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Via e-filing and Overnight Delivery

April 20, 2009

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

**Re: Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56
to Comply with the Provisions of 66 Pa.C.S. Chapter 14
Docket No. L-00060182**

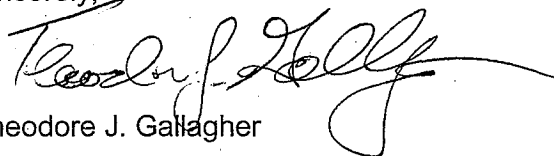
Dear Mr. McNulty:

Enclosed please find the original and sixteen (16) copies of Columbia Gas of Pennsylvania's Comments to Proposed Rulemaking Order, to be filed in the referenced matter. Please file the original and fifteen (15) copies and return the extra copy to me, file stamped, in the self-addressed envelope provided.

Also enclosed is a copy of the document on disc.

I thank you for your assistance.

Sincerely,


Theodore J. Gallagher

enclosures

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Rulemaking to Amend the :
Provisions of 52 Pa. Code, Chapter 56 :
to Comply with the Provisions of : **Docket No. L-00060182**
66 Pa.C.S., Chapter 14; General :
Review of Regulations :

**COMMENTS OF COLUMBIA GAS OF PENNSYLVANIA, INC.
TO PROPOSED RULEMAKING ORDER**

A. INTRODUCTION

Columbia Gas of Pennsylvania, Inc. (“Columbia”), by and through its attorneys, submits its comments in response to the Commission’s Proposed Rulemaking Order and Annex A attached thereto, adopted September 25, 2008 and published in the *Pennsylvania Bulletin* on February 14, 2009. Columbia appreciates this opportunity to provide its input to the Commission’s amendments to 52 Pa. Code Ch. 56 (“Chapter 56”) to comply with 66 Pa.C.S. Ch. 14 (“Chapter 14”), as mandated by the General Assembly in Section 6 of Act 201.

In addition to the comments provided herein, Columbia commends to the Commission’s attention and consideration the comments submitted by the Energy Association of Pennsylvania (“EAPA”).

B. SCOPE OF CHAPTER 56 REVISIONS

In its comments to the Commission’s December 4, 2006 *Advance Notice of Proposed Rulemaking Order* (“ANOPR”), Columbia suggested that the Commission should limit its focus

in this matter upon Chapter 56 revisions that are necessary to comply with the mandate in Section 6 of Act 201 to amend Chapter 56 to comply with the provisions of Chapter 14. In Section 6, the General Assembly mandated that the Commission “shall” amend Chapter 56 to comply with Chapter 14. Section 6 also provided that the Commission “may promulgate other regulations”, but the promulgation of such other regulations was specifically limited “to administer and enforce 66 Pa.C.S. Ch. 14.” Moreover, Section 6 of Act 201 prohibited the promulgation of such regulations from delaying the implementation or effectiveness of Chapter 14.

The General Assembly enacted Chapter 14 because “[i]ncreasing amounts of unpaid bills now threaten paying customers with higher rates due to other customers’ delinquencies.” 66 Pa.C.S. § 1402(1). In passing Act 201, the General Assembly sought “to provide public utilities with an equitable means to reduce their uncollectible amounts by modifying the procedures for delinquent account collections and by increasing timely collections.” 66 Pa.C.S. § 1402(3). The title of Chapter 14, “Responsible Utility Customer Protection”, the scope of Chapter 14 as stated in Section 1401, and the declaration of policy in Section 1402 frame the purpose of the task assigned by the General Assembly in Act 201, Section 6 – amend Chapter 56 regulations to: (1) decrease amounts of unpaid bills; (2) protect timely paying customers against rate increases resulting from other customers’ delinquencies; (3) eliminate opportunities for customers capable of paying to avoid the timely payment of public utility bills; (4) increase timely collections, and; (5) ensure that service remains available to all customers on reasonable terms and conditions.

Columbia respectfully submits that the proposed regulations, which exceed the scope of Section 1401 and which do not adhere to the policy declarations enumerated in Section 1402, do not complete the task assigned by the General Assembly. In some respects, as discussed below,

the proposed regulations are at odds with the General Assembly's directive to amend Chapter 56 "to comply with the provisions of 66 Pa.C.S. Ch. 14" and, as such, may constitute an abuse of discretion by the Commission in failing to interpret Chapter 14 consistent with its clear and plain meaning. *Peoples Natural Gas Co. v. Pennsylvania PUC*, 116 PA. Commw. Ct. 512, 542 A.2d 606 (1988).

C. COMMENTS REGARDING PROPOSED RULEMAKING ORDER ANNEX A

For its comments regarding the specific issues raised in Annex A to the Proposed Rulemaking Order, Columbia will address each of those issues in the order that they appear in that Annex.

1. PRELIMINARY PROVISIONS

(a) 56.1 Statement of Purpose and Policy.

Columbia agrees with the insertion of the word "public" as a modifier of the word "utility" in proposed Section 56.1(a)¹. Columbia, however, takes issue with the remaining changes in proposed Section 56.1(a) because, while those changes incorporate some language from Section 1402(2), as drafted they leave out some of the policy language in Section 1402(3) that was central to the General Assembly's declaration of policy. In lieu of the language as proposed, Columbia recommends that the current period after the word "service" remain in place, followed by the following language:

This chapter establishes procedures for delinquent account collections and for timely collections to provide public utilities with equitable means to reduce their uncollectible accounts, eliminates opportunities for customers capable of paying to avoid the timely payment of public utility bills, protects against rate increases for timely paying customers resulting from other customers' delinquencies, and

¹ Columbia also agrees with the insertion of "public" as a modifier of "utility" as it appears throughout the proposed regulations.

ensures that public utility service remains available to all customers on reasonable terms and conditions.

(b) 56.2 Definitions.

1. AMR (Automatic meter reading)

Columbia recommends that, in order to be consistent with Section 1411, the proposed definition of AMR should be amended to include language stating that any reading obtained from an AMR will be considered to be an actual reading.

2. Household Income

The proposed definition of Household Income is at odds with the purpose of Chapter 14 to protect timely paying customers against rate increases resulting from other customers' delinquencies. With the exclusion of "income intended for the use of a minor", such as "Social Security, child support, SSI, earnings and grants from the Department of Welfare" the number of those households eligible for Customer Assistance Programs ("CAP") will increase dramatically.

Since 2004, the number of customers enrolled in Columbia's CAP has increased 28 percent and total enrollment is presently 24,627 customers. Columbia's CAP is subsidized by Columbia's non-CAP ratepayers. In 2007, Columbia's customers paid approximately 70 cents per Mcf to support CAP, which equated to approximately \$60.00 per year for an average customer consuming 85 Mcf. The exclusions in the proposed definition of Household Income will serve to exacerbate that situation, with the result that timely paying customers will necessarily be called upon to pay for other customers' delinquencies. Moreover, increasing utility costs in this manner may have the unintended consequence of creating a new subset of payment troubled customers – those who once were able to pay, but are now at risk due to higher utility bills.

It is noteworthy that exclusions in the proposed definition of Household Income are directly contrary to the definition of income in the 2009 State Plan for the Low Income Home Energy Assistance Program (“LIHEAP”). In the 2009 LIHEAP State Plan, gross income includes the total earned and unearned income of the household. (See §601.82. 2009 LIHEAP State Plan) Under that Plan, “Unearned income includes, but is not limited to, the following: (i) Public assistance grants . . . (iv) Supplemental Security Income . . . [and] (vi) Support payments. (See §601.92(4)).

3. Informal dispute settlement agreements

The addition of this definition is unnecessary to implement Chapter 14, will serve to confuse customers who thought they had resolved their disputes, and will unnecessarily increase the number of formal complaint proceedings initiated at the Commission. The proposed definition should be removed.

2. BILLING AND PAYMENT STANDARDS

a. 56.11 Billing Frequency

The addition of subsection (b), which addresses electronic billing issues, is an example of a proposed amendment to Chapter 56 that has no relationship whatsoever to the task assigned to the Commission by the General Assembly in its enactment of 66 Pa.C.S. Chapter 14. And, as with other changes that go beyond the scope of Chapter 14 implementation, the proposed addition of subsection (b) to 56.11, at least in its proposed form, will add costs to be borne by utility ratepayers, contrary to the purpose of Chapter 14. For example, as proposed, this regulation would require utilities to provide bills to a customer in **both** electronic and paper format if requested by that customer. If electronic billing is voluntary and optional for the

customer, once the customer has exercised that option there is no need to continue to provide paper bills. As of February 2009, over 14,000 Columbia customers had exercised the e-bill option. This program has seen steadily increasing participation, and this trend will likely continue. In addition to the convenience enjoyed by e-bill participants, the benefits of e-billing inure to all ratepayers in the form of lower recoverable costs. Based upon the current number of Columbia's e-billing enrollees, it would cost the Company (and ultimately its customers) an additional \$6,000 per month to provide redundant paper bills.

As proposed, 56.11(b)(1) would also provide that an e-bill customer who wishes to revert to paper billing would "provide the utility with a 1 month notice of a request" to do so. Depending upon when such a request would be made within a particular customer's billing cycle, it could take longer than one month's notice to process such a request. Accordingly, Columbia suggests that the regulation be amended to clarify that a public utility will be required to process a request to revert to paper billing "one billing cycle after the request is made."

b. 56.12 Meter reading; estimated billing; customer readings.

The proposed definition of "AMR (Automatic meter reading)" in 56.2 correctly excludes remote reading devices. However, the proposed additional language that would refer to AMRs in 56.12(5) confuses that distinction. While the proposed language appears to be designed to reinforce that AMR reading are actual readings, the way the language is inserted may be misconstrued as an indication that 56.12(5) applies to AMR readings. If the definition of AMR in 56.2 were to be amended as suggested above in these comments, no reference to AMRs would be necessary in 56.12(5)

Columbia opposes the proposed changes to 56.12(7) that would require any reconciliation amount under budget billing that exceeds \$25 to be amortized over a three to twelve month

period and that would require payment agreements for heating customers to be based upon equal monthly billing. Again, the proposed changes conflict with the policies of Chapter 14. The 3-12 month amortization requirement will result in public utilities incurring additional expenses in the form of carrying costs which must be financed through borrowed money, and which will ultimately be passed onto other customers who should not be required to subsidize unnecessary payment plans. This issue would be a concern at any point in time but, in the current economic climate where the tight credit market has resulted in higher borrowing interest rates, the concern is particularly acute.

The proposed additional language in 56.12(7) that would require payment agreements for heating customers to be based upon equal monthly billing finds no support anywhere in Chapter 14. Moreover, this proposed change confuses budget payment plans with payment agreements. They are not the same thing, and the reference to “payment agreements” has no place in a subsection that address budgets.

c. 56.14 Previously unbilled public utility service.

Columbia opposes the establishment of a four-year limit on make-up bills. The proposed four-year limit would serve to increase uncollectible accounts and, as such, would conflict with the General Assembly’s stated policies in Chapter 14. Furthermore, Pennsylvania statutory law requires utilities to charge the approved rate for services provided, and makes no exception for any vintage of previously unbilled service. 66 Pa.C.S. § 1303. Therefore, a regulation that prohibits a utility from charging its customers for previously unbilled utility service violates the filed-rate doctrine.

Furthermore, Columbia submits that the \$50.00 threshold for providing a customer with the option of entering into a payment agreement should be removed. Over a period of four or

more prior billing periods, the \$50.00 limit will almost always be exceeded. With the proposed addition of the word “or” in lieu of “and”, along with “whichever is greater”, the threshold for whether a payment agreement will be made available would almost always be based upon the 50% threshold. Consequently, as proposed, \$50.00 would be the least amount upon which a payment agreement under this section would be based. Columbia submits that, absent information that a \$50.00 make-up bill would cause undue hardship to a particular customer, a payment agreement for such a low make-up payment is not necessary. The proposed regulation should be amended so that the 50% threshold for excess of the otherwise normal estimated bill should be the only threshold for whether a payment agreement will be made available.

d. 56.16 Transfer of Accounts.

The proposed additional language to Section 56.16 is ill-advised because it will create additional costs to be borne by ratepayers, with no benefit to them or to the affected public utility. While the proposal to final a bill where a customer does not provide meter access and then make an adjustment once the public utility later obtains access seems simple enough, on its face, the experience of Columbia’s sibling companies in other states has shown there are costly problems that this will create. For example, in rental properties where rolling tenancies are common, it can be unwieldy if not impossible in some cases, to calculate an ‘after-the-fact’ final bill accurately. One might respond that the public utility can mitigate its exposure in these instances merely by turning off service at the external valve. However, this is not a solution where multiple rental units would be shut down. Simply put, a customer who does not provide access to the meter when vacating a premises is not acting as a responsible utility customer. Chapter 14 policies would suggest that the responsible customers of the affected public utility should not be put at risk for the costs associated with accommodating irresponsible customer

behavior. Moreover, the proposed language encourages user without contract situations because it removes the incentive of a former tenant (who, without this proposed change would continue to be billed) to arrange for meter access after the former tenant has vacated.

e. 56.25 Electronic bill payment.

The requirement under subsection (4) of this proposed regulation to provide electronic or paper receipts to customers who make payment through the electronic method does not advance the policies of Chapter 14. For more than twenty years, Columbia customers have had the ability voluntarily to enroll in automatic checking account withdrawal services. These services, which are administered by third-party vendors, do not issue receipts other than the transaction record that appears on the customer's checking account statement. In all of those years, Columbia has never had a customer who complained that they were not being furnished with a receipt. The subsection (4) requirement, if applied to such recurring automatic payments, will needlessly increase the costs associated with these services. This regulation, or Section 56.2, should be amended to clarify that "electronic payment" does not refer to recurring automatic checking account withdrawal services.

3. CREDIT AND DEPOSITS STANDARDS POLICY

a. 56.35 Payment of outstanding balance.

There has been no determination by the General Assembly, either in the enactment of Chapter 14 or otherwise, or by the Commission that there is an issue of public interest regarding unreasonable denial of service by public utilities based upon mistaken determinations of applicant liability for outstanding balances. Thus, Columbia submits that the proposed

regulation that would require public utilities to include in their tariffs the procedures and standards used to determine an applicant's liability for any outstanding balance is unnecessary. The process for implementing a tariff change takes a minimum of 60 days, at the very earliest. By contrast, regular changes in technology facilitate continuing improvements in the methodologies employed for investigating applicants' credit histories. Given the lack of an identified problem in this area, the continual updating of tariffs that would likely result from the approval of proposed 56.35(3) would be time consuming, would create a lag in the implementation of state of the art methodologies, and would be unnecessary.

b. 56.36 Written procedures.

Proposed 56.36(a) does not advance the policies of Chapter 14. Moreover, credit scoring methodologies are not developed by utilities. Rather, those methodologies are developed by, and are proprietary to, the credit scoring vendor, and may include trade secrets that should not be publicly disclosed in a tariff. Also, the statutory language in § 1404(a)(2), which allows for the use of "a *generally* accepted scoring methodology" in "the range of *general* industry practice" does not lend itself well to the specifics of a tariff. Rather, to be consistent with the 1404(a)(2), the Commission must allow flexibility to utilities in employing generally accepted methods within general industry practice. Moreover, requiring utilities to seek approval to implement changes developed by credit scoring vendors would be unwieldy, and would certainly result in the delayed use of new methodologies by such vendors on behalf of their utility clients. During that delay, utilities will be hindered from availing themselves of newly developed general practices within the credit scoring industry, which conflicts with § 1404(a)(2). Similarly, it will be impossible for Columbia to comply with the proposed requirement under 56.36(b)(1) to include an applicant or customer's credit score in a written denial of credit. Equifax only advises

Columbia about whether an applicant or customer passes or fails a credit check and does not provide Columbia with credit scores.

c. 56.37 General rule.

Columbia submits that the proposed new language in Section 56.37 that would require a public utility to provide service within three days once an application for service has been accepted fails to account for situations where access to the premises is required and the applicant fails to provide such access. The language “or when the applicant fails to provide the public utility with necessary access to the provide service” should be added to the end of the second sentence. The proposed new language also fails to address the acceptance of applications where a main extension will be required to provide service. Where a main extension is required, it will be impossible to provide service within three days of the acceptance of an application.

4. INTERRUPTION AND DISCONTINUANCE OF SERVICE

a. 56.83 Unauthorized termination of service.

The categories of unauthorized service terminations under Section 56.83 were specifically abrogated by Act 201 as inconsistent with Chapter 14. Despite that specific abrogation, the proposed regulations seek to reestablish Section 56.83 with very little by way of change. A regulation that seeks to establish situations where a utility may not terminate service in order to protect itself from providing further unpaid tariff services is, by definition, at odds with the policy of Chapter 14. As Columbia argued in its February 14, 2007 Comments to the ANOPR, an amended § 56.83 that seeks to define unauthorized terminations must be narrowly tailored, and should not include the following paragraphs of current § 56.83: (1), (2), (5), (7), (8), (9), (10), and (11). The inclusion of these paragraphs in the proposed regulations, almost

without amendment, flaunts the General Assembly and may well constitute an abuse of discretion. The proposed new version of 56.83(4), which permits termination in the event of name-gaming, is acceptable to Columbia.

b. 56.91 General notice provisions and contents of termination notice.

As drafted, proposed Section 56.91 could be interpreted as requiring 10-day notice prior to termination of a user without contract, which is contrary to the Commission's determination in its First Implementation Order entered March 4, 2005 in Docket M-00041902F002 that only 3-day notice is required in for a user without contract. Removal of the word "otherwise" from Section 56.91(a) would clear up this confusion.

c. 56.100 Winter termination procedures.

The General Assembly specifically abrogated Section 56.100, thereby concluding as a matter of law that Section 56.100 is inconsistent with the Chapter 14 policy of protecting against rate increases for timely paying customers resulting from other customers' delinquencies. In order to promote the policies of Chapter 14, winter termination regulations cannot create opportunities for customers capable of paying to avoid timely payment. At the same time, public utilities should be required to take reasonable steps to avoid terminating service to customers protected by Section 1406(e). To that end, if a public utility has made good faith attempts to contact a customer to obtain income information, it should be able to proceed with winter termination where customers are unresponsive to such attempts or refuse to provide the necessary information to determine income levels. Columbia suggests that the following language be added to the end of proposed Section 56.100(e): "If the public utility is unsuccessful in obtaining household size and income information after having made a good faith effort to do so, or if a customer refuses to provide such information, termination action may

continue until such information is provided by the customer and, based upon that information, the public utility determines that termination should not proceed.”

Columbia opposes the proposed Subsection 56.100(i) requirement that the Dormant Account Survey Report be categorized by the first three digits of the customer’s postal code. Columbia already has programming in place to provide this Report in its current format, which does not include customer postal codes. In order to categorize this Report by postal code, Columbia would have to incur substantial programming costs, which costs will eventually be borne by Columbia’s good-paying customers. Postal codes for terminated accounts are already provided to the Commission *on a monthly basis* in the context of the monthly report required under Section 56.231. Thus, the proposal to require this information in the context of an annual Dormant Account Survey Report will not only be costly, it is duplicative and unnecessary.

Proposed Subsection 56.100(j) is ill-advised. The policies of Chapter 14 are not advanced by the proposal that utilities report to the Commission when “they become aware of a household fire, incident of hypothermia or carbon monoxide poisoning that resulted in a death and that the utility service was off at the time of the incident.” Such a report does not fall under the scope of 66 Pa.C.S. § 1508, which addresses reports of the happening of *accidents* “in or about, or in connection with, the operation of” a public utility’s service and facilities. Since the proposed reports do not fall within the scope of 66 Pa.C.S. § 1508, Columbia is concerned that the Commission will not be able to protect such reports from public disclosure or from admission as evidence in a lawsuit under the shielding provisions of that statute.

d. EMERGENCY PROVISIONS

1. 56.111 General Provisions

To the extent that the proposed language regarding medical certifications is broader in scope than 66 Pa.C.S. § 1406(f), it should be amended. While Section 1406(f) prohibits service termination a “when licensed physician or nurse practitioner has certified that the customer of a member of the customer’s household is seriously ill or afflicted with a medical condition that will be aggravated by cessation of service” there is nothing in the statute that provides for the restoration of service based upon a medical certification. Consequently, the proposed language in 56.111 “, or refuse to restore,” and the reference to “applicant’s house” are inconsistent with the statute. That inconsistency must be resolved in favor of the statute. *Department of Transportation v. Colonial Nissan, Inc.*, 691 A.2d 1005 (Pa. Commw. 1997).

While Section 1406(f) prohibits service cessation based upon a nurse practitioner’s medical certification, the statute requires a follow-up letter “from a licensed physician verifying the condition” that serves as the basis for the medical certification. Thus, the proposed Section 56.111 language must be amended to remove the customer’s option of obtaining the verifying letter from a nurse practitioner.

2. 56.113 Medical certifications.

Proposed 56.113 improperly puts the onus on the affected public utility to “verify the certification by calling the physician or nurse practitioner or to require written confirmation within 7 days.” This is inconsistent with Section 1406(f), which provides that “The customer *shall* obtain a letter from a *licensed physician* verifying the condition[.]” Section 56.113 should be eliminated so that there is no confusion as to the mandatory nature of the follow-up letter under 56.111. The list of information that must be included in a medical certification should be moved from 56.113 to Section 56.111. Again, the letter must come from a licensed physician.

5. INFORMAL COMPLAINT PROCEDURES

a. 56.162 Informal complaint filing procedures.

Subsection 1410(1) allows the Commission to accept an informal complaint only after the customer has affirmed that he or she has first contacted the public utility, and requires the Commission to direct any customer who has not contacted the public utility to do so. The definition of “customer” in Section 1403 includes “any adult occupant whose name appears on the mortgage, deed, or lease of the property for which the residential utility service is requested.” Because of these requirements and because Columbia wants to ensure that accurate information is being provided not only to Columbia, but to the Commission, proposed Section 56.163 should be amended to include provisions that would require the following information from a complainant upon filing an informal complaint: 1) the date the complainant contacted the utility company about the dispute, and 2) occupant information, including the number and age of all occupants in the home, household income and the names listed on the mortgage, lease or deed of the property.

b. 56.163 Commission informal complaint procedure.

Columbia supports the requirement in proposed Section 56.163(1) that requires the public utility to provide information to the Commission within 5 days of the request for information where an informal complaint has been filed by a complainant who is without public utility service. In return Columbia would respectfully ask that the Commission expedite the closing of these cases, including complaints involving an applicant who is denied service. These cases should hold the same priority as “off” cases.

Delays in closing complaint cases negatively impact collection efforts and contribute to increased delinquencies thereby making it more difficult for the customer to pay the bill once the

case is resolved. This is especially true in the case of customers enrolled in customer assistance programs (CAP). Since the General Assembly sought through §1402 to “provide protections against rate increases for timely paying customers resulting from other customer’s delinquencies” the regulations should provide means to mitigate delinquencies and closing these cases in an expedited fashion is a means to achieving the result sought by the General Assembly. As Columbia argued in its Comments to the ANOPR in this proceeding, when BCS holds individual CAP disputes for months without resolution, the result is a *de facto* “payment arrangement” in violation of § 1405(c). Since the Commission cannot establish a payment agreement for a CAP account, the BCS should be prohibited from accepting inability to pay informal complaints from CAP customers.

6. FORMAL COMPLAINTS

a. 56.174 Ability to pay proceedings

Consistent with the Chapter 14 objective of increasing timely collections, Columbia respectfully requests that the Commission maintain the current 25 day requirements for the holding of a hearing after the filing of an answer and the rendering of written opinions after hearings in ability to pay proceedings. The negative financial impact associated with delayed collection actions for customers who file formal complaints is contrary to that objective. Section 1410 was the sole Chapter 14 provision that addressed complaints filed with the Commission. Section 56.174 was not among the Chapter 56 provisions that were expressly abrogated with the passage of Chapter 14. Thus, the existing formal complaint regulations only merit revision to the extent that they are inconsistent with Section 1410. Section 1410 placed requirements upon customers filing complaints and did not mandate the modification of the formal complaint

process itself. The amendments undertaken in the proposed regulations not only go beyond the legislative mandate of Chapter 14 but, in removing timelines that facilitate the quick resolution of these matter, also risk placing undue delays in the formal complaint process. This will further delay collection actions and will increase costs for good paying ratepayers. This is in direct conflict with the General Assembly's Chapter 14 directives.

7. RESTORATION OF SERVICE

a. 56.191 General Rule

The 24 hour timeframe for reconnection after payment is made to restore service after November 30 and before April 1 under proposed Section 56.191(b)(2) is consistent with Section 1407(b) and with the Chapter 14 objective to ensure that service remains available to all customers on reasonable terms and conditions. Similarly, proposed Section 56.191(c)(1), which provides that the utility shall provide for and inform the applicant or customer of a location where payment can be made to restore service, is consistent with Chapter 14. However, unless a customer contacts the public utility to provide payment receipt information, the public utility will not be aware that a payment has been made. Absent such customer notification, public utilities will not be made aware of when the 24 hour clock starts ticking. This issue can be addressed by amending proposed Section 56.191(c), subsection (2), so that a public utility will be able to require that, upon making payment to restore service at a location designated under 56.191(c)(1), the customer must contact the public utility and provide payment receipt information. Once a customer has provided that information, "all applicable conditions" to start timing under Section 56.191(b) will have been met.

According to Section 1407(d):

A public utility may also require the payment of any outstanding balance or portion of an outstanding balance if the applicant resided at the property for which service is requested during the time the outstanding balance accrued and for the time the outstanding balance accrued and for the time the applicant resided there.

The proposed regulations capture this section almost verbatim, but then expands what is in the statute to place a four year limitation on the timeframe a public utility may require payment. The object of all interpretation of statutes is to ascertain and effectuate the legislative intent. 1 Pa.C.S. §1921. If the Legislature had intended to place a four year limitation on a public utility's ability to require this payment, it would have affirmatively stated that intention in the statute. Therefore, the four-year limitation should be removed from the proposed regulations.

8. PUBLIC UTILITY REPORTING REQUIREMENTS

a. 56.231 Reporting requirements.

56.231 Reporting Requirements:

Presently, utilities supply the Commission with all the data through various annual and monthly reports. Before creating any new reporting requirements, consideration of time and significant information system programming costs must be given. Section 1415 requires biennial reporting to the General Assembly, of which the Commission has already provided two reports. The information contained in these reports was provided by the utilities through existing reports. Therefore, the proposed amendments to Section 56.231 are unnecessary, and should be removed.

9. VICTIMS OF DOMESTIC VIOLENCE PROVISIONS

a. 56.351 et seq.

The Legislature's directive in Section 1417 was straightforward – Chapter 14 would not apply to domestic violence victims under a protection from abuse order (“PFA”). Columbia appreciates the delicate balance that must be struck between its need to enhance timely collection and the need to protect a victim of abuse from the cessation of utility service that is in the name of her abuser, or other adverse consequences to service that the abuser may attempt. Through previous Implementation Orders, the Commission acknowledged that the primary responsibility for utilities was to educate consumers on this sensitive topic, create an appropriate screening and referral process and to provide additional notice of termination for those consumers with a PFA.

Columbia agrees that consumer education and protection of confidential information of the victim of abuse are monumental concerns and must be addressed in the proposed regulations. Since the implementation of Chapter 14, the utilities have worked with various county and state agencies, including the Commission's Bureau of Consumer Services on this issue. As a result, utilities have revised notices and consumer correspondence to include information on domestic violence. Since the inception of Chapter 14, Columbia has successfully processed six valid requests regarding PFAs. Procedures have been established that protect the victim's information. Certainly, Columbia recognizes that special handling of these unfortunate cases is necessary, but the Company also recognizes it has a responsibility to all of its customers and, therefore, the protections afforded to victims of abuse should not provide any avenues to elude payment of utility service.

The Commission, however, has chosen to develop an entire set of unnecessary regulations that apply in the PFA context and that conflict with the Legislature's intent. And, in

doing so, the Commission proposes essentially to adopt the same credit and deposit provisions that the General Assembly specifically abrogated with the enactment of Chapter 14. For example, the proposed regulations adopt many of the prior procedures in Chapter 56 in order for an applicant to obtain utility service (i.e., prior utility history; lease or ownership of property; and lack of credit history does not mean that they are a credit risk.), rather than using the ability of the applicant to establish creditworthiness. If the Legislature believed that such rules “have not successfully managed the issue of bill payment [and have] increased amounts of unpaid bills [that] now threaten paying customers with higher rates due to other customers’ delinquencies” (66 Pa.C.S. § 1402(1)), there is no reason to conclude that these unsuccessful rules will have a different result in the context of victims of abuse.

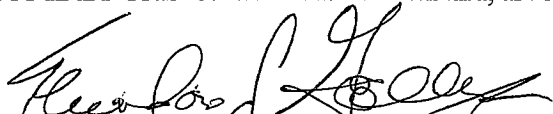
D. CONCLUSION

By way of conclusion, Columbia wishes to reemphasize the general theme of its comments above that the proposed changes to Chapter 56 far exceed the scope of the task that the General Assembly assigned to the Commission Section 6 of Act 201 to “amend the provisions of 52 Pa. Code Ch. 56 to comply with the provisions of 66 Pa.C.S. Ch. 14 and may promulgate other regulations *to administer and enforce 66 Pa.C.S. Ch. 14[.]*” (emphasis added). In many respects, and the Comments above are not exhaustive examples, the proposed regulations are at odds with Chapter 14 in that they will result in additional costs that will be borne by the Commonwealth’s good-paying public utility customers.

Again, Columbia endorses and commends to the Commission's attention the Comments submitted in this matter by the Energy Association of Pennsylvania.

Respectfully submitted,

COLUMBIA GAS OF PENNSYLVANIA, INC.

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Its Attorneys

Dated: April 20, 2009