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File #: 175564

March 19, 2024

VIA ELECTRONIC FILING

Rosemary Chiavetta
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Investigation of PPL Electric Utilities Corporation for potential violations of 52 Pa. Code § 56.1, et seq., of the Commission's regulations and 66 Pa.C.S. § 1501 of the Public Utility Code
Docket No. M-2023-3038060**

Dear Secretary Chiavetta:

Enclosed for filing are the Reply Comments of PPL Electric Utilities Corporation in the above-captioned proceeding.

Copies are being provided as indicated on the Certificate of Service.

Respectfully submitted,


Devin Ryan

DTR/dmc
Enclosures

cc: Certificate of Service
Office of Special Assistants (*via Email ra-OSA@pa.gov*)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this filing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL

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Date: March 19, 2024



Devin Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Investigation of PPL Electric Utilities :
Corporation for potential violations of 52 :
Pa. Code § 56.1, *et seq.*, of the : Docket No. M-2023-3038060
Commission’s regulations and 66 Pa.C.S. :
§ 1501 of the Public Utility Code :

**PPL ELECTRIC UTILITIES CORPORATION’S
REPLY COMMENTS**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

I. INTRODUCTION

On November 21, 2023, PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) and the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) filed a Joint Petition for Approval of Settlement (“Settlement”) in the above-captioned proceeding.¹ Between February 7, 2024, and March 5, 2024, several interested parties filed Comments, including a number of PPL Electric customers, the Office of Consumer Advocate (“OCA”), and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”).

PPL Electric respectfully submits these Reply Comments in support of the Settlement and in response to the parties’ Comments. The Company appreciates the Comments submitted about the proposed Settlement and the alleged billing and customer service issues customers experienced. As noted in the Settlement, there was a failure of the customer meter data

¹ On January 18, 2024, the Commission entered an Order directing that the Settlement be published in the *Pennsylvania Bulletin* and that parties file Comments about the Settlement within 25 days of the Settlement’s publication in the *Pennsylvania Bulletin*.

transferring from the Company’s meter data management system (“MDMS”) to its customer service system (“CSS”) for certain customers and resulted in many customers receiving estimated bills or no bills (hereinafter, “Billing Issues”).

PPL Electric fully recognizes the impact that the Billing Issues had on its customers, including low-income customers. Since the advent of the Billing Issues, PPL Electric has been committed to making customers whole, investigating and responding to customers’ issues and concerns, and implementing processes to prevent such Billing Issues from occurring again.

Also, as explained in these Reply Comments, the Company is willing to implement many of the recommendations made by the OCA in its Comments, which PPL Electric believes will help increase transparency, rebuild trust in the Company’s billing processes, and improve customer experience going forward.²

For these reasons, and as explained further herein, the Settlement, and the Company’s Statement in Support, the Settlement is just and reasonable and should be approved.

II. REPLY COMMENTS

A. INDIVIDUALS’ COMMENTS

Many individuals filed Comments on the proposed Settlement.³ In those Comments, the individuals described the alleged problems they experienced due to the Billing Issues, and some of them recommended modifications to the Settlement.

PPL Electric’s paramount concern is providing safe, reliable, and reasonable service to its customers as required under Section 1501 of the Public Utility Code. *See* 66 Pa. C.S. § 1501.

As part of that duty, the Company is committed to responding to its customers, investigating

² Although the Company responds to many, but not all, of the parties’ recommendations and arguments in these Reply Comments, PPL Electric’s failure to respond to a recommendation or argument should not be constructed as the Company’s agreement therewith.

³ For a full list of the Comments, please see Docket No. M-2023-3038060 on the Commission’s website at <https://www.puc.pa.gov/docket/M-2023-3038060>.

their issues and concerns, and, where appropriate, taking action to address those issues and concerns.

To that end, PPL Electric is attempting to personally contact every one of the individuals who filed Comments on the proposed Settlement. As of March 13, 2024, PPL Electric has attempted to contact 143 of those individuals. PPL Electric will continue to undertake this outreach, in order to investigate and respond to customers' specific issues and concerns identified in the Comments. Moreover, to date, PPL Electric has been successful in resolving 98 of the 141 formal complaints related to the Billing Issues. By doing so, PPL Electric reduced the time, effort, and expense that the Commission, the Company, and the customer complainants needed to devote to litigating those complaints.

Ultimately, the Company recognizes that the proposed Settlement does not relieve PPL Electric of its duty to provide safe, reliable, and reasonable service to its customers. Going forward, PPL Electric will continue working with customers to try to resolve their issues and concerns, regardless of how the Commission rules on the proposed Settlement.

B. OCA'S COMMENTS

In its Comments, the OCA sets forth several recommendations for the Commission's consideration as it evaluates the proposed Settlement. (OCA Comments, pp. 7-17.) According to the OCA, these recommendations are necessary because the Settlement does not "sufficiently address[] the issues raised by the billing system malfunction." (OCA Comments, p. 10.) Furthermore, the OCA raises other questions about the proposed Settlement and the Company's response to the Billing Issues. (OCA Comments, pp. 5-17.)

As noted previously, PPL Electric is willing to implement many of the OCA's recommendations. First, PPL Electric can provide a "detailed timeline of implementation and requirements" for the solutions the Company is implementing under Paragraph 38(b)(6) and can

file quarterly reports on its progress “at this docket, served on the statutory advocates and [Pennsylvania Utility Law Project (“PULP”)] so that public accountability and transparency can occur.” (OCA Comments, p. 13.) Nevertheless, the filing of those quarterly reports should end the quarter after all of those solutions are implemented, meaning that if all solutions are implemented by quarter 1 of 2026, PPL Electric’s last quarterly report would be filed in quarter 2 of 2026.

Second, PPL Electric clarifies that the Company is “commit[ted] to revising its estimation formula based upon the information presented in the Settlement.” (OCA Comments, p. 14.)

Third, with respect to OCA’s suggestion that the Commission’s Bureau of Audits “investigate whether the fixes identified in the Settlement have been completed and whether additional fixes are necessary to ensure that the situation does not recur”, the Company notes that it has cooperated with I&E’s thorough investigation of the matter. (OCA Comments, p. 14.) Additionally, as mentioned in these Reply Comments, PPL Electric is committed to being open and transparent with the Commission and stakeholders regarding the implementation of fixes to address the Billing Issues.

Fourth, PPL Electric is willing to provide a root cause analysis report on the Billing Issues, which can be used to “determine how customer balances and terminations were impacted by the billing system malfunctions; whether customers incurred late fees tied to the billing system malfunctions after February 2023; and whether the refunds and foregone bills sufficiently addressed customers who otherwise should have been credited.” (OCA Comments, p. 17.)

Fifth, PPL Electric can provide much of the information that the OCA and CAUSE-PA assert is lacking from the Settlement. (OCA Comments, pp. 5, 10-17; CAUSE-PA Comments,

pp. 12-14.) For example, regarding the impact that the Company’s self-imposed moratorium on service terminations for nonpayment had on customer eligibility for Low Income Home Energy Assistance Program (“LIHEAP”) Crisis grants, PPL Electric was cognizant of the potential issue. During that moratorium period, the Company still sent service termination letters to low-income customers so that they could apply for LIHEAP Crisis grants and provide them with additional notice of their eligibility. As a result, PPL Electric’s low-income customers received approximately \$1.5 million⁴ in LIHEAP Crisis grants in 2023. This amount is consistent with PPL Electric’s typical total of Crisis grant awards for years not impacted by additional COVID-19 funding and program changes⁵.

Sixth, PPL Electric agrees that it will not “recover the costs of the billing system malfunction from any ratepayers.” (OCA Comments, p. 7.)

Seventh, PPL Electric is willing to share its methodology in calculating the \$1 million in refunds and provide additional details on how the refunds were distributed. (OCA Comments, p. 16.)

Thus, PPL Electric is willing to implement many of the OCA’s recommendations. However, the Company respectfully disagrees with the OCA’s recommendations related to PPL Electric’s call center. (OCA Comments, pp. 12-13.) Since the Billing Issues arose, the Company has made significant improvements in its call center performance. Specifically, in January 2023, PPL Electric’s Average Speed of Answer (“ASA”) was 1,506 seconds, and its call abandonment rate was 41.5%. By April 2023, PPL Electric reduced those metrics to 129

⁴ In Program Year 2022/23 PPL Electric received a total of \$16,458,295 of LIHEAP funds including the \$1.5 million of Crisis grants.

⁵ PPL Electric received the following in LIHEAP Crisis grants over the past 5 years: 2019 = \$895,142; 2020 = \$1,782,523; 2021 = \$2,275,153 (Pennsylvania Department of Human Services accepted past due bills instead of termination notices which increased the grant eligible population); 2022 = \$2,683,265 (additional Crisis grant funding was available); and 2023 = \$1,588,254.

seconds and 5.2%, respectively. By December 2023, the Company reduced those metrics even further to 28 seconds and 1.1%, respectively.

PPL Electric fully appreciates the need and desire for its customers to speak with customer service personnel quickly and conveniently. In fact, the Company already has leveraged substantial resources to improve its call center and will continue to monitor that performance actively and make further adjustments as necessary. However, the Company is taking steps to help ensure that the Billing Issues, which placed enormous stress on PPL Electric's call center resources, from occurring again. Therefore, PPL Electric maintains that the OCA's recommendations related to the Company's call center are unnecessary.

C. CAUSE-PA'S COMMENTS

CAUSE-PA asserts that the Settlement fails to "account for the uniquely harmful impact to PPL's low income customers." (CAUSE-PA Comments, p. 8.) In addition to the concerns raised about LIHEAP grants that were addressed above, CAUSE-PA asserts that the "proposed Settlement fails to analyze how PPL's low income customers were affected as a result of PPL's billing errors." (CAUSE-PA Comments, p. 13.)

PPL Electric understands CAUSE-PA's concerns for the low-income customers who were affected by the Billing Issues. As noted above, the Company was aware that its self-imposed moratorium on service terminations for nonpayment could affect customers' eligibility for LIHEAP, and the Company actively took steps to mitigate those impacts as best it could under the circumstances. Additionally, during the Billing Issues the Company performed additional reviews of OnTrack customer accounts to make sure that the Billing Issues were not causing those customers additional harm.

PPL Electric appreciates low-income advocates' valuable role in educating customers about assistance programs and responding to their issues and concerns. For that reason, PPL

Electric made sure that it provided periodic updates to PULP about the Billing Issues and the Company's response thereto. In fact, as CAUSE-PA recognizes in its Comments, "PPL extensively communicated with BCS, statutory parties, and stakeholders to provide updates related to the billing issues set forth in the proposed Settlement." (CAUSE-PA Comments, p. 16.) "Through these efforts, BCS and other interested stakeholders and advocates – including counsel for CAUSE-PA – were able to learn about PPL's billing issues and keep informed about PPL's progress to redress these issues and remediate customer impacts as a result of the same." (CAUSE-PA Comments, p. 16.) Consistent with PPL Electric's actions throughout this event, the Company would be happy to meet with CAUSE-PA and other low-income advocates to discuss additional information they feel may be needed to respond to low-income customers who have been affected by the Billing Issues.

III. CONCLUSION

WHEREFORE, for the reasons explained above, as well as those set forth in the Settlement and the Company's Statement in Support, the terms and conditions of the Settlement are just and reasonable and in the public interest, and the Pennsylvania Public Utility Commission should approve the Settlement.

Respectfully submitted,



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