Call to Order and Introductions

Chairman Tim Hennessey called the meeting to order at 10 a.m. in the Executive Chambers of the Public Utility Commission.

The Council approved the minutes for May 22, 2012, and March 27, 2012.

Attendance

The following members of the Council were Present:

Tim Hennessey, Chairman
Robert Christianson, Vice Chairman
Pedro Anes
Michael Bannon (telephone)
Cindy Datig
John Detman

Harry Geller
Rick Hicks
Tina Serafini
George Silvestri
Lee Tolbert (telephone)
Joe Toner (telephone)

The following members of the Council were unable to be present:

Lillian Carpenter

Public Utility Commission Staff present:

Patrick McDonnell, Commissioner Witmer’s staff
Brett Rendina, Chairman Powelson’s staff
Matt Totino, Vice Chairman Coleman’s Staff
Mark Wieder, Commissioner Gardner’s Staff
Tom Charles, Office of Communications
Lori Shumberger, Office of Communications
Louise Fink Smith, Law Bureau
David Screven, Law Bureau
Tom Beene, Legislative Affairs

Guests Present:

Faith Curran, Shelly Communications
Sadie John Kroeck, Peoples Natural Gas
Sandra Levine, with George Silvestri
Charlie Lyons, Shelly Communications
Karen Markey, Energy Association of PA
Morgan O’Brien, Peoples Natural Gas
2-1-1 Fund Update

Rick Hicks said at the May meeting, Cindy Datig requested an update on the 2-1-1 fund. Rick Hicks said he has been involved with the 2-1-1 fund for about three years.

Rick Hicks said he invited two people to attend the meeting to help give the update on the 2-1-1 fund. Rick Hicks introduced Tony Ross, President of the United Way of Pennsylvania and a member of the statewide PA 2-1-1 board, Morgan O'Brien, CEO of Peoples Natural Gas, and also a board member for the Southwest region 2-1-1 board. Charlie Lyons and Faith Curran are consultants with Shelly Communications, which work on the statewide 2-1-1 program.

There are six regions of the state that has activity going on with 2-1-1.

Rick Hicks said he wanted to disclose that he is working for the United Way in a volunteer and professional capacity on the 2-1-1 issue.

Tony Ross thanked the Council for the opportunity to give an update on the progress of the 2-1-1 fund. Tony Ross said he has worked with Rick Hicks, David Screven and Lois Burns on the 2-1-1 fund.

On Feb. 11, 2010, the Commission designated 2-1-1 a number for the community information and referral services. United Way and other partners have been working to provide this service to consumers across the state.

Tony Ross said he wanted to give some key points and turn the meeting over to Morgan O'Brien to discuss the Southwest region.

On a statewide perspective, 2-1-1 has received their non-profit designation from the IRS as a separate nonprofit organization. United Way and other funders felt very strongly that the 2-1-1 needed to be an independent agency.

United Way has raised more than $50,000 to bring in a consultant group to provide a solid work base. The consultant group is Shelly Communications.

The next step is to raise additional money to get fulltime staff for PA 2-1-1.

Another service that PA 2-1-1 will provide is critical for disaster preparedness focus. There are two needs with disasters. They are the response and recovery needs of the communities. The short-term challenge is responding to the disaster areas and helping the community. The long-term part is helping the community recover from the disaster. PA 2-1-1 will supply long-term support and help until the consumer has recovered.
PA 2-1-1 was there to help communities in the 2011 flood. There were many things that were needed done doing the floods, but there are still consumers that have not been able to return to their homes as of yet. PA 2-1-1 is still working to help these people.

Tony Ross said all the 2-1-1 regions lines are disaster ready, but 2-1-1 still is not the main number for communities to use yet. Most residents are still calling 9-1-1 when there is a disaster. This will need to be worked out with each county.

Tony Ross handed out a fact sheet for the PA 2-1-1 program. About 40 counties are covered. There are more than 10 million residents who have access to the service. If the county isn’t being serviced yet, the message is that 2-1-1 is coming.

The Southwest region has done an excellent job at this time. First point, they are the finance model for all the other regions to follow. Their usage of the service has increased. There was a large amount of federal money that wasn't being used. There are mentoring programs and tax assistance programs that are being utilized by the residents.

The Central region is live and running, and connected to a live call person. The Capital region was launched in March. The Southeast region has been running for a while. They hope to have a fulltime staff person in Philadelphia soon. The East region has been active since last fall.

Northwest and Northeast regions are still in the developmental stages, but hope to be up and running soon.

Tony Ross said there have been some issues. There have been phantom calls that are all 9-1-1 issues. He is not sure why this is happening. The calls are not from a human being, but are cresting charges. He is looking into this issue.

Funding has been a challenge, but, Tony Ross hopes to develop other resources with the consultant group.

Morgan O’Brien said he hopes everyone knows what United Way is. He has been involved most of his career working with them. The United Way is a group that is in the community and cares about the community. The common thread is they care.

Some background on the 2-1-1, Pennsylvania is the second-to-last state to implement 2-1-1. Because of that, the 2-1-1 fund has spent a fair amount of time reviewing what other states have done and their success.

About 75 percent of all calls nationwide are basic human needs, which would cover shelter, food and paying utility bills. Typically, if a resident has one of those needs, they have all three.

The Southwestern region is made up with nine counties. This brings all these counties together to work on the 2-1-1 project.
Year after year, there is less support from the state and federal government. This means there is less money to help people, and, at this time, there are more people that are in need.

Then United Way was awarded 2-1-1, they did not receive any funding. Most of the other states have supported their 2-1-1 fund.

United Way understands the important need for 2-1-1; they know that every dollar that is raised will help. United Way had to redirect some of their funds to support the 2-1-1 startup.

Morgan O’Brien said United Way decided to hire a consultant group to help review what has worked for other states. We have noticed the 2-1-1 program works best when utilities are involved.

Utilities have universal service programs to help customers. It is well-known that, if a customer can get into these programs sooner than later, customers will be able to reduce their acreages. They will not feel overwhelmed when the payments build up.

With 2-1-1, it is a safety net for consumers. A trained worker will help get consumers into all the programs they need. It is a one-stop shop for consumers. Most consumers are afraid to call their utility company due to being terminated.

Morgan O’Brien said the United Way chairman asked him to head up the Southwest region.

Morgan O’Brien said he called utility companies that service the southwest region. There were discussions on the best ways to help our consumers. All the utilities agreed it would be better to get consumers help when they first start having problems instead of later, when it will be harder for them to pay their bills off.

The Southwest region 2-1-1 consortium group was started with United Way, utility companies and other agencies.

Morgan O’Brien said Peoples plans to file within the next two months on behalf of Peoples, Equitable, Columbia, FirstEnergy and Duquesne for permission to begin a three-year pilot program to use existing utility universal service fund dollars to fund 2-1-1 service in Western Pennsylvania through a 24-7 hotline. Rick Hicks has helped the United Way and Southwest 2-1-1 by writing the filing on this program.

The Southwest 2-1-1 consortium has received support from state legislators, each county involved in the region, utilities and other agencies. The 2-1-1 program will not replace or compete with other agencies, but will give consumers a tool to help them receive all the assistance available.

Consumers can call and receive help with their mortgages, rent, heating and food needs. Senior citizens can receive help finding adult daycares, and medical needs and needs logistics assistance.
A big supporter is the 9-1-1 call centers. They are receiving non-emergency phone calls constantly that could be handled by the 2-1-1 call center. In the other 48 states, 2-1-1 call centers receive more calls than the 9-1-1 centers do.

During the 2011 floods, the 9-1-1 call center received calls about “my house is flooded,” and “Where can we stay.” The 9-1-1 call center handles police, fire and medical emergencies, and they are not sure where to send these calls. Call centers for 2-1-1 would handle these calls.

Morgan O’Brien said the utilities have bought into the program. There are technical issues to qualify for the universal services money.

Morgan O’Brien said 2-1-1 is also looking for corporate partners to help fund the program.

Joe Toner asked about the current funding. Morgan O’Brien said, at this time, 2-1-1 doesn’t have current funding. They have been using a 1-800 phone number that was funded by United Way. Once 2-1-1 is up and running, they could receive over two million calls a year. They are hoping to underwrite the funding for $1 million to $1.5 million a year. They hope to get the majority of the funding with utility support.

Joe Toner said with 9-1-1 call volume going down once 2-1-1 call center is up and running, could that money be given to the 2-1-1 fund? Rick Hicks said yes, but 9-1-1 is under the legislative process, and the legislation would need to make this decision. The universal service funds are under the PUC’s jurisdiction.

Harry Geller said Morgan O’Brien was correct about getting consumers into programs sooner than later. This will help all. In the development of the universal service program, one component is the Customer Assistance and Referral Evaluation Services (CARES) program. This is an information referral program. Would 2-1-1 be duplicating this program? Morgan O’Brien said most everyone believes these programs are the same, but they are not. The 2-1-1 is working with utilities to gather all the information on what programs are available. This would be a one-stop shop for consumers to get information on programs for all utilities and other assistance programs.

Harry Geller said since utilities pay for the universal service and CARES programs, would part of that money go toward the 2-1-1 fund? Morgan O’Brien said, if the 2-1-1 service can get consumers into programs faster, it will reduce their arrearages faster. Also 2-1-1 would connect the consumer with other available programs to help them. This would allow some of the funds to be directed to the 2-1-1 fund.

Harry Geller said he supports the process and asked how he can help. Morgan O’Brien said the Southwest 2-1-1 region has given the legislators a report on the amount of calls, the reasons for the calls and the outcome of the calls. This will allow everyone to be educated on where the real needs are.
Tom Charles asked when Peoples would file their request. Morgan O'Brien said in about two months. They still need to work out some technical issues with the utilities and would like to have all the counties on board.

Tom Charles asked which utilities have agreed to be part of this, and would it be just for the Southwest region or all of the state. Morgan O'Brien said Peoples, Equitable, Columbia, FirstEnergy and Duquesne are involved. All the utilities have different issues, and they continue to work on these issues. Also, at this time, they are only going regional.

Morgan O'Brien said 2-1-1 is a compelling program. This is a new adventure for United Way. United Way has done some amazing fundraising. There are individual corporate sponsors that have helped launch 2-1-1 into where it is now. The utilities will not be carrying the full funding responsibilities.

Lee Tolbert said he participates with grassroots organizations in Philadelphia. These organizations are very connected with the community and have very little to no support or money. Would it not be better to use these organizations? Tony Ross said he would concur that grassroots organizations offer a great number of services and will make sure they are included in the 2-1-1 database.

Morgan O'Brien said the 2-1-1 software has been developed and is in use. They are continuing to update the database with utility programs, state agencies, and consumer service groups such as DollarEnergy.

Cindy Datig asked about the process to be approved. Morgan O'Brien said Peoples will be filing soon with the PUC for a 2-1-1 pilot program using existing universal service fund dollars.

Rick Hicks told Cindy Datig that DollarEnergy should talk with the Southwest 2-1-1 group. There could be some overlapping in services.

Cindy Datig asked if 2-1-1 is asking for a fixed amount of money or an unknown amount. Rick Hicks said the utilities have already agreed on a certain amount to fund.

Harry Geller stressed his concern of using universal service monies to fund the 2-1-1 service. The cost of the universal service is high and is paid by customers. It will be hard to add another service to be covered by universal service money. Rick Hicks said that the 2-1-1 fund is already operating and existing through United Way, corporate and private funds. These contributions will not stop. There would be no additional funding to consumers. The 2-1-1 service is just asking for some money for three years.

Lee Tolbert brought up the issue of interrupters for areas that have a large number of non-English speaking communities. Philadelphia has many ethnic groups. This will add cost to the program. Tony Ross said this issue has been addressed. He would be willing to discuss this issue with Lee Tolbert at a later time.
Cindy Datig asked if the water and telephone companies will be involved in the funding. Rick Hicks said he would agree that they should be included, but there are more issues that need to be addressed with them first. Morgan O'Brien said there is an issue about a surcharge.

David Screven handed out the Commission’s Final Order for the assignment of 2-1-1 abbreviated dialing code.

### Legislative Update

Tom Beene from Legislative Affairs was invited to give a legislation update.

Tom Beene said the PA 2-1-1 bills are still sitting there.

House Bill 750 passed the House. It is the memorializing the President and the Congress to provide for the storage of used nuclear fuel and terminating the Yucca Mountain Project in Nevada.

The fall session, the House and Senate have about 10 more days to meet. He does not believe there will be any more bills passed. In this session, nine bills were passed, including our budget.

House Bill 2496, the telecommunications bill, introduced by Rep. Boyd, who will retire at the end of this session, is not be going anywhere for now.

Legislation is not an exact science, so you never know what will pass. We expect to see Chapter 14 coming up next session and maybe a One Call bill.

### Council’s Jurisdictions and Roles

Tim Hennessey said he has been approached by several Council members on the role of the Council. What direction the Council should be taking in the future? Should the Council have a more research role or more of an active role? In the packet is a copy of the Council’s roles.

Mike Bannon said he would suggest a more active role and focus on a few items. As a Council, we should decide on a couple issues and see them through.

Tim Hennessey said there are some great issues that the Council could focus on, such as smart meters, aging workforce, Marcellus shale and landlord/tenant issues.

George Silvestri said there are environmental issues as well. This past winter, we experienced a mild winter while Europe had an extremely cold winter and high snowfall. The reason is the jet stream. The question would be: Is it natural forces or is it human forces?
Pedro Anes said he agreed with George Silvestri’s comments. Should we be more reactive or more proactive? With strong winters, there will be many who will not be able to pay their utility bills. The Council should find ways to look into this issue.

George Silvestri said he would like to hear more on Marcellus Shale. Where does this fall in the Commission’s jurisdictions?

Tim Hennessey said it sounds like the Council would like a more active role.

Rick Hicks said he directs the Council to what Tom Charles prepared for us. Tom Charles said this document came from the Law Bureau.

Rick Hicks said the document state that the Council’s roles is to advise the PUC on consumers issues and projection of consumers interest under the PUC’s jurisdiction. If a topic is outside the PUC’s jurisdiction, then it is outside the Council’s jurisdiction.

George Silvestri said the PUC can influence the legislators, so it does matter.

Cindy Datig said the Council is more reactive, but we should be proactive. Is there a way to know what the Commission is working on? Can we demand a report of what the Commissioners are working on? Tom Charles said no, the Council cannot demand a report on what individual Commissioners are working on, but Communications will continue to have PUC officials and staff available at meetings. Tom Charles raised what he called a “chicken or egg” issue for the council to think about: Does the Council want to be advised by the Commission and have staff members give updates or does the Council advise the Commission on what the consumers need under the Commission’s jurisdiction?

Cindy Datig said she didn’t know about the PA 2-1-1 issue until a utility company called her. Cindy Datig said she would have liked to known about this from the PUC. Tom Charles said nothing has been filed yet before the Commission. It is not a Commission issue yet.

George Silvestri said Harry Geller sent him information on smart meters. This was very helpful and worth knowing about, just like the issue with the Yucca Mountain Project. The Commission should be involved with this bill.

Pedro Anes said under the third bullet, it mentions the Council should articulate the concerns of consumers. Can the Council advise the Commission on that?

Harry Geller said he has heard a number of good points. The Council focuses on a number of topics. Each Council member represents a geographic area and various classes of consumers. The Council should focus on the issues before the Commission. These issues can be found on the Commission’s website, agendas and public meetings. The Council should look at the issues and come to a consensus on each issue.
Rich Hicks said that Tom Charles has staff members attend meetings to discuss issues instead of the Commissioners. If there is an area that you are interested in, normally, Tom Charles can get a staff member to update the Council on it.

Tina Serafini asked about the Drexel forum on electric and natural gas cars press release. Tom Charles said the Commissioners are looking toward the future, to understand if new policies and regulations will be needed.

Tina Serafini said George Silvestri’s white paper on ethanol may be an issue that the Council should look into.

Tom Charles talked about the six to seven topics that the Council has been following. These are the future meeting topics.

Tim Hennessey said the Council roles can be an ongoing discussion.

Michael Bannon said he is interested about the consumer complaints to the PUC. Can we see what the complaints are and focus on some of those issues? Tom Charles said yes, that would be possible.

George Silvestri said the methane from Marcellus Shale will dominate the market. He pointed this issue out to Chairman Powelson and had a lengthy discussion with him a couple of months ago. Marcellus Shale is driving coal out of business. The utilities should not limit themselves to one source of fuel.

Tina Serafini asked for an updated Retail Markets Investigation (RMI) report. Harry Geller said the RMI is ongoing but the working group hasn’t met for a while. Tom Charles said he is on the RMI consumer education working group and has met. Tom Charles said he would add this topic to a future agenda.

Robert Christianson said in Section 91.3, it is stated the Council should make periodic reports to the Commission. Tom Charles said he sends all motions and minutes to the Commissioners.

Commission Update, Website, Consumer Education

Tom Charles said there isn’t much to report on the website, but he will have a report for the next meeting.

Discussion of CAC Priorities

George Silvestri said the Yucca Mountain project was mentioned. Should we see what this project has cost the utilities? Tim Hennessey said this is a nuclear issue, and the PUC doesn’t have jurisdiction on this. George Silvestri said nuclear energy is the cheapest energy. The utility companies have been paying for this project and are still collecting a fee. The government has not met their mandate. The cost has been
passed onto the consumers. Tim Hennessey said the cost of electricity would be added to an upcoming meeting.

Pedro Anes asked if he should collect the concerns from consumers in his area and brought them to an upcoming meeting. What can be done with these concerns? Robert Christianson said somewhere in our regulations should be the answer.

Rick Hicks asked if someone could come back and give an overview of Section 91.1 – 5, so everyone can understand them more. Tom Charles said someone would give an overview.

Tina Serafini said she would like an update on AFV issue and the RMI subgroups.

**Future Meeting Topics Include:**

- Aging Workforce and Line Crew Update
- Alternative Fueled Vehicles
- Cost of Energy
- Council’s Role and Jurisdiction Update
- Legislative Update
- Marcellus Shale Update
- Marketing Guidelines Update
- Retail Markets Investigation Update
- Smart Meters Update

The next meeting for the CAC will be held at 10 a.m. on Sept. 25, 2012, in the Executive Chambers of the Commonwealth Keystone Building.

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