

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

REJOINDER TESTIMONY OF

DENISE ADAMUCCI

ON BEHALF OF
PHILADELPHIA GAS WORKS

Docket No. R-2020-3017206

Philadelphia Gas Works

General Rate Increase Request

TOPICS:

Quality of Service to Low-Income Customers
Universal Service and Energy Conservation Issues

July 27, 2020

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND CURRENT POSITION WITH PGW.**

3 A. My name is Denise Adamucci and I am the Vice President of Regulatory Compliance and
4 Customer Programs at Philadelphia Gas Works (“PGW” or “Company”).

5 **Q. DID YOU PREVIOUSLY SUBMIT TESTIMONY IN THIS PROCEEDING ON**
6 **BEHALF OF PGW?**

7 A. Yes, I submitted my rebuttal testimony, PGW St. No. 9-R, on July 13, 2020.

8 **Q. PLEASE DESCRIBE THE PURPOSE OF YOUR REJOINER TESTIMONY.**

9 A. The purpose of my rejoinder testimony is to respond to the surrebuttal testimony prepared
10 by Harry Geller on behalf of the Tenant Union Representative Network and Action
11 Alliance of Senior Citizens of Greater Philadelphia (collectively, “TURN”) and the
12 surrebuttal testimony prepared by Roger Colton on behalf of the Office of Consumer
13 Advocate (“OCA”).

14 **II. SURREBUTTAL OF TURN WITNESS GELLER**

15 **Q. IN GENERAL, HAVE YOUR POSITIONS STATED IN YOUR REBUTTAL**
16 **TESTIMONY CHANGED?**

17 A. No.

18 **Q. MR. GELLER CRITICIZES YOU FOR REJECTING MANY OF HIS**
19 **RECOMMENDATIONS DUE TO POTENTIAL HIGH COSTS WITHOUT**
20 **QUANTIFYING THOSE COSTS. HOW DO YOU RESPOND?**

21 A. As I explained in my rebuttal, based on my knowledge of PGW’s systems and current
22 processes, many of Mr. Geller’s recommendations would be expensive and time
23 consuming to implement with limited additional benefit. PGW is not obligated to
24 quantify the costs of each of Mr. Geller’s proposals. He has not shown that his
25 recommendations have been proven effective and they would unfairly cause other PGW
26 customers to bear additional, unnecessary costs.

1 **Q. PLEASE RESPOND TO MR. GELLER’S DISCUSSION OF THE AMOUNT OF**
2 **DEBT PGW WILL AGREE TO CONTINUE TO CARRY IN ORDER TO**
3 **ACCEPT A LIHEAP CRISIS GRANT.**

4 A. Because PGW rejected Mr. Geller’s recommendation to widely publicize the annual
5 amount of unpaid debt PGW will agree can remain unpaid if the amount of a LIHEAP
6 Crisis grant assigned by a customer is not sufficient to pay the debt, Mr. Gellers accuses
7 PGW of having “secret undisclosed policies” regarding the availability of Crisis
8 assistance. TURN St. No. 1SR at 14. This characterization is inaccurate. Crisis is not a
9 PGW universal service program. It is a federal grant, administered in the Commonwealth
10 by the Department of Human Services (“DHS”). Mr. Geller fails to mention the fact that
11 PGW does not have to accept a Crisis grant and stop termination or restore service if the
12 grant does not pay off the customer’s debt. Regardless, PGW has decided in recent years
13 to accept a grant for current customers and stop the termination process even if the
14 customer owes significant debt (current up to \$3,000 of unpaid bills) and the grant will
15 not pay off the debt. Many customers have benefitted from PGW’s current policy (*see*
16 TURN St. No. 1 at 43; TURN St. No. 1-SR at 15), which allows customers who have
17 significant debt to maintain service if they assign their Crisis grant to PGW. This
18 voluntary policy is generous and strikes a balance between assisting customers in
19 maintaining service while limiting costs to other PGW ratepayers. Mr. Geller would
20 require PGW’s policies to go well beyond its current practices - for customers who have
21 more than \$3,000 in unpaid bills or who have had their service terminated for non-
22 payment, to the detriment of other PGW customers.

23 **Q. MR. GELLER IMPLIES THAT PGW MAY NOT BE INCOMPLIANCE WITH**
24 **THE DISCONTINUANCE OF SERVICE TO LEASED PREMISES ACT**
25 **(“DSLPA”) (TURN ST. NO. 1SR AT 16-17). PLEASE RESPOND.**

1 A. Despite Mr. Geller's unfounded assertions, I am advised by counsel that PGW is in
 2 compliance with the DSLPA. The statute applies to specific types of properties with
 3 dwelling units not individually metered and requires the landlord to notify PGW of its
 4 status as a rental property under the statute. 66 Pa. C.S. § 1529.1. It does not require
 5 PGW to aggressively seek out properties that may be tenant occupied by assembling and
 6 meticulously combing through a wide range of public records, as Mr. Geller would
 7 require. *See* TURN St. No. 1 at 45-50. PGW's current practices are in compliance with
 8 the DSLPA, and Mr. Geller's recommendations would unnecessarily require PGW to go
 9 far beyond what is required by the statute.

10 **Q. PLEASE RESPOND TO MR. GELLER'S ARGUMENT THAT PGW IS LOSING**
 11 **REVENUE BY NOT RECONNECTING CUSTOMERS WHOSE SERVICE HAS**
 12 **BEEN TERMINATED FOR NON-PAYMENT OR UNAUTHORIZED USE. (SEE**
 13 **TURN ST. NO. 1SR AT 19).**

14 A. These customers have had service terminated due to non-payment of their bills or theft.
 15 Mr. Geller argues that PGW will lose revenue by not reconnecting non-paying customers,
 16 and by not reconnecting customers who were engaged in unauthorized usage. It is unclear
 17 why Mr. Geller assumes that these customers – who did not pay in the past – would pay
 18 in the future.

19 **III. SURREBUTTAL OF OCA WITNESS COLTON**

20 **Q. HAVE YOU REVIEWED THE SURREBUTTAL TESTIMONY OF OCA**
 21 **WITNESS COLTON?**

22 A. Yes, I have.

23 **Q. IN GENERAL, HAVE ANY OF YOUR POSITIONS IN YOUR REBUTTAL**
 24 **TESTIMONY CHANGED AFTER REVIEWING MR. COLTON'S**
 25 **SURREBUTTAL?**

26 A. No, they have not.

1 **Q. HOW DO YOU RESPOND TO MR. COLTON’S TESTIMONY THAT AN**
 2 **INCREASE IN LIHEAP CRISIS GRANTS SHOWS THAT PGW IS HAVING**
 3 **“GREATER PROBLEMS” AND THAT SUPPLEMENTAL GRANTS ARE THE**
 4 **SAME AS LIHEAP CASH GRANTS? (OCA ST. NO. 5-SR AT 8-9).**

5 A. First, as I noted above, LIHEAP grants are federal grant money, and LIHEAP is not
 6 administered by PGW. DHS determines whether the supplemental grants it awards will
 7 be deemed a Crisis or a Cash grant – the decision is up to DHS, and PGW accepts
 8 whatever DHS determines. Second, if customers are awarded a grant, the customer – not
 9 PGW – decides how it should be applied (*e.g.* whether to give the grant to
 10 PGW/PECO/another fuel provider). For these reasons, I maintain that Mr. Colton’s
 11 testimony related to LIHEAP cash grants is not relevant to PGW’s rate request.

12 **Q. HOW DO YOU RESPOND TO MR. COLTON’S TESTIMONY THAT YOU DID**
 13 **NOT DISPUTE THAT PGW HAS CONFIRMED THE LOW-INCOME STATUS**
 14 **OF ONLY A FRACTION OF THE COMPANY’S ESTIMATED LOW-INCOME**
 15 **POPULATION AND THAT PGW HAS ENROLLED AN EVEN SMALLER**
 16 **FRACTION OF THE CONFIRMED LOW-INCOME POPULATION? (OCA ST.**
 17 **NO. 5-SR AT 10).**

18 A. Despite Mr. Colton’s assertions, in my Rebuttal Testimony, I specifically dispute the
 19 allegations that PGW has under-identified the number of low-income customers living in
 20 its service territory and under-enrolled low-income customers in CRP. *See* PGW St. No.
 21 9-R at 38-40. These allegations are also disputed by PGW witness Gil Peach in his
 22 Rebuttal Testimony. PGW St. No. 11-R at 16-31.

23 **Q. HOW DO YOU RESPOND TO MR. COLTON’S CRITICISM OF THE**
 24 **INFORMATION PGW REPORTS TO BCS REGARDING PGW’S ESTIMATED**
 25 **LOW-INCOME POPULATION? (OCA ST. NO. 5-SR AT 12).**

26 A. PGW reports data as required by BCS and, contrary to Mr. Colton’s assertion, is in
 27 compliance with PUC requirements and regulations. The way that estimated customers
 28 are calculated is that BCS provides PGW with a census percentage for the City’s low-
 29 income population and PGW is required to use this percentage of its residential customer

1 base to provide the BCS estimated low-income number even though not all of these
2 customers even have gas service.

3 **Q. HOW DO YOU RESPOND TO MR. COLTON'S ASSERTION THAT YOU HAVE**
4 **NOT ADEQUATELY EXPLAINED WHY PGW'S CRP ENROLLMENT HAS**
5 **DECLINED BY MORE THAN 30,000 PARTICIPANTS SINCE 2009? (OCA ST.**
6 **NO. 5-SR AT 14).**

7 A. This assertion was adequately rebutted by PGW witness Gil Peach, wherein he
8 demonstrated that some variation in CRP participation over twenty years can be
9 explained by a variation in the cost of natural gas service. *See* PGW St. No. 11-R at 22-
10 28.

11 **Q. HOW DO YOU RESPOND TO MR. COLTON'S CRITICISMS THAT PGW HAS**
12 **PERFORMED POORLY IN ENROLLING CUSTOMERS IN CRP PRIOR TO**
13 **DISCONNECTING SERVICE, PRIOR TO THE WINTER HEATING SEASON**
14 **FOR CUSTOMERS WHOSE SERVICE WAS ALREADY DISCONNECTED,**
15 **AND/OR PRIOR TO CUSTOMERS BECOMING "PAYMENT TROUBLED?"**
16 **OCA ST. NO. 5-SR AT 15-16.**

17 A. Mr. Colton's testimony seems to imply that PGW wants to keep customers off CRP. To
18 the contrary, PGW attempts to promote CRP to its customers at many points of contact,
19 including in writing and by phone. PGW cannot force a customer to enroll in CRP, but
20 certainly can (*and does*) encourage it. There is no disincentive for PGW to enroll
21 customers in CRP, and under its new pilot program, PGW is making CRP even more
22 beneficial and attractive to customers.

23 **IV. CONCLUSION**

24 **Q. DOES THAT CONCLUDE YOUR REJOINDER TESTIMONY?**

25 A. Yes.

VERIFICATION

I, Denise Adamucci, hereby state that: (1) I am Vice President Regulatory Compliance and Customer Programs for Philadelphia Gas Works; (2) the facts set forth in my testimony are true and correct to the best of my knowledge, information and belief; and (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

July 27, 2020

Dated

Denise Adamucci

Denise Adamucci, Vice President
Regulatory Compliance & Customer Programs
Philadelphia Gas Works