Before the Commission for consideration is the Joint Petition for Settlement Agreement (Settlement) filed on July 28, 2009, by PPL Electric Utilities Corporation (PPL or Company), and the Commission’s Law Bureau Prosecution Staff (Prosecution Staff). The Settlement, among other things, requires PPL to pay a $1,000 civil penalty and contribute $20,000 to its Operation Help program. PPL will not seek recovery of any portion of these payments in future ratemaking proceedings.

The proceeding involves an informal investigation of PPL’s customer service with regard to the termination of electric service to Kenneth Yaw. Subsequent to PPL’s termination of service to Mr. Yaw there was a fire at his residence and six adjoining apartments. Nothing in the record permits the Commission to conclude that the property damage to Mr. Yaw’s residence directly resulted from PPL’s alleged conduct.

Pursuant to the Commission’s Opinion and Order entered September 10, 2009, the Settlement and Statements in support were entered for comments by interested parties. The Settlement and Statements in support were served on the Office of Consumer Advocate (OCA) and the Office of Small Business Advocate.

The OCA and the Pennsylvania Public Utility Law Project (PULP) submitted comments on September 30, 2009. The Prosecution Staff submitted a response to the comments on October 21, 2009.1

In its comments the OCA generally supports the Settlement but urges the Commission to direct the $1,000 penalty amount to PPL’s Low Income Usage Reduction Program (LIURP). PULP takes the position that the amount of the payment is not sufficient to punish PPL or to deter PPL or the industry from future unlawful conduct. PULP also urges the Commission to direct the $1,000 amount to LIURP.

I agree with OCA and PULP that, in lieu of the $1,000 civil penalty provided for in the Settlement, $1,000 should be directed to PPL’s LIURP program. Given these increasingly tough

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1 Recently the Commission has received increased input from interested parties apart from the parties to the informal investigations. I appreciate receiving these comments as it helps the Commission evaluate these settlements when they come before the Commission for final approval.
economic times and the fact that PPL’s rate caps will expire this winter (January 1, 2010), I believe directing $1,000 to LIURP would be a better use of these funds. The $1,000 shall be in addition to PPL’s already established 2009 LIURP budget. In addition, PPL should not make any claim for these monies in future ratemaking proceedings.

Based upon the foregoing, I respectfully dissent in part from the majority’s decision in this proceeding to the extent set forth above.

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DATE                         TYRONE J. CHRISTY, VICE CHAIRMAN