

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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IRWINA. POPOWSKY
Consumer Advocate

January 28, 2009

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: West Penn Power d/b/a Allegheny Power Company
Consumer Education Plan for 2008-2012 Submitted
in Compliance with May 10, 2007, Final Order at
Docket No. M-00061957
(entered on May 17, 2008)
Docket No. M-2008-2032275

Dear Secretary McNulty:

Enclosed for filing are Comments of the Office of Consumer Advocate, in the above-referenced proceeding. A copy of this document has been filed using eFiling; the eFiling confirmation sheet is enclosed.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Christine Maloni Hoover".

Christine Maloni Hoover
Senior Assistant Consumer Advocate
PA Attorney I.D. # 50026

Enclosures
cc: Certificate of Service

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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|---|---|---------------------------|
| West Penn Power d/b/a Allegheny Power | : | |
| Company Consumer Education Plan for | : | |
| 2008-2012 Submitted in Compliance with | : | Docket No. M-2008-2032275 |
| May 10, 2007, Final Order at Docket No. | : | |
| M-00061957(entered on May 17, 2008) | : | |

COMMENTS OF THE
OFFICE OF CONSUMER ADVOCATE

I. Background

On January 21, 2009 Allegheny Power sent copies of proposed radio advertisements to the OCA. The scripts included a “central” message about Allegheny Power’s partnership with Dollar Energy Fund and three subsequent messages that cover two main topics. Each message is 30 seconds in length. The January 21, 2009 communication from Allegheny also included a copy of “100 Ways to Control Your Electric Bill” and “Energy Efficiency Tips to Make Your Home More Comfortable this Winter Fact Sheet.” Both of these publications are currently available on Allegheny’s website. These educational materials are designed to comply with the Commission’s Order approving Allegheny Power’s Consumer Education Plan (Order Entered July 18, 2008, Docket No. M-2008-2032275).

To the best of the OCA’s knowledge, these are the first materials produced for compliance with the Commission’s Order. These are the first materials submitted to the OCA for comments by Allegheny Power pursuant to the provisions of this Order. As a result, it has not been possible to review these proposed 30-second radio spots in the context of Allegheny’s

overall consumer education plan and the other integrated messages and materials described in the Plan as approved by the Commission. The Allegheny Power Plan proposed an extensive and comprehensive series of communications that would be coordinated in bill inserts, newspaper advertisements, radio advertisements, CBO outreach, and direct mail. As part of its proposed Plan, Allegheny committed to a “winter” and “summer” segments, all of which would disseminate the eight Commission-approved Education Standards to its customers.

II. General Comments

Viewed in isolation, it is difficult to determine if the materials, including the 30-second radio spots, would meet the goals of this Program in their current form. The OCA does not oppose the messages, but questions whether they will advance customer understanding of the eight Education Standards. As discussed below, the “central message” and three other messages do not, for example, provide information about the end of the Allegheny rate cap or specific Allegheny low-income programs.

The OCA strongly supports Allegheny Power’s continued work with Dollar Energy and their efforts to raise awareness of existing low income programs for Allegheny Power’s customers. The messages that are being proposed here by Allegheny Power, however, appear to be examples of ongoing messages that an electric distribution company already does and will continue to do. These are not special messages related to the end of the rate cap era that require or justify special additional cost recovery at this time.

III. Specific Comments

The “central message” describes Allegheny’s support of Dollar Energy Fund by describing the prior grant assistance provided by Allegheny and then referring the customer to a 1-800 Allegheny number. The only reference to electric rates is the clause, “As electric rates

climb...” The reference in the message to “difficult times” appears to primarily reflect the current economic recession and not the end of the Allegheny rate cap. Customers are not educated about the end of the rate cap period in this message. Nor are customers actually informed of specific low income programs operated by Allegheny.

The additional messages are similarly lacking any direct connection to the educational standards regarding the end of the rate cap. Message A references “electric rates are on the rise” and asks the customer to seek a copy of a free booklet on how a customer can take actions to reduce their electricity bill. Message B again references “electric rates on the rise” and refers the customers to ENERGY STAR ratings for new appliances and the ENERGY STAR and the Allegheny website. Message C references “electric rates on the rise” and urges the customer to take “simple steps” to save money and energy, referring the customer to the Allegheny website.

It is the OCA’s position that while these proposed advertisements are not objectionable, they are highly generic and do not provide any new education for Allegheny’s residential customers about the coming end of the rate caps, what part of the bill will change, or when this change will occur. Furthermore, the references to the booklets, fact sheets, and Allegheny Power website do not provide any additional information or service that was not otherwise available to Allegheny’s customers prior to the initiation of this education program.

Based on our concerns, it is the OCA’s position that costs associated with these messages should not be reflected in future special incremental cost recovery proposals by Allegheny. This position is a reflection of our concern about the lack of specificity in these

messages¹, their compliance with the Commission's Education Standards, and the lack of any new or different information that is not already available and promoted by Allegheny in long standing booklets and internet-based information.

Respectfully Submitted,



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Dated: January 28, 2009

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¹ It may not be possible to develop specific useful messages about efficiency programs and consumer actions to reduce energy usage in any detail until there is an approved set of programs and policies in place with respect to energy efficiency and demand response programs.

CERTIFICATE OF SERVICE

West Penn Power d/b/a Allegheny Power :
Company Consumer Education Plan for :
2008-2012 Submitted in Compliance with : Docket No. M-2008-2032275
May 10, 2007, Final Order at Docket No. :
M-00061957(entered on May 17, 2008) :

I hereby certify that I have this day served a true copy of the foregoing document, Comments of the Office of Consumer Advocate, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 28th day of June 2008.

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