% Change In #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015		Numbers <sup>2</sup> / Rates <sup>3</sup> 2016	
Duquesne	526,283	2,372	2,284	-4%	4.51	4.34	375	0.71	120	0.23
Met-Ed	495,698	3,221	4,433	38%	6.54	8.94	314	0.64	503	1.01
PECO <sup>5</sup>	1,466,107	6,157	6,034	-2%	4.23	4.12	433	0.30	410	0.28
Penelec	501,819	3,171	4,644	46%	6.31	9.25	296	0.59	458	0.91
Penn Power	143,536	947	1,575	66%	6.64	10.97	112	0.79	140	0.98
PPL	1,231,156	12,793	11,528	-10%	10.43	9.36	637	0.52	831	0.67
UGI-Electric	55,805	498	540	8%	8.92	9.68	69	1.24	35	0.63
West Penn	623,830	2,318	3,254	40%	3.72	5.22	135	0.22	208	0.33
<b>Total</b>	<b>5,044,234</b>	<b>31,477</b>	<b>34,292</b>	<b>9%</b>			<b>2,371</b>		<b>2,705</b>	
<b>Average of Rates</b>					<b>6.06<sup>4</sup></b>	<b>7.46<sup>4</sup></b>		<b>0.54<sup>4</sup></b>		<b>0.63<sup>4</sup></b>

<sup>1</sup> PAR rate = PARs per 1,000 residential customers.

<sup>2</sup> With the exception of UGI-Electric, each company's number of justified PARs is estimated based on a probability sample of cases. The number of justified PARs for all EDCs is based on the number of cases in CSIS as of June 16, 2017.

<sup>3</sup> Justified PAR rate = justified PARs per 1,000 residential customers.

<sup>4</sup> Does not include UGI-Electric.

<sup>5</sup> PECO statistics include electric and gas.

## Appendix G - Table 2

### 2015-16 Residential Payment Arrangement Request (PAR) Statistics Major Natural Gas Distribution Companies

Company Name	2016 Residential Customers	Residential PARs to BCS			PAR Rates <sup>1</sup>		Justified PARs			
		2015	2016	% Change in #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015		Numbers <sup>2</sup> / Rates <sup>3</sup> 2016	
Columbia	390,394	679	684	1%	1.75	1.75	12	0.03	12	0.03
NFG	197,992	489	332	-32%	2.46	1.68	21	0.11	13	0.07
Peoples	331,814	1,057	698	-34%	3.19	2.10	14*	0.04*	16	0.05
Peoples-Equitable	243,371	495	445	-10%	2.01	1.83	17	0.07	31	0.13
PGW	473,019	7,434	7,558	2%	15.79	15.98	185*	0.39*	293*	0.62*
UGI-Gas	345,693	1,784	2,182	22%	5.26	6.31	218*	0.64*	129*	0.37*
UGI Penn Natural	152,760	1,308	1,358	4%	8.63	8.89	183*	1.21*	143*	0.94*
<b>Total</b>	<b>2,135,043</b>	<b>13,246</b>	<b>13,257</b>	<b>&lt;1%</b>			<b>650</b>		<b>637</b>	
<b>Average of Rates</b>					<b>5.58</b>	<b>5.51</b>		<b>0.36</b>		<b>0.31</b>

<sup>1</sup> PAR rate = PARs per 1,000 residential customers.

<sup>2</sup> The number of justified PARs for all NGDCs is based on the number of cases in CSIS as of June 16, 2017.

<sup>3</sup> Justified PAR rate = justified PARs per 1,000 residential customers.

\* Estimated based on a probability sample of cases.

## Appendix G - Table 3

### 2015-16 Residential Payment Arrangement Request (PAR) Statistics Major Water Companies

Company Name	2016 Residential Customers	Residential PARs to BCS			PAR Rates <sup>1</sup>		Justified PARs			
		2015	2016	% Change in #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015	Numbers <sup>2</sup> / Rates <sup>3</sup> 2016		
Aqua	396,150	741	701	-5%	1.90	1.77	42*	0.11*	43	0.11
PAWC	598,988	3,083	2,907	-6%	5.16	4.85	573*	0.96*	359*	0.60*
<b>Large Class A Total</b>	<b>995,138</b>	<b>3,824</b>	<b>3,608</b>	<b>-6%</b>			<b>615</b>		<b>402</b>	
<b>Large Class A Average of Rates</b>					<b>3.53</b>	<b>3.31</b>		<b>0.54</b>		<b>0.35</b>
Audubon	2,603	2	0	-100%	0.77	0.00	0	0.00	0	0.00
Columbia	9,500	35	30	-14%	3.71	3.16	0	0.00	0	0.00
Newtown Artesian	9,546	0	0	0%	0.00	0.00	0	0.00	0	0.00
SUEZ Bethel	2,413	0	0	0%	0.00	0.00	0	0.00	0	0.00
SUEZ PA	53,805	70	84	20%	1.31	1.56	10	0.19	2	0.04
York	59,943	68	106	56%	1.13	1.77	0	0.00	5	0.08
<b>“Other Class A” Total</b>	<b>137,810</b>	<b>175</b>	<b>220</b>	<b>26%</b>			<b>10</b>		<b>7</b>	
<b>“Other Class A” Avg. of Rates<sup>4</sup></b>					<b>1.25</b>	<b>1.60</b>		<b>0.08</b>		<b>0.06</b>
<b>All Class A Total</b>	<b>1,132,948</b>	<b>3,999</b>	<b>3,828</b>	<b>-4%</b>			<b>625</b>		<b>409</b>	
<b>All Class A Average of Rates<sup>5</sup></b>					<b>2.77</b>	<b>2.74</b>		<b>0.38</b>		<b>0.26</b>

<sup>1</sup> PAR rate = PARs per 1,000 residential customers.

<sup>2</sup> Estimated based on a probability sample of cases and the number of cases in CSIS as of June 16, 2017.

<sup>3</sup> Justified PAR rate = justified PARs per 1,000 residential customers.

<sup>4</sup> Calculated based on the rate of “Other Class A” companies as a whole.

<sup>5</sup> Calculated based on the rates of Aqua, PAWC and “Other Class A” companies as a whole.

\* Based on a probability sample of cases.

## Appendix G - Table 4

### 2015-16 Residential Payment Agreement Request (PAR) Statistics Major Local Telephone Companies

Company Name	2016 Residential Customers	Residential PARs to BCS			PAR Rates <sup>1</sup>		Justified PARs			
		2015	2016	% Change in #	2015	2016	Numbers <sup>2</sup> / Rates <sup>3</sup> 2015		Numbers <sup>2</sup> / Rates <sup>3</sup> 2016	
CenturyLink	128,876	6	11	83%	0.04	0.09	0	0.00	2	0.02
Frontier Commonwealth	101,106	2	6	200%	0.02	0.06	2	0.02	2	0.02
Verizon North	149,860	3	1	-67%	0.02	0.01	0	0.00	0	0.00
Verizon PA	747,767	82	56	-32%	0.09	0.07	2	0.00	14	0.02
Windstream	90,759	1	4	300%	0.01	0.04	0	0.00	1	0.01
<b>Total</b>	<b>1,218,368</b>	<b>94</b>	<b>78</b>	<b>-17%</b>			<b>4</b>		<b>19</b>	
<b>Average of Rates</b>					<b>0.04</b>	<b>0.05</b>		<b>0.00</b>		<b>0.01</b>

<sup>1</sup> PAR rate = PARs per 1,000 residential customers.

<sup>2</sup> Estimated based on the number of cases in CSIS as of July 7, 2017.

<sup>3</sup> Justified PAR rate = justified PARs per 1,000 residential customers.

## Appendix H – Table 1

### Chapter 56, Chapter 14 and Other Infraction Categories: 2016\* Major Electric Distribution Companies

Description	Duquesne		Met-Ed		PECO+		Penelec		Penn Power		PPL		UGI-Electric		West Penn	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Billing and Payment (56.2-Def. of Billing Month, 56.2-Def. of Billing Period, 56.11, 56.12(7), 56.15, 56.21, 56.22, 56.24 and 56.25)	11	20%	4	5%	5	6%	2	4%	1	3%	20	34%	0	0%	3	6%
Meter Reading (56.12(1)-(6))	10	18%	5	7%	1	1%	3	7%	7	21%	0	0%	0	0%	7	13%
Make-Up Bills (56.14, 57.24, 59.22 and 65.9 (C))	5	9%	2	3%	0	0%	0	0%	0	0%	6	10%	0	0%	1	2%
Transfer of Accounts (56.16, 56.36(b)(3) and 56.72)	0	0%	8	11%	0	0%	1	2%	1	3%	0	0%	0	0%	6	11%
Credit Standards and Deposits (56.31-35, 56.36(b)(1)-(2), 56.37, 56.41, 56.42, 56.51, 56.53 and 1404)	17	30%	28	37%	9	11%	25	54%	18	53%	2	3%	2	100%	21	39%
Termination Grounds (56.2-Def. of Delinquent Acct., 56.81-83 and 56.100)	3	5%	3	4%	48	56%	2	4%	1	3%	6	10%	0	0%	1	2%
Termination Procedures (56.91-97, 56.112, 56.114 and 1406)	0	0%	2	3%	2	2%	0	0%	0	0%	3	5%	0	0%	1	2%
Reconnection of Service (56.115 and 56.191(a)-(c))	2	4%	5	7%	2	2%	2	4%	1	3%	0	0%	0	0%	1	2%
Liability - Responsibility for Bills (56.2-Def. of Applicant, 56.2-Def. of Customer and 56.191(d)-(e))	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Landlord/Ratepayer (1521-1533)	0	0%	1	1%	0	0%	0	0%	0	0%	0	0%	0	0%	2	4%
Dispute Handling (56.2-Def. of Dispute, 56.2-Def. of Initial Inquiry, 56.141-152 and 56.181)	4	7%	14	19%	12	14%	7	15%	5	15%	18	31%	0	0%	9	17%
Other (56.1, 56.202, 1410.1, 1501 and Tariff)	4	7%	3	4%	6	7%	4	9%	0	0%	4	7%	0	0%	2	4%
<b>Total</b>	<b>56</b>		<b>75</b>		<b>85</b>		<b>46</b>		<b>34</b>		<b>59</b>		<b>2</b>		<b>54</b>	

- \* # equals the number of verified infractions identified by BCS as of Sept. 1, 2017.  
 % equals the percent of the total number of infractions for a particular company.  
 + PECO statistics include electric and gas.

## Appendix H – Table 2

### Chapter 56, Chapter 14 and Other Infraction Categories: 2016\* Major Natural Gas Distribution Companies

Description	Columbia		NFG		Peoples		Peoples-Equitable		PGW		UGI – Gas		UGI Penn Natural	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Billing and Payment (56.2-Def. of Billing Month, 56.2-Def. of Billing Period, 56.11, 56.12(7), 56.15, 56.21, 56.22, 56.24 and 56.25)	0	0%	0	0%	1	14%	0	0%	33	14%	0	0%	0	0%
Meter Reading (56.12(1)-(6))	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Make-Up Bills (56.14, 57.24, 59.22 and 65.9 (C))	0	0%	0	0%	0	0%	0	0%	27	11%	1	20%	0	0%
Transfer of Accounts (56.16, 56.36(b)(3) and 56.72)	0	0%	0	0%	0	0%	1	13%	2	1%	1	20%	0	0%
Credit Standards and Deposits (56.31-35, 56.36(b)(1)-(2), 56.37, 56.41, 56.42, 56.51, 56.53 and 1404)	1	50%	1	33%	0	0%	3	38%	11	5%	1	20%	4	67%
Termination Grounds (56.2-Def. of Delinquent Acct., 56.81-83 and 56.100)	0	0%	0	0%	1	14%	1	13%	4	2%	0	0%	0	0%
Termination Procedures (56.91-97, 56.112, 56.114 and 1406)	1	50%	0	0%	0	0%	0	0%	5	2%	0	0%	0	0%
Reconnection of Service (56.115 and 56.191(a)-(c))	0	0%	0	0%	0	0%	0	0%	1	<1%	0	0%	1	17%
Liability - Responsibility for Bills (56.2-Def. of Applicant, 56.2-Def. of Customer and 56.191(d)-(e))	0	0%	0	0%	0	0%	0	0%	1	<1%	0	0%	0	0%
Landlord/Ratepayer (1521-1533)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Dispute Handling (56.2-Def. of Dispute, 56.2-Def. of Initial Inquiry, 56.141-152 and 56.181)	0	0%	0	0%	5	71%	1	13%	112	47%	0	0%	1	17%
Other (56.1, 56.71, 56.202, 59.34, 59.36, 62.4(8), 1410.1, 1501 and Tariff)	0	0%	2	67%	0	0%	2	25%	40	17%	2	40%	0	0%
<b>Total</b>	<b>2</b>		<b>3</b>		<b>7</b>		<b>8</b>		<b>236</b>		<b>5</b>		<b>6</b>	

\* # equals the number of verified infractions identified by BCS as of Sept. 1, 2017.  
% equals the percent of the total number of infractions for a particular company.



## Appendix H - Table 3

### Chapter 56, Chapter 14 and Other Infraction Categories: 2016\* Major Water Companies

Description	Aqua		PAWC		Audubon		Columbia		Newtown Artesian		SUEZ Bethel		SUEZ PA		York	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Billing and Payment (56.2-Def. of Billing Month, 56.2-Def. of Billing Period, 56.11, 56.12(7), 56.15, 56.21, 56.22, 56.24 and 56.25)	0	0%	8	7%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Meter Reading (56.12(1)-(6))	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Make-Up Bills (56.14, 57.24, 59.22 and 65.9 (C))	3	4%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Transfer of Accounts (56.16, 56.36(b)(3) and 56.72)	0	0%	1	1%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Credit Standards and Deposits (56.31-35, 56.36(b)(1)-(2), 56.37, 56.41, 56.42, 56.51, 56.53 and 1404)	4	5%	4	4%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Termination Grounds (56.2-Def. of Delinquent Acct., 56.81-83 and 56.100)	5	6%	8	7%	1	50%	0	0%	0	0%	0	0%	0	0%	0	0%
Termination Procedures (56.91-97, 56.112, 56.114 and 1406)	6	8%	7	7%	1	50%	0	0%	0	0%	0	0%	1	50%	0	0%
Reconnection of Service (56.115 and 56.191(a)-(c))	2	3%	1	1%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Liability - Responsibility for Bills (56.2-Def. of Applicant, 56.2-Def. of Customer and 56.191(d)-(e))	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Landlord/Ratepayer (1521-1533)	1	1%	1	1%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Dispute Handling (56.2-Def. of Dispute, 56.2-Def. of Initial Inquiry, 56.141-152 and 56.181)	55	71%	72	67%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Other (55.104, 56.1 and 56.71)	2	3%	5	5%	0	0%	0	0%	0	0%	0	0%	1	50%	0	0%
<b>Total</b>	<b>78</b>		<b>107</b>		<b>2</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>2</b>		<b>0</b>	

\* # equals the number of verified infractions identified by BCS as of Sept. 1, 2017.

% equals the percent of the total number of infractions for a particular company.

## Appendix H – Table 4

### Chapter 30, Chapter 63, Chapter 64 and Other Infraction Categories: 2016\* Major Local Telephone Companies

Description	CenturyLink		Frontier Commonwealth		Verizon North		Verizon PA		Windstream	
	#	%	#	%	#	%	#	%	#	%
Broadband (3012)	0	0%	0	0%	1	1%	0	0%	1	<1%
Network Modernization Plans (3014)	2	3%	0	0%	0	0%	1	<1%	1	<1%
Complaint Procedures (63.15)	12	18%	21	15%	45	27%	187	21%	59	22%
Service Records (63.22)	2	3%	35	24%	14	8%	69	8%	54	20%
Customer Trouble Reports (63.57)	22	34%	16	11%	42	25%	262	29%	64	24%
Installation of Service (63.58)	0	0%	0	0%	0	0%	0	0%	1	<1%
Migration (63.201-221)	0	0%	0	0%	0	0%	5	1%	4	2%
Billing and Payment (64.1, 64.12-14, 64.16, 64.18-19 and 64.24)	3	5%	10	7%	1	1%	27	3%	1	<1%
Slamming and Cramming (64.23)	5	8%	13	9%	0	0%	0	0%	0	0%
Credit and Deposits (64.32-34 and 64.36)	0	0%	0	0%	0	0%	1	<1%	0	0%
Suspension and Termination (64.61, 64.63, 64.71-74, 64.81, 64.102, 64.121-123, 64.133 and 64.181)	2	3%	1	1%	1	1%	14	2%	0	0%
Dispute Procedures (64.141, 64.142 and 64.153)	10	15%	30	21%	23	14%	165	18%	24	9%
Other (63.23, 63.24, 63.53, 63.59, 63.63, 64.2, 64.52-53, 64.192 and 1501)	7	11%	18	13%	40	24%	170	19%	55	21%
<b>Total</b>	<b>65</b>		<b>144</b>		<b>167</b>		<b>901</b>		<b>264</b>	

\* # equals the number of verified infractions identified by BCS as of July 18, 2017.

% equals the percent of the total number of infractions for a particular company.

## Consumer Access to the Public Utility Commission

The Pennsylvania Public Utility Commission (PUC) provides access to consumers through the following telephone number:

**PUC Hotline: 1-800-692-7380 (toll free)**

Consumers can also reach the Commission by mail at the following address:

**Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265**

Information about the PUC is available on the Internet:

**[www.puc.pa.gov](http://www.puc.pa.gov)**



