



September 17, 2020

**Via E-File**

Honorable Elizabeth Barnes  
Administrative Law Judge  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120  
[ebarnes@pa.gov](mailto:ebarnes@pa.gov)

**Re: Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program for the Period of June 1, 2021 through May 31, 2025  
Docket No. P-2020-3019356**

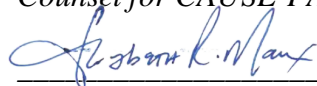
***CAUSE-PA Statement in Support of Partial Settlement***

Dear Judge Barnes,

Attached, please find the **Statement of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) in Support of the Joint Petition for Approval of Partial Settlement.**

Copies will be circulated in accordance with the attached Certificate of Service.

Respectfully submitted,  
**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



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Elizabeth R. Marx, Esq.  
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CC: Per Certificate of Service  
Secretary Rosemary Chiavetta

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

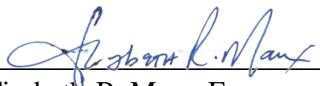
Petition of PPL Electric Utilities Corporation for :  
 Approval of a Default Service Program for the : Docket No. P-2020-3019356  
 Period of June 1, 2021 through May 31, 2025 :

**CERTIFICATE OF SERVICE**

I hereby certify I have on this day served copies of the **Statement of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) in Support of the Joint Petition for Approval of Partial Settlement** in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party) and consistent with the Commission’s March 20, 2020 Emergency Order.

VIA EMAIL ONLY	
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DATE: September 17, 2020

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities :  
Corporation for Approval of a Default : Docket No. P-2020-3019356  
Service Program and Procurement Plan :  
for the Period June 1, 2021 through May :  
31, 2025 :

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**STATEMENT OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND  
ENERGY EFFICIENCY IN PENNSYLVANIA IN SUPPORT OF THE JOINT  
PETITION FOR APPROVAL OF PARTIAL SETTLEMENT**

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The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), a signatory party to the Joint Petition for Approval of Partial Settlement (“Joint Petition” or “Partial Settlement”), respectfully requests that the terms and conditions of the Partial Settlement be approved by the Honorable Administrative Law Judge Elizabeth H. Barnes (“ALJ”) and the Pennsylvania Public Utility Commission (“Commission”) without modification. For the reasons stated more fully below, CAUSE-PA believes that the terms and conditions of the Partial Settlement are in the public interest.

**I. INTRODUCTION**

CAUSE-PA intervened in this proceeding to ensure that PPL’s Default Service Plan (DSP) is appropriately designed to ensure that default service remains accessible and affordable for low income consumers and other vulnerable consumer groups. Specifically, CAUSE-PA sought to explore the following issues in this proceeding: (1) the adequacy of pricing protections for

economically vulnerable consumers enrolled in PPL's Customer Assistance Program (CAP); (2) whether PPL's proposed Time of Use (TOU) rates are designed in a manner that protects vulnerable consumers; and (3) the appropriateness of PPL's Standard Offer Program (SOP) as currently designed. The Partial Settlement, which was arrived at through good faith negotiation by all parties, is in the public interest in that it addresses two areas of primary concern to CAUSE-PA. While the parties were ultimately unable to resolve all issues of concern for CAUSE-PA, and reserved several issues for full litigation, the Partial Settlement nevertheless helps to narrow the scope of litigated issues while fairly balancing a number of competing interests in this proceeding. As such, CAUSE-PA asserts that the Partial Settlement is in the public interest and should be approved.

## **II. BACKGROUND**

CAUSE-PA adopts the background as set forth in Paragraphs 1-15 of the Joint Petition. By way of further background, and in relevant part as it pertains to the Partial Settlement terms, CAUSE-PA submitted the expert testimony of Mr. Harry Geller in this proceeding. Mr. Geller also addressed PPL's proposal to institute a Time of Use (TOU) Rate, and explained: "Economically vulnerable households often have very little discretionary energy usage, ...and are more likely to live in smaller homes with less efficient heating and cooling spaces – all factors which make it difficult to shift load during peak periods." (CAUSE-PA St. 1 at 19: 3-16). Mr. Geller also highlighted recent research which showed that time varying usage rates "disproportionately increases bills for households with elderly and disabled occupants, and predicts worse health outcomes for households with disabled or ethnic minority occupants." (CAUSE-PA St. 1 at 20: 1-8). For these reasons, Mr. Geller supported PPL's proposed exclusion of CAP customers from TOU rates, and argued that additional protections should be adopted for

all confirmed low income customers and other uniquely vulnerable customer groups – such as seniors and those with medical usage. (CAUSE-PA St. 1 at 20:19 to 21:13).

### **III. CAUSE-PA SUPPORT FOR THE PARTIAL SETTLEMENT**

The following terms of this Partial Settlement address issues of concern to CAUSE-PA, and reflect a balanced compromise of the interests of the parties in this proceeding.

#### **Time of Use Rate Provisions**

CAUSE-PA asserts that the terms in the Partial Settlement fairly balance and resolve the Time of Use rate issues of concern in this proceeding, and should be approved. As noted above, Mr. Geller provided testimony and evidence showing that TOU rates can be harmful to economically vulnerable consumers, especially low income seniors, disabled individuals, and other marginalized populations. The Partial Settlement fairly addresses these concerns, in balance with other issues in this proceeding, and is therefore in the public interest.

Specifically, paragraph 27 requires PPL to perform additional analysis and reporting on the TOU rate program in its next DSP, including an evaluation of the appropriate hours for on-peak pricing. Paragraph 27 also requires PPL to include specific language on its website advising consumers that TOU rates may not be appropriate for customers with inflexible usage, such as those with medical devices, and referring low income customers to available universal service programming. In turn, Paragraph 28 specifically requires PPL to evaluate the impact of PPL's TOU rates on confirmed low-income customers as part of its annual Act 129 reporting.

In balance with the other sections of this Partial Settlement, and in light of the substantial number of litigated issues in this proceeding, CAUSE-PA asserts that the provisions of the Partial Settlement regarding PPL's TOU rate proposal are in the public interest, reasonably address CAUSE-PA's concerns, and should be approved.

### Standard Offer Program

With regard to PPL's Standard Offer Program (SOP), the Partial Settlement resolves several issues raised by CAUSE-PA with regard to the SOP, while reserving others for resolution through litigation. In balance, the provisions of the Partial Settlement regarding PPL's SOP represent a step in the right direction to improve PPL's SOP, and should be approved in tandem with the additional litigated issues advanced by CAUSE-PA in this proceeding.

Specifically, paragraphs 25 and 26 of the Joint Petition provide for measurable improvements to PPL's SOP administration. These provisions of the Partial Settlement allow for interested parties to the proceeding to work with PPL to revise the guidelines and scripts to be used by PPL's customer service representatives and its third party SOP administrator, Hansen. In turn, the Partial Settlement requires PPL to increase monitoring of Hansen and, if necessary, take additional actions – including additional training or contract termination.

Together, these provisions will help improve PPL's SOP administration. CAUSE-PA believes, in balance, that these provisions of the Settlement are in the public interest and should be approved.

Importantly, the SOP provisions contained in the Settlement are designed to address issues with PPL's current SOP administrator that were identified through the course of the proceeding. (See OCA St. 2-Supp). These provisions do not address the evidence identified in this case that unwitting SOP participants who roll over onto a new contract at the conclusion of the 12-month program term pay excessive rates which far exceed the price to compare. (CAUSE-PA MB at 33-39; CAUSE-PA St. 1 at 24:11-13). Additional SOP reforms, including targeted SOP participant education and safeguards to protect SOP participants from unwittingly rolling onto a high cost contract, must be adopted to address the critical SOP pricing issues

unearthed in this proceeding. (CAUSE-PA MB at 33-39). Nevertheless, and notwithstanding the issues reserved for litigation, the ability for the parties to reach agreement on next steps to address issues with PPL's third-party SOP administrator, as included in paragraphs 25 and 26 of the Joint Petition, has reduced the number of fully litigated issues in this proceeding and addressed areas of concern for CAUSE-PA. As such, the Partial Settlement is in the public interest and should be approved.

#### **IV. CONCLUSION**

CAUSE-PA submits that the Partial Settlement, which was achieved by the Joint Petitioners after an extensive investigation of the Company's filing, is in the public interest and should be approved. Acceptance of the Partial Settlement avoids the necessity of further proceedings regarding the settled issues. Accordingly, CAUSE-PA respectfully requests that the ALJ and the Commission approve the Partial Settlement without modification.

Respectfully submitted,  
**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



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