

**Minutes of the
Pennsylvania Public Utility Commission's
Consumer Advisory Council**

Meeting of January 15, 2008

P.O. Box 3265
Harrisburg, PA 17105-3265

www.puc.state.pa.us

Call to Order and Introductions

Rick Hicks called the meeting to order at 10 a.m. in the Executive Chambers of the Public Utility Commission. The Council approved the Nov. 27, 2007, minutes with Joe Capozzolo abstaining.

Attendance

The following members of the Council were present:

Rick Hicks, Chairman	Joe Minott (telephone)
Robert Christianson, Vice Chairman	Tom Leach
Joe Capozzolo	Dan Paul
Robert Dampman	Howard Shakespeare
Cindy Datig (telephone)	Lee Tolbert
Harry Geller	Joe Toner (telephone)

The following members of the Council were unable to be present:

Richard Adams	Linda Roth
John Detman	

Public Utility Commission Staff present:

Amanda Rumsey, Commissioner Pizzingrilli's Office
Tom Charles, Office of Communications
Lori Shumberger, Office of Communications
Dan Mallinson, Office of Communications
Heidi Wushinske, Law Bureau
June Perry, Legislative Affairs
Dan Mumford, Bureau of Consumer Services

Guests Present:

Susan Henry, Office of Consumer Advocate

Stakeholders Meeting on Statewide Consumer Education for Potential Electric Price Increases

Rick Hicks asked for an update from the subcommittee. Harry Geller said that there has been no action by the subcommittee since the last meeting.

Tom Charles said the next stakeholders group will be held on Monday, Jan. 28, from 10 a.m. to noon, in Hearing Room 1. Sara Espinoza from the National Environmental Education Foundation will be speaking about the Earth Gauge program. This speaker was suggested by Liz Robertson, a former Council member.

The Council should have received an e-mail with the recap of the October meeting and an updated best practices document.

Also last week, the PUC started new public service announcements on the old "Prepare Now" campaign. The announcements urge utility customers to make Martin Luther King Day, Jan. 21, 2008, a "Day of Utility Service," as well as a "Day of Service." Radio and print advertisements support this effort that is funded by the PUC's current budget.

The Commission is saying in the statewide radio ads: Martin Luther King Day is a day of service. The PUC wants you to help us make January 21st a day of Utility Service. Other ads are: Replace a light bulb in your house or community with a new energy efficient fluorescent bulb; adjust your thermostat or weatherize your house; and save energy, save the environment.

As part of this process, we grouped all of our electric, natural gas and water fact sheets together on our Web site under "Announcements" and "Consumer Education." You can also listen to the radio spots there, too.

A copy of the press release is in your packets that relate to this campaign, the separate and larger \$5 million campaign, and the PUC's annual "Prepare Now" campaigns and the Governor's "Stay Warm" initiative.

Lee Tolbert asked if the PUC was working with any utility company to receive a supply of the energy efficient light bulbs. Tom Charles said the PUC had discussed that idea but due to the short timeframe and funding, this could not happen. This could be a recommendation for the \$5 million campaign.

Special Session on Energy Policy Update

June Perry from PUC Legislative Affairs gave an update on the General Assembly's Special Session on Energy Policy. A copy of the tracked legislation and news clips from the past month on special energy bills are in the packets.

June Perry said the special energy session just resumed session on Monday, Jan. 14. There hasn't been much change since the last meeting. The legislation tracking list will show what was discussed on their first day back.

There are two bills on energy efficiency out for print. There is a push to get some of the legislation through the special session prior to the upcoming budget hearings.

House Bill 824

June Perry said the Consumer Affairs Committee held a voting meeting to consider HB 824 on December 4, 2007. There is a summary from the meeting in the packets.

The bill was amended and voted on at the meeting. The bill failed to pass through the House Consumer Affairs Committee. The bill is presently still in committee.

Rick Hicks asked what this bill pertained to. June Perry said this bill was to make changes to Chapter 14 legislation. Rick Hicks asked what the vote was. June Perry said the vote was five members voted for and 24 voted against.

Chapter 14/Chapter 56 Update/Cold Weather Survey/CAP Policy Statement and Regulations

Dan Mumford from the PUC's Bureau of Consumer Services (BCS) provided an update on these issues.

The termination and reconnection reports are in the packets for the month of November. The handouts reflect the year-to-date and latest termination and reconnection numbers.

Dan Mumford started with terminations and reconnections for November 2006 vs. 2007. The terminations are up 57 percent from 2006. Last year, PECO was not terminating any customers due to their system upgrade. This year, they have terminated 5,023 customers.

The numbers for the year-to-date for November 2006 vs. 2007 overall is only up 9 percent this year. This is the first year the Commission can compare the numbers since the new legislation. December started the winter termination requirements.

Harry Geller stressed that 272,000 households were terminated by November 2007. That is an extremely large number of households and that 16,857

households were reported by the cold weather survey as going into the winter months without heat.

Dan Mumford said the termination numbers are at their highest ever.

The Cold Weather Survey press release and charts are in the packets. The survey assesses the number of households without heat-related service entering the winter months. As part of the survey, the PUC requires natural gas and electric utilities to check residential properties where service has been shut off. The utility must attempt to contact through both telephone calls and in-person visits to the homes.

Lee Tolbert asked if a utility must make contact with the household. Dan Mumford said the company must try to make contact with the household. The company does not have to make contact.

Lee Tolbert asked if there is required documentation that shows what the utilities have done to reconnect households. Dan Mumford said the companies must state what was found at each household. The companies must report if the house is vacant or the household is using unsafe heating sources.

Dan Mumford stated the Cold Weather Survey press release show the number of residential properties without service for each of the major, regulated electric and natural gas distribution companies in the Commonwealth. The number of households without service this year is down from 2006.

Chairman Holland sent a letter to the utility companies, asking them to help consumers to enroll in Customer Assistance Program (CAP), waive security deposits for the low-income consumers, accept hardship grants to restore service and encourage consumers to use budget billing. The letter also asked utility companies to develop a generic third-party notification form to notify a third-party of potential problems with a consumer's bill. This could be an adult child for an elderly person. Both parties must agree to this practice. Tom Leach asked if a landlord could be a third-party contact. Dan Mumford said yes, if the consumer and utility company agreed to the landlord.

Lee Tolbert asked if there were any responses from utilities on the Chairman's requests. Dan Mumford said the Commission received eight letters back. Some companies said they would try to work with the consumers. Lee Tolbert asked if there is anything the Commission can do to make all the utilities to do these requests. Dan Mumford said the Commission cannot order the utilities to incorporate the requests, just request that they be considered.

Rick Hicks said the fact that Chairman Holland wrote this letter to the companies and the companies responded back. Is there a way the Council could see what

the utilities wrote back. Dan Mumford said he would look into the request and get back to the Council.

A discussion followed on how the utilities are handling the request from the Chairman. Can the Council get to see the responses from the utility companies? What changes the utility companies have made to terminating and reconnecting consumers. What is the process that the companies must follow prior to terminating consumers? Dan Mumford said he could have someone from BCS come to update the Council on the termination and reconnections regulations.

Cindy Datig suggested writing a letter to the Chairman for going above and beyond the law by requesting the utilities to do more to help their consumers. Dan Paul stated the letter should also include the Martin Luther King campaign to change a light bulb and make the day a day of service. Rick Hicks stated he would write the letter.

Cindy Datig moved to write a letter to the Chairman and Commissioners thanking the PUC for the Dec. 11 letter, under the Chairman's signature, to utility CEOs asking them to take extra steps to help consumers to "Prepare Now" for the higher costs of winter heating and to thank the Chairman and Commissioners for the current Martin Luther King Day of Utility Service/Prepare Now effort. The motion passed unanimously after Joe Minott seconded the motion.

Harry Geller made a motion to request the letters that utility companies submitted to the Chairman from his letter on Dec. 11, 2007, be released for review by the Council. Lee Tolbert seconded, and the motion passed unanimously.

Joe Capozzolo asked who determines what an unsafe heating source is. Dan Mumford said the National Fire Protection Association lists what is an unsafe heating source. Joe Capozzolo asked if utility companies are giving correct numbers for unsafe heating sources due to the decrease in the number this year. Dan Mumford said the number is down for 2007 but still higher than past years.

Harry Geller commented the Energy Association would like the unsafe heating source section removed from the cold weather report. Dan Mumford agreed that some of the utility companies would like this section removed from the report.

Dan Paul said the utility companies are to ask terminated households what alternative heating source the household is using. There are more households using an alternative heating source now to help cut down on their heating bills. Dan Mumford said yes, more consumers are using alternative heating sources to help subsidize their current heating source.

Harry Geller asked if there would be another survey done this winter. Dan Mumford said it is his understanding that there should be another update. Harry

Geller asked if this could be confirmed and who would be doing the survey and when.

The comments were made that if a household was terminated, why would they tell the utility company what heating source they are currently using. Cindy Datig asked if the Commission could send out letters to all terminated households and ask what heating source they are using. Rick Hicks stated that could lead to a large number of informal complaints. Dan Mumford stated Chapter 14 restricts the Commission participation in certain issues.

Dan Mumford said the CAP Policy Statement comments were due on Jan. 9. The Commission received from 13 parties. The comments will be on the Web site soon. There is a handout in your packets that shows how to view these comments.

Harry Geller asked about what is happening with this issue? Dan Mumford said the Commission needed more information on the practices of terminations. This caused a delay on finishing the report. The Commission is still in the process of working on the proposed Rulemaking concerning Chapters 56 and 14 and should be close to presenting the report to the Commissioners.

Discussion of Council Priorities

Rick Hicks stated there are a number of issues on the Council's Priorities list. Should all these issues still be on the list?

Harry Geller stated the Cold Weather Survey and Terminations levels should be on the Council's priority list.

Tom Charles said if an issue is used in the body of the agenda, he does not list it under priorities.

Lee Tolbert said PGW should be taken off the priority list.

Harry Geller mentioned universal service. Where is the Council on this issue? Harry Geller said the CAP Policy comments were due on Jan. 9. The CAP funding regulations came out in order form but haven't published in the Bulletin yet. Rick Hicks asked if a report from a PUC staff member is needed. Harry Geller said the Commission is intending to hold two meetings on this issue, and it should stay on the priority list. Rick Hicks asked Harry Geller to take ownership of the issue. Harry Geller said yes.

On electronic filing, Rick Hicks asked what does the Council want to know about this issue? Harry Geller said the Council made some comments on this. Rick Hicks asked if the Council could have an update from the Commission. Tom

Charles said he would work on having an update for the Council. Harry Geller said comments on electronic filing are due back on Jan. 16.

With the deployment to InfoMAP, Harry Geller asked about the availability of comments being put online. Tom Charles said business and information is still being added online. We check about having someone discuss this at a future meeting.

Cindy Datig mentioned the termination of the Dominion/Equitable merger in The Pittsburgh Tribune Review. Tom Charles said he saw the press release this morning.

The question was asked about transmission lines and which companies have the option to use them. Tom Charles said he would look into this issue and get someone to talk at a future meeting.

For the DSIC issue, Rick Hicks asked if June Perry could give an update on this issue.

Rick Hicks asked if there were any other items that should be discussed.

Dan Paul brought up a past discussion for utility line maintenance. Should the Council revisit this issue? Rick Hicks asked if the Commission had done a review after the last emergency. Tom Charles said yes and would see if he could get someone for a future meeting.

Future Agenda Items

- Chapter 14 and Chapter 56 Updates;
- Special Session on Energy Policy;
- Stakeholders Meetings on Consumer Education for Potential Electric Price Increases and Energy Conservation;
- Electronic Filing and InfoMAP;
- Transmission Lines;
- Emergencies and Reliability;
- Universal Service and CAP Policy; and
- Council Priorities.

The next meeting for the CAC will be held at 10 a.m. on Feb. 26, 2008, in the Executive Chambers of the Commonwealth Keystone Building.

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