

**1 9 9 9**

# **Utility Consumer Activities Report and Evaluation**

**Electric, Gas, Water  
and Telephone Utilities**



**Pennsylvania Public Utility Commission**

# The Pennsylvania Public Utility Commission



(Left to right) Commissioner Aaron Wilson, Jr., Chairman John M. Quain, Vice Chairman Robert K. Bloom, Commissioner Nora Mead Brownell, and Commissioner Terrance J. Fitzpatrick

# Table of Contents

## Letter of Introduction

<b>1. Consumer Contacts to the BCS</b> .....	1
<i>Charts and Tables</i>	
Consumer Rating of the BCS' Service .....	3
Total Volume of Consumer Complaints and Payment Arrangement Requests to the BCS in 1999 .....	4
1998-1999 Consumer Complaints By Industry .....	5
1998-1999 Payment Arrangement Requests By Industry .....	7
Categories of 1999 Inquiries .....	9
Calls to the PUC's Competition Hotline .....	10
Residential Consumer Complaints Not Included in Industry Chapters .....	11
Informal Compliance Process & Infractions .....	14
<b>2. Performance Measures</b> .....	15
Consumer Complaint Rate .....	15
Justified Consumer Complaint Rate.....	15
Response Time to Consumer Complaints.....	16
Payment Arrangement Request Rate .....	17
Justified Payment Arrangement Request Rate .....	17
Response Time to Payment Arrangement Requests .....	18
Infraction Rate.....	19
Termination Rate.....	20
BCS Performance Measures & Industry Chapters.....	20
<b>3. Electric Industry</b> .....	21
Consumer Complaints .....	21
Payment Arrangement Requests .....	26
Termination of Service .....	29
Compliance... ..	30
<b>4. Gas Industry</b> .....	32
Consumer Complaints .....	32
Payment Arrangement Requests .....	37
Termination of Service .....	40
Compliance... ..	41

<b>5. Water Industry</b> .....	42
Consumer Complaints .....	43
Payment Arrangement Requests .....	48
Compliance.....	51
<b>6. Telephone Industry</b> .....	52
Consumer Complaints .....	52
Payment Arrangement Requests .....	58
Termination of Service .....	62
Compliance.....	63
<b>7. Utility Universal Service and Energy Conservation Programs</b> .....	65
Electric, Gas & Water Programs	
Customer Assistance Programs (CAPs) .....	67
A Helping Hand .....	69
Low-Income Rate.....	70
CARES Programs .....	70
Low Income Usage Reduction Program (LIURP) .....	71
Utility Hardship Fund Programs .....	72
Telephone Universal Service Programs	
Link-Up .....	76
Lifeline Service.....	77
Universal Telephone Assistance Program (UTAP).....	78
<b>8. Other Consumer Activities of the Commission</b> .....	79
Office of Communications/Consumer Education.....	79
The PUC Consumer Advisory Council.....	85
Pennsylvania Relay Service Advisory Board .....	89
<b>9. Quality of Service Benchmarking</b> .....	93
<b>Glossary of Terms</b> . .....	95

## Appendices

A.	1999 Residential Consumer Complaints	
	Non-Major Companies.....	100
B.	Classification of Complaints	
	1. Electric, Gas & Water.....	102
	2. Telephone .....	104
C.	Consumer Complaint Categories: 1999	
	Table 1 - Major Electric .....	106
	Table 2 - Major Gas.....	107
	Table 3 - Major Water .....	108
	Table 4 - Major Telephone .....	109
D.	1998-1999 Residential Consumer Complaint Statistics	
	Table 1 - Major Electric .....	110
	Table 2 - Major Gas.....	111
	Table 3 - Major Water .....	112
	Table 4 - Major Telephone .....	113
E.	1998-1999 Response Time: Consumer Complaints .....	114
F.	1998-1999 Residential Payment Arrangement Request Statistics	
	Table 1 - Major Electric .....	115
	Table 2 - Major Gas .....	116
	Table 3 - Major Water .....	117
	Table 4 - Major Telephone .....	118
G.	1998-1999 Response Time: BCS Payment Arrangement Requests .....	119
H.	1998-1999 Infraction Statistics	
	Table 1 - Major Electric .....	120
	Table 2 - Major Gas.....	121
	Table 3 - Major Water .....	122
	Table 4 - Major Telephone .....	123
I.	Universal Service Programs	
	Table 1 - 1999-2002 Universal Service Funding Levels .....	124
	Table 2 - 1999-2002 Estimated CAP Enrollment .....	125
J.	1999 CAP Participant Payment Rate .....	126
K.	CARES Programs .....	127
L.	LIURP Spending .....	128
M.	LIURP Production Levels.....	129
N.	Utility Hardship Funds.....	130
O.	PUC Consumer Advisory Council Members.....	131
P.	Pennsylvania Relay Service Advisory Board Members .....	132
	<b>Consumer Access to the PUC.....</b>	<b>Inside Back Cover</b>

To Our Readers:

The Commission is pleased to present the *1999 Utility Consumer Activities Report and Evaluation: Electric, Gas, Water and Telephone Utilities* that was prepared by the Bureau of Consumer Services (BCS). Once again, we have presented information about the electric, gas, water and telephone industries in one comprehensive report. We believe that this year's report meets the BCS' goals: to satisfy the statutory reporting requirements of 66 Pa. Code §308(d) and to communicate to the Commission, the public and to utility management how utilities under the Commission's jurisdiction performed in 1999.

Those of you who are familiar with reports from prior years will find that this year's report on 1999 activity has the same format. Chapter 1 provides an overview of the total volume of consumer contacts to the BCS. This Chapter also includes a brief discussion of consumer contacts to the Commission's Competition Hotline and contains a brief analysis of residential consumer complaints to the Bureau that are not included in the industry chapters that follow. In Chapter 2 you will find an explanation of the measures the BCS uses to judge the performance of the major electric, gas, water and telephone companies. Chapter 3 focuses exclusively on the electric distribution companies; and Chapter 4 focuses on the natural gas distribution companies. Chapter 5 presents findings from the water industry. Chapter 6 details the performance of the telephone industry. The remaining chapters present information and discussion that include all of the industries.

This report graphically represents company performance through the presentation of industry tables. The Bureau of Consumer Services believes that utility management will again value the year-to-year comparison of their company's statistics as well as the comparisons between their company and other companies within their industry.

As with reports from past years, much of the discussion and data in this report are based solely on consumer contacts to the BCS and as such, may or may not represent broad statistical trends. The level of activity for a particular company or geographical area may be influenced by a number of factors such as increased marketing, media visibility, demographics, weather and regional activity and access to the BCS.

We would like to point out that in the majority of contacts to the BCS, the utilities had properly followed the Commission's procedures and rules. In spite of this, the customers still appealed to the Commission. In most of these cases, the Commission investigated the consumers' complaints and upheld the utilities' previous actions.

A new addition to the report this year is a table showing 3,754 consumer complaints to the BCS about entities other than the major electric, gas, water and telephone companies. This table is located in Appendix A and presents a listing of the companies for which the BCS investigated 10 or more residential consumer complaints.

Pennsylvania consumers continue to face unprecedented changes within the utility arena. The Commission is committed to assuring that these transformations are in the public interest. We recognize that because the data in this report stems almost exclusively from the evaluation of consumer contacts to the Commission, the data has certain statistical limitations.

The Commission has taken steps to address these limitations. The regulations at 52 Pa. Code Chapter 54.151-156 require quality of service reporting from the electric distribution companies (EDCs) beginning in 1999. This reporting should capture a more comprehensive picture of the quality of service consumers receive from their EDCs. The EDCs reported their telephone access rates and other statistics that pertain to various aspects of customer service performance. The regulations also require the Commission to produce and make public a summary report on the performance of the EDCs, using the data they provide to the Commission. We have adopted similar reporting requirements for the natural gas distribution companies. The regulations are awaiting formal review by the designated standing committees of both Houses of the General Assembly and for review and approval by the Independent Regulatory Review Commission.

During 1999, the PUC also took several steps to improve its complaint handling services. The Commission arranged for an independent call center to answer consumer calls to the PUC's Termination Hotline and provide information about utility universal service programs to payment troubled customers. In addition, the BCS changed its procedures to direct all other consumer complaints straight to its staff of investigators. These changes dramatically improved telephone access statistics and increased the level of service that the Commission provides to the public.

We trust that you will find this year's report informative and valuable.

Sincerely,

John M. Quain, Chairman  
Mitch Miller, BCS Director  
Pennsylvania Public Utility Commission



# 1. Consumer Contacts to the BCS

---

---

The Bureau of Consumer Services (BCS) was mandated under Act 216 of 1976 to provide responsive, efficient and accountable management of consumer contacts. Its responsibilities were clarified under Act 114 of 1986 in regard to reporting and deciding customer complaints. In order to fulfill its mandates, the Bureau began investigating utility consumer complaints and writing decisions on service termination cases in April 1977. Since then the Bureau has investigated 651,309 cases (consumer complaints and payment arrangement requests) and has received an additional 469,144 opinions and requests for information (inquiries). The Bureau received 84,533 utility customer contacts that required review in 1999. It is important to note that more than half of these customer complaints had been appropriately handled by the subject utilities before the customers brought them to the Bureau. In spite of the fact that the utilities had properly followed the Public Utility Commission's procedures and rules in handling the complaints, the customers still appealed to the Public Utility Commission. In these instances, the Commission has upheld the utility's actions.

## The Staff of the Bureau of Consumer Services



## **Case Handling**

The handling of utility complaint cases is the foundation for a number of Bureau programs. The case handling process provides an avenue through which consumers can gain redress for errors and responses to inquiries. However, customers are required by Commission regulations to attempt to resolve problems directly with their utilities prior to filing a complaint or requesting a payment arrangement with the Commission. Although exceptions are permitted under extenuating circumstances, the BCS generally handles those cases in which the utility and customer could not find a mutually satisfactory resolution to the problem.

Once a customer contacts the Bureau of Consumer Services with a complaint or payment arrangement request (PAR), the Bureau notifies the utility that a complaint or PAR has been filed. (The vast majority of consumers contact the BCS by telephone using the Bureau's toll free numbers. In 1999, more than 96% of informal complaints were filed by telephone.) The utility sends the BCS all records concerning the complaint including records of its contacts with the customer regarding the complaint. The BCS investigator reviews the records, renders a decision and closes the case. The BCS policy unit then examines the case and, among other things, classifies the complaint into one of seven major problem areas as well as one of nearly 200 specific problem categories. This case information is entered into the Consumer Services Information System database. The analysis from case information is used by the BCS to generate reports to the Commission, utilities, legislators and the public. The reports may present information regarding utility performance, industry trends, investigations, new policy issues and the impact of utility or Commission policy.

## **Consumer Feedback Survey**

In order to monitor its own service to consumers, the Bureau of Consumer Services surveys those customers who have contacted the Bureau with a utility-related problem or payment arrangement request. The purpose of the survey is to collect information from the consumer's perspective about the quality of the Bureau's complaint handling service. The BCS mails a written survey form to a sample of consumers who have been served by the BCS field services staff.

The results of the survey for fiscal year 1999-2000 show that 86% of consumers reported that they would contact the PUC again if they were to have another problem with a utility that they could not settle by talking with the company. Over 84% rated the service they received from the PUC as "good" or "excellent".

## Consumer Rating of the BCS' Service

How would you rate the service you received from the PUC (BCS)?	1998-99 Fiscal Year	1999-00 Fiscal Year
Excellent	58%	61%
Good	27%	23%
Fair	9%	11%
Poor	6%	6%

Overall, 86% of consumers felt the BCS handled their complaint either very quickly or fairly quickly. In addition, 90% of consumers said that the information that the PUC gave them about the outcome of the problem was either “very easy to understand” or “fairly easy to understand”. Further, 96% of consumers indicated that the BCS staff person who took their call was either “very” or “fairly polite” and 92% described the BCS contact person as “very” or “fairly interested” in helping with the problem.<sup>1</sup>

The BCS management frequently reviews the findings of the consumer feedback survey and promptly investigates any negative trends to improve staff performance.

## Data Bases

To manage and use its complaint data, the Bureau maintains a computer based Consumer Services Information System (CSIS) through a contract with the Pennsylvania State University. This system enables the Bureau to aggregate and analyze complaints from the thousands of complaints that are reported to the Commission each year. In this way the BCS can address generic as well as individual problems.

The bulk of the data presented in this report is from the Bureau's CSIS. In addition, this report includes statistics from the Bureau's Collections Reporting System (CRS), Local Exchange Carrier Reporting System (LECRS) and Compliance Tracking System (CTS). The CRS provides a valuable resource for measuring changes in company collection performance including the number of residential service terminations, while the CTS maintains data on the number and type of infractions attributable to the major utilities.

---

<sup>1</sup> Consumer Feedback results as of February 2000.

## Distinctions Between Cases

A number of cases were segregated from the analyses that appear later in this report because they did not fairly represent company behavior. One treatment of the data involved the removal of complaints about problems over which the Commission has no jurisdiction, information requests that did not require investigation and most cases where the customers indicated that they had not contacted the company prior to complaining to the Commission. Commercial customer contacts were also excluded from the database. Although the Bureau's regulatory authority is largely confined to residential accounts, the Bureau handled 3,048 cases from commercial customers in 1999. Of these cases, 1,078 were related to loss of utility service and 1,970 were consumer complaints. Due to its limited jurisdiction, the Bureau does not issue decisions regarding commercial disputes. Rather, the Bureau gives the customer information regarding the company's position or attempts to mediate a mutually acceptable agreement regarding the disputed matter. All 1999 cases that involved commercial accounts were deleted from the analyses in this report. The table below illustrates that the vast majority of cases handled by the BCS in 1999 involved residential utility service.

### Total Volume of Consumer Complaints and Payment Arrangement Requests to the BCS in 1999

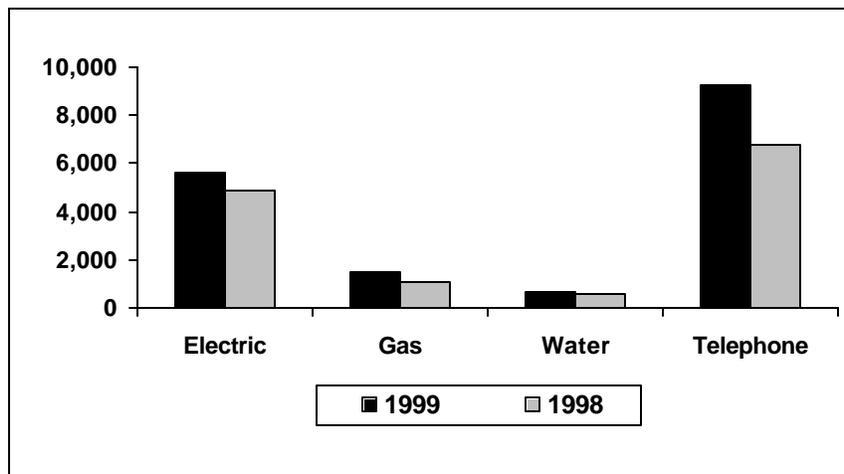
Industry	Consumer Complaints		Payment Arrangement Requests	
	Residential	Commercial	Residential	Commercial
Electric	5,635	549	36,970	838
Gas	1,416	110	20,360	160
Water	619	46	2,080	9
Telephone	8,010	1,261	6,375	71
Other	11	4	9	0
<b>TOTAL</b>	<b>15,691</b>	<b>1,970</b>	<b>65,794</b>	<b>1,078</b>

Generally, customer contacts to the Bureau fall into three basic categories: 1) consumer complaints; 2) requests for payment arrangements; and 3) inquiries. The Bureau classifies contacts regarding complaints about utilities' actions related to billing, service delivery, repairs, etc., as *consumer complaints* and contacts involving payment negotiations for unpaid utility service as *payment arrangement requests*. Consumer complaints and payment arrangement requests are often collectively referred to as informal complaints. *Inquiries* include information requests and opinions from consumers, most of which do not require investigation on the part of the Bureau.

## Consumer Complaints

Most of the consumer complaints regarding the electric, gas, water, sewer and steam heat industries deal with matters covered under 52 Pa. Code, Chapter 56 *Standards and Billing Practices for Residential Utility Service*. For the telephone industry, most of the cases found in the consumer complaint category deal with matters covered under 52 Pa. Code, Chapter 64 *Standards and Billing Practices for Residential Telephone Service* and Chapter 63 *Quality of Service Standards for Telephone*. For the most part, consumer complaints represent customer appeals to the Commission resulting from the inability of the utility and the customer to reach a mutually satisfactory resolution to a dispute.

### Consumer Complaints By Industry 1998-1999



The Bureau investigated 17,661 consumer complaints in 1999. Overall, the volume of consumer complaints to the Bureau increased by 33% from 1998 to 1999. Consumer complaints about electric, gas, water, sewer and steam heat increased by 29% from 1998 to 1999. The electric increase was caused by an increase in complaints about service quality problems, interruptions and metering. Meanwhile, consumer complaints about the telephone industry increased by 36%. A portion of this increase was due to the growth in competition among telecommunications providers. However, more local telephone customers complained about service problems related to installations and repairs in 1999 than in 1998. During 1999, electric and gas utilities accounted for 35% and 9%, respectively of all consumer complaints investigated by the Bureau. Water utilities accounted for 4% of consumer complaints and the telephone utilities were the subject of 52% of all consumer complaints.

## **Justified Consumer Complaints**

Once a BCS investigator finishes the investigation of a consumer's complaint and makes a decision regarding the complaint, the BCS reviews the utility's records to determine if the utility took appropriate action when handling the customer's contact and uses these records to determine the outcome of the case. There are three possible case outcome classifications: justified, inconclusive and unjustified. This approach focuses strictly on the regulatory aspect of the complaint and evaluates utilities negatively only where, in the judgment of the BCS, appropriate complaint handling procedures were not followed or the regulations were violated. Specifically, a case is considered "justified" in the appeal to the BCS if it is found that, prior to the BCS intervention, the company did not comply with PUC orders, regulations, reports, Secretarial Letters, tariffs, etc. "Unjustified" complaints are those cases in which the company demonstrates that correct procedures were followed prior to the BCS intervention. "Inconclusive" complaints are those in which incomplete records, equivocal findings or uncertain regulatory interpretations make it difficult to determine whether or not the customer was justified in the appeal to the Commission.

## **Classification of Consumer Complaints**

After a BCS investigator closes a case from a utility customer, the BCS policy unit reviews the information on the case and translates it into a format so that it can be added to the Bureau's information system (CSIS). One part of this process is that the research staff categorizes each complaint into a specific problem category and enters it into the computerized system. The BCS data system then aggregates the data from all complaints to produce meaningful reports for analysis by the Bureau, the Commission or for utilities.

The BCS has categorized the 1999 residential consumer complaints into 13 categories for each of the electric, gas, water and telephone utilities. Tables showing the percent of complaints in each category in 1999 appear in each industry chapter. The percentages shown in the tables are for all the cases that consumers filed with BCS, not just cases determined to be justified in coming to the Bureau. The Bureau analyzes the categories that generate complaints or problems for customers, even if the utility records indicate that the utility followed PUC procedures and guidelines in handling the complaint. The BCS often discusses its findings with individual utilities who can use the information to review their complaint-handling procedures in categories that seem to produce large numbers of consumer complaints to the Commission. The four tables in Appendix C show the actual number of cases that fell into each category in 1999.

## Payment Arrangement Requests

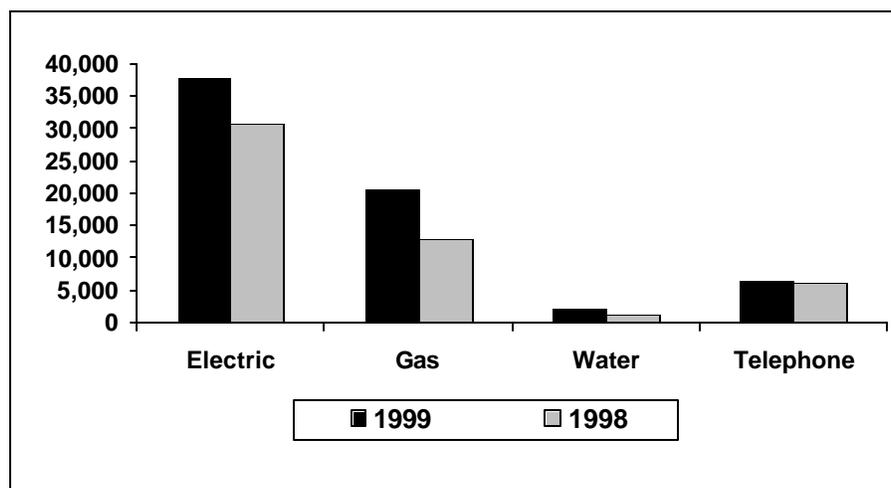
Payment arrangement requests (PARs) principally include contacts to the BCS or to utilities involving requests for payment terms in one of the following situations:

- ✓ suspension/termination of service is pending,
- ✓ service has been terminated and the customer needs payment terms to have service restored, or
- ✓ the customer wants to retire an arrearage.

All of the measures pertaining to PARs are based on assessments of contacts to the Bureau of Consumer Services by individual customers. As with consumer complaints, almost all customers had already contacted the utility prior to their contact to the BCS.

During 1999, the BCS handled 66,872 requests for payment arrangements from customers of the utilities under the Commission's jurisdiction. In approximately 22% of these cases, the customers had previously sought Commission help in establishing an arrangement to pay what they owe to the utility. Customers typically seek further assistance from the BCS if their incomes decrease or their financial circumstances change. These customers find that they are unable to maintain the payment terms that the BCS prescribed in response to their previous contact. The BCS reviews the customer's situation and may issue a new payment arrangement if it is warranted.

### Payment Arrangement Requests By Industry 1998-1999



Payment arrangement requests for electric, gas, water, sewer and steam heat increased 35%, from 44,646 in 1998 to 60,417 in 1999. For the telephone industry, the volume of payment arrangement requests increased by 6%, there were 6,088 requests in 1998 compared to 6,446 in 1999. As in past years, the majority of requests for payment arrangements in 1999 involved electric or gas companies. Fifty-seven percent of the PARs (37,808 cases) were from electric customers and 31% (20,520 cases) were from gas customers. Meanwhile, 3% of the PARs (2,089 cases) stemmed from customers of various water utilities.

## **Inquiries and Opinions**

During 1999, the Bureau of Consumer Services and the Lancaster Call Center received 83,077 customer contacts that, for the most part required no follow-up investigation beyond the initial contact. The Bureau classified these contacts as “inquiries”. The 1999 inquiries include contacts to the Competition Hotline as well as contacts to the Bureau using other telephone numbers, mail service and e-mail communication. Further discussion of the Competition Hotline appears later in this chapter.

In large part, the inquiries in 1999 involved requests for information that staff handled at the time of the initial contact, referrals to utility companies for initial action and referrals to other agencies. The Bureau also classifies certain requests for payment arrangements as inquiries. For example, the Bureau does not issue payment decisions on requests to restore or avoid suspension/ termination of toll or nonbasic telephone service. When consumers call with these problems, the BCS classifies these requests as inquiries. Similarly, if a customer has recently been through the BCS payment arrangement process and calls again with a new request regarding the same account, the Bureau does not open a new payment arrangement request case. In these instances, the BCS classifies the customer’s contact as an inquiry.

As in past years, the Bureau has also shifted some 1999 contacts that originated as consumer complaints and payment arrangement requests into the inquiry category because it was not appropriate to count these contacts as informal complaints. Examples of these contacts include complaints that were found to be duplicates, informal complaints filed against the wrong company, informal complaints that the BCS handled in spite of the fact that the customers had not previously contacted their companies about their problems and cases that the investigators verbally dismissed. In all, these cases accounted for approximately 3% of inquiries in 1999.

Until 1997, the Bureau of Consumer Services classified and reported inquiries by categories based on either the consumer’s reason for contact or the Bureau’s response to the contact. In May 1998, the Bureau upgraded its information system and, among other things, changed the way in which it categorizes consumer contacts. The Bureau now records

the customer's reason for contact as well as the action the BCS staff person took in response to the contact. In addition, the BCS is now able to expand its list of reasons for contact as customers' reasons grow and change. Currently, the list includes more than 60 reasons for contact from consumers. Possible actions by the BCS intake staff include recording the consumer's opinion, giving information to the consumer, referring the consumer to a utility company, and referring the consumer to an agency or organization outside the PUC. If the contact requires further action, the intake staff refers the contact to a Bureau investigator and thus the contact becomes a consumer complaint or a payment arrangement request. The following table shows the various reasons for contact for the 1999 inquiries.

### Categories of 1999 Inquiries

Reason for Contact	Number	Percent
Termination or suspension of service	27,389	33%
Competition issues and requests for information	22,883	28%
Request for general information	12,402	15%
Billing dispute	6,540	8%
Service (company facilities)	2,687	3%
PUC has no jurisdiction	2,680	3%
People-delivered company service	1,563	2%
Slamming	1,368	2%
Rate complaint	810	1%
Applicant/deposit issue	596	1%
Rate protest	411	0%
Weather outage	199	0%
Cramming	148	0%
Other miscellaneous reasons	2,825	3%
Reason for contact is not available	576	1%
<b>TOTAL</b>	<b>83,077</b>	<b>100%</b>

## **Calls to the PUC's Competition Hotline**

In May 1997, the Public Utility Commission opened a toll free telephone hotline to answer consumers' questions about competition in the utility environment. At that time, the hotline was part of the Bureau of Consumer Services. In July 1998, an independent call center in Lancaster, Pennsylvania began handling calls to the Competition Hotline. The call center employees use the BCS computerized information system to record information from the consumer contacts about competition. In 1999, 99% of calls to the Competition Hotline were related to the restructuring of the electric industry and 1% concerned the gas industry.

In 1999, the Lancaster Call Center recorded information from more than 24,000 consumer contacts. Many calls came from consumers who called about various issues associated with the pilot programs of the electric distribution companies (EDCs). As electric competition progressed to the next stage of implementation, consumers called seeking information about how to enroll in the electric choice program and choosing an electric generation supplier.

In most instances, the BCS classified the contacts to the Competition Hotline as inquiries because they required no investigation or follow-up. The BCS or call center staff person took care of the consumer's request or question at the initial contact. However, some consumer contacts required further investigation and possibly action to resolve the consumers' concerns. In these cases the BCS more appropriately classified the contacts as consumer complaints and BCS staff investigated the consumer's problem. For example, the BCS investigated numerous consumer contacts in 1999 in which consumers alleged they were assigned to an electric generation supply company without their consent or knowledge (slamming). In most cases these contacts were classified as consumer complaints. Appendix B-1 explains the types of competition complaints that the BCS handles.

During the early phases of electric and gas competition, the BCS expected that it would receive consumer complaints associated with the transition to customer choice. As expected, many customers did experience a variety of problems as they began choosing their electric and gas suppliers. The BCS found that after investigating these complaints, it was often difficult to determine who was at fault in causing the complaint. Thus, the BCS decided that it would be unfair to include competition complaints with consumer complaints about other issues when it calculates the performance measures it uses to evaluate and compare companies within the electric industry. Therefore, the BCS excluded 72 competition-related complaints from the data set used to prepare the tables in the electric industry chapter.

## **Residential Consumer Complaints Not Included in Industry Chapters**

With the introduction of competition into the electric, gas and telephone industries, the Bureau witnessed a tremendous growth in residential consumer complaints in 1999. More customers than ever before sought the Bureau's assistance in solving problems they had, not only with their incumbent service providers, but also with the many new providers of utility service. Traditionally, the primary focus of the Bureau's review of utilities' complaint handling has been on the performance of the major electric, gas, water and telephone utilities. In past reports, the Bureau did not include complaint statistics for the non-major utilities or for other providers of utility services in its annual assessment and evaluation of the electric, gas, water and telephone industries. However, the Bureau does maintain a limited amount of complaint data for the non-major utilities and the other service providers in its comprehensive database. This section presents information about the residential consumer complaints that are not included in the industry chapters that follow. Appendix A lists the other entities having ten or more residential consumer complaints in 1999. The table shows the company name and its number of residential consumer complaints for the year.

In 1999, Bureau staff investigated a number of consumer complaints about problems related to billing and service that involved the non-major utility companies and other utility service providers. In addition, the BCS investigated a significant number of complaints related to competition issues such as complaints about having been dropped from a company's pilot program, savings delays, slamming, and cramming. During the transition to customer choice in the electric industry and with the many emerging choices in the telephone industry, the Bureau uncovered a variety of new problems facing utility consumers. Given the complex nature of these problems and the difficulty in determining who is at fault (the incumbent provider or the new provider), the Bureau decided to exclude these complaints from its evaluation of the major utilities in the industry chapters that follow. Nevertheless, in order to present a clearer picture of the types of issues that are currently facing Pennsylvania's utility consumers, the Bureau believes that it is worthwhile to present the following information about the other residential complaints it handled in 1999. A brief discussion of the 1999 complaints filed against small water companies appears in the water industry chapter.

The tables below present a summary of the complaints that the BCS handled in 1999 that are not included in the tables and charts in the three industry chapters of this report. It is important to note that these tables include both complaints that were "filed" about a major utility company, those filed about smaller electric, gas or telephone companies such as Citizens Electric, T.W. Phillips or North Pittsburgh Telephone Company, and those complaints lodged against various other entities such as electric generation suppliers, long distance service providers, resellers and competitive local exchange carriers, and others in

today's market. Each of the following tables shows the number of customer complaints by "reason for call" within each of the three industries. Since it began tracking "reason for call", the Bureau has used this variable to identify early in the complaint process why consumers are calling the BCS. The variable "reason for call" attempts to capture, from the consumer's perspective, the problem or issue that the customer raises in the initial contact to the Bureau. Because reason for call is entered into the computer data base at the time of the consumer's initial contact to the Bureau, this variable allows the BCS to do a preliminary analysis of emerging problems based on these initial customer contacts.

**1999 Consumer Complaints Not Included  
in the Electric Industry Chapter  
Presented by Customer's Reason for Call**

Reason for Call	Number of Consumer Complaints
Slamming	418
Delay in savings from participation in competition	248
Competition billing dispute	180
Delay in receiving competition bill	176
Deceptive advertising	99
Selecting or changing a supplier	87
Terms and conditions of supplier contracts	79
Various other competition issues	70
Billing dispute (not competition-related)	41
Other problems not related to competition or reason for call not available	13
<b>Total</b>	<b>1,411</b>

**1999 Consumer Complaints Not Included  
in the Gas Industry Chapter  
Presented by Customer's Reason for Call**

Reason for Call	Number of Consumer Complaints
Billing dispute (not competition-related)	117
People-delivered service	34
Service (company facilities)	23
Competition billing dispute	22
Slamming	21
Various other competition issues	20
Deceptive advertising	19
Terms and conditions of supplier contracts	18
Other problems not related to competition	16
<b>Total</b>	<b>290</b>

**1999 Residential Telephone Consumer Complaints  
Not Included in the Telephone Industry Chapter  
By Customer's Reason for Call**

Reason for Call	Number of Consumer Complaints
Billing dispute	1,110
Slamming	510
Cramming	200
Service (company facilities)	161
People-delivered service	139
Local slamming	123
Other problems	81
<b>Total</b>	<b>2,324</b>

As noted earlier, the number of complaints to the BCS about entities other than the major EDCs, gas utilities or local telephone companies is growing. Appendix A lists the entities having ten or more residential consumer complaints in 1999.

## **Informal Compliance Process & Infractions**

The Bureau's primary compliance effort remains its informal compliance process. This process gives each utility specific examples of its infractions of Chapter 56 and 64. The utilities can use the information to pinpoint and voluntarily correct deficiencies in their customer service operations. The informal compliance process uses consumer complaints to identify, document, and notify utilities of apparent deficiencies. The process begins by the BCS notifying a utility of an alleged infraction. A utility that receives notification of an allegation has an opportunity to affirm or deny the information. If the information about the allegation is accurate, the utility indicates the cause of the problem (i.e., employee error, procedures, a computer program, etc.). In addition, the utility informs the BCS of the date and action it took to correct this problem.

Corrective actions may entail modifying a computer program; revising the text of a notice, bill, letter or company procedures; or providing additional staff training to ensure the proper use of a procedure. If the utility states that the information is inaccurate, the utility provides specific details and supporting data to disprove the allegation. The BCS always provides a final determination to the utility regarding the alleged infraction. For example, if the utility provides supporting data indicating that the information about the allegation is inaccurate, the BCS after reviewing all the information, would inform the utility that, in this instance, the facts do not reflect an infraction of the regulations. On the other hand, if the company agrees that the information forming the basis of the allegation is accurate and indicates the cause of the problem to be other than an employee error, or if the BCS does not find that the data supports the utility's position that the information is inaccurate, the BCS would inform the company that the facts reflect an infraction of a particular section of the regulations. The notification process allows utilities to receive written clarifications of Chapter 56 or 64 provisions and Commission and BCS policies.

The significance of infractions identified by the informal compliance process is frequently emphasized by the fact that some represent systematic errors that are widespread and affect many utility customers. Since the BCS receives only a small portion of the complaints that customers have with their utility companies, limited opportunities exist to identify such errors. Therefore, the informal compliance process is specifically designed to help utilities identify systematic errors. One example of a systematic error is a termination notice with text that does not comply with the requirements of Chapter 56. Each recipient of the notice is affected by this error. When such an error is discovered, the BCS encourages utilities to investigate the scope of the problem and take corrective action. Some utilities have developed their own information systems to identify problems by reviewing complaints before they come to the Commission's attention. The BCS encourages utilities to continue this activity and share their findings with Bureau staff.

## **2. Performance Measures**

---

---

For the most part, the Bureau of Consumer Services uses the complaints it receives from customers of the major electric, gas, water and telephone utilities to assess utilities' complaint handling performance. In nearly every case, the customer had already contacted the company about the problem prior to contacting the BCS. The BCS reviews the utility's record as to how the utility handled the complaint when the customer contacted the company. The review includes several classifications and assessments that form the basis of all the performance measures presented in this and the next four chapters, with the exception of the number of terminations and termination rate. The termination statistics for the electric and gas companies are drawn from reports required by Chapter 56.231(8) while telephone termination statistics are drawn from reports required by Chapter 64.201(7).

The sections that follow explain the various measures that the BCS employs to assess utility performance.

### **Consumer Complaint Rate**

The calculation of consumer complaint rate (consumer complaints per one thousand residential customers) permits the reader to make comparisons among utilities of various sizes. The BCS has found that high consumer complaint rates and extreme changes in consumer complaint rates from one year to the next are often indicative of patterns and trends that it should investigate. However, many of the complaints in the consumer complaint rate are not "justified". The "justified consumer complaint rate" (justified consumer complaints per one thousand residential customers) is a truer indication of a utility's complaint handling performance.

### **Justified Consumer Complaint Rate**

The Bureau of Consumer Services uses case evaluation to identify whether or not correct procedures were followed by the utility in responding to the customer's complaint prior to the intervention of the Bureau. In other words, case evaluation is used to determine whether a case is "justified." A customer's case is considered "justified" if it is found that, prior to BCS intervention, the company did not comply with PUC orders or policies, regulations, reports, Secretarial Letters or tariffs in reaching its final position. In the judgment of the BCS, a case that is "justified" is a clear indication that the company did not handle a dispute properly or effectively, or in handling the dispute, the company violated a rule, regulation or law. There are two additional complaint resolution categories. "Unjustified" complaints are those cases in which the company demonstrates that correct procedures were followed prior to BCS intervention. "Inconclusive" complaints are those

in which insufficient records or equivocal findings make it difficult to determine whether or not the customer was justified in the appeal to the Bureau. The majority of cases fall into either the “justified” or “unjustified” category.

The performance measure called “justified consumer complaint rate” reflects both volume of complaints and percent of consumer complaints found justified. Justified consumer complaint rate is the number of justified consumer complaints for each 1,000 residential customers. By using this ratio, the reader can use the “justified” rate to compare utilities’ performance within an industry and across time. The BCS perceives the justified consumer complaint rate to be a bottom line measure of performance that evaluates how effectively a company handles complaints from its customers.

The Bureau of Consumer Services monitors the complaint rates and justified rates of the major utilities, paying particular attention to the number of justified complaints that customers file with the Commission. Justified complaints indicate that the subject utilities did not follow the PUC’s rules, procedures or regulations when they dealt with their customers. Justified complaints may indicate areas where the BCS should discuss complaint-handling procedures with a utility so that its customers receive fair and equitable treatment when they deal with the utility. When the BCS encounters company case handling performance (justified consumer complaint rate) that is significantly worse than average, there is reason to suspect that many customers who contact the utility are at risk of improper dispute handling by the utility. As part of the monitoring process, the BCS compares the “justified” rates of individual utilities and industries over time and investigates significant changes when they occur. In the chapters that follow, the BCS compares the consumer complaint rates and the justified consumer complaint rates of the major utilities within the electric, gas, water and telephone industries.

## **Response Time to Consumer Complaints**

Once a customer contacts the BCS with a complaint about a utility, the Bureau notifies the utility. The utility then sends the BCS records of its contact with the customer regarding the complaint. Response time is the time span in days from the date of the Bureau of Consumer Services’ first contact with the utility regarding a complaint, to the date on which the utility provides the BCS with all of the information needed to resolve the complaint. Response time quantifies the speed of a utility’s response to BCS informal complaints. In the following chapters and in Appendix E, response time is presented as the average number of days that each utility took to supply the BCS with complete complaint information.

## **Payment Arrangement Request Rate**

The Bureau of Consumer Services normally intervenes at the customer's request only after direct payment negotiations between the customer and the company have failed. The volume of payment arrangement requests (PARs) from a utility's customers may fluctuate from year to year or even from month to month depending upon the utility's collection strategy as well as economic factors. The calculation of the payment arrangement request rate (payment arrangement requests per 1,000 residential customers) permits the reader to make comparisons among utilities with differing numbers of residential customers. Nevertheless, unusually high or low rates and sizable changes in rates from one year to the next may reflect changes in company policies or bill collection philosophies, as stated earlier, or they may be indicative of problems. The BCS views such variations as potential areas for investigation. Clearly, improved access to the Bureau of Consumer Services has impacted the number of consumers who are able to contact the BCS about payment arrangements. In addition, as utilities have become more aggressive in seeking to collect outstanding bills, the number of PARs to the BCS continues to increase. Many of the payment arrangement requests in the PAR rates are not "justified". The "justified payment arrangement request rate" (justified payment arrangement requests per one thousand residential customers) is a truer indication of a utility's payment negotiation performance.

## **Justified Payment Arrangement Request Rate**

Just as with consumer complaints, once a customer contacts the Bureau with a payment arrangement request, the Bureau notifies the utility. The company sends a report to the BCS that details the customer payments, usage and payment negotiation history. A BCS investigator considers the customer's record and makes a decision regarding the amortization of the amount owed and notifies the company and the customer of the decision. The BCS policy unit reviews the record to determine if the utility negotiated properly with the customer and uses this record to determine the outcome of the case. There are three possible case outcome classifications: "justified", "inconclusive" and "unjustified". This approach evaluates companies negatively only where, in the judgment of the BCS, appropriate payment negotiation procedures were not followed or where the regulations have been violated. Specifically, a case is considered "justified" in the appeal to BCS if it is found that, prior to BCS intervention, the company did not comply with PUC regulations, reports, Secretarial Letters, tariffs, or guidelines. "Unjustified" payment arrangement requests are those in which the company demonstrates that correct procedures were followed prior to BCS intervention. "Inconclusive" PARs are those in which incomplete records or equivocal accounts make it difficult to determine whether or not the customer was justified in the appeal to the Bureau.

Changes in company policy can influence not only the volume of PARs to the Commission but also the effectiveness of a utility's payment negotiations. The Bureau uses the "justified payment arrangement request rate" to measure a utility's performance at handling payment arrangement requests from customers. The justified payment arrangement request rate is the ratio of the number of justified PARs for each 1,000 residential customers. The Bureau of Consumer Services monitors the justified PAR rates of the major utilities. For example, the BCS compares the "justified" rates of individual utilities and industries over time and investigates significant changes when they occur. In the chapters that follow, the BCS compares the PAR rates and the justified PAR rates of the major utilities within the electric, gas, water and telephone industries. Because the BCS receives a very large volume of requests for payment terms, it reviews a random sample of cases for the companies with the largest number of PARs. For these companies, justified payment arrangement request rate and response time are based on a subset of the cases that came to the BCS.

## **Response Time to Payment Arrangement Requests**

Once a customer contacts the BCS with a payment arrangement request (PAR), the Bureau notifies the utility. The utility then sends the BCS records that include the customer's payment history, the amount owed, prior payment arrangements, and the results of the most recent payment negotiation with the customer. Response time is the number of days from the date the BCS first contacts the utility regarding a PAR to the date on which the utility provides the BCS with all of the information it needs to issue payment terms, resolve any other issues raised by the customer and determine whether or not the customer was justified in seeking a payment arrangement through the BCS. Response time quantifies the speed of a utility's response to BCS payment arrangement requests. In the following chapters and in Appendix G, response time is presented as the average number of days that each utility took to supply the BCS with the necessary information.

In 1999, the BCS made changes in the case processing of certain payment arrangement requests. These procedural changes made it necessary for the Bureau to revise its method of calculating response time to PARs for the electric, gas and water industries. Beginning in 1999, the Bureau calculates response time for the major electric, gas and water companies using only their responses to payment arrangement requests from customers 1) whose service has been terminated, 2) who have a dispute with the company, or 3) who have previously had a BCS payment arrangement on the amount that they owe.

In order to be able to compare 1999 with 1998 data for the major electric, gas and water companies, the BCS recalculated 1998 response times using just the categories of PARs as indicated above. The response times using the calculations as explained above appear in Chapters 3, 4 and 5 and in Appendix G.

Response time to PARs for the telephone companies is calculated in the same manner as it had been in prior years. Thus, in Chapter 6 and in Appendix G, response time for the major local exchange carriers is the average number of days that each telephone company took to supply the BCS with all the information it needed for all categories of payment arrangement requests.

The Commission continues to work on a project to transfer data electronically from utilities to the BCS. When this project is successfully completed, utility response time may decrease.

## **Infraction Rate**

During 1999, the BCS continued its informal compliance notification process to improve utility compliance with applicable statutes and regulations relating to the treatment of residential accounts. In order to compare utilities of various sizes within an industry, the Bureau has calculated a measure called “infraction rate”. The infraction rate is the number of informally verified infractions for each 1,000 residential customers. Although the BCS has reported a compliance rate for the major telephone companies since 1989, it introduced “infraction rates” for the electric, gas and water utilities in its 1997 report.

Several considerations are important to keep in mind when viewing the infraction rate charts in the chapters that follow. First, the data does not consider the causes of the individual infractions. Secondly, some infractions may be more serious than others because of their systemic nature, and therefore may show ongoing or repetitive occurrences. Still other infractions may be more serious because they involve threats to the health and safety of utility customers.

The value of the infraction rate is to depict industry trends over time. The trend for 1999 is calculated using the BCS’ Compliance Tracking System’s (CTS) data as of June 2000. The 1999 trends may change if the total number of infractions increases. This would occur if new infractions are discovered from customer complaints that originated in 1999 but were still under investigation by the Bureau when the data was retrieved from the CTS. Often, the total number of infractions for the year will be greater than the number cited in this report. The Bureau will update the number of infractions found on 1998 cases in the report on 2000 complaint activity. Infraction rates for each major electric, gas, water and telephone company are shown for 1997, 1998 and 1999 in the chapters that follow. Appendix H shows additional 1997-1999 infraction statistics.

## **Termination Rate**

Payment over time through a mutually acceptable payment arrangement is one possible outcome when a customer owes an outstanding balance to a utility company. Termination of the utility service is another. The Bureau of Consumer Services views termination of utility service as a utility's last resort when customers fail to meet their payment obligations. The calculation of termination rate allows the reader to compare the termination activity of utilities with differing numbers of residential customers. Termination rate is the number of service terminations for each 1,000 residential customers. Any significant increase in termination rate would indicate a trend or pattern that the Commission may need to investigate. Water utilities do not report service termination statistics to the Commission; thus the water industry chapter does not include termination rate information.

## **BCS Performance Measures & Industry Chapters**

The industry chapters that follow present charts that depict the performance of each of the major electric, gas, water and telephone utilities. Each chapter includes charts that show the consumer complaint rate and the justified consumer complaint rate of each major utility. Also included in the industry chapters are charts that show the 1999 payment arrangement request rates and the justified payment arrangement request rates for each of the major utilities. The charts also show the average of the rates of the major utilities within the industry for each of these measures. In addition, each industry chapter presents charts and tables that show infraction rates for the major utilities, response time to both consumer complaints and payment arrangement requests, and termination rates for the major electric, gas, and telephone utilities.

It is important to note that the industry chapters present only data from those utilities that have more than 100,000 residential customers. In the Water Industry Chapter, data for the 11 Class A water utilities that have less than 100,000 residential customers are presented together as a whole. The Bureau has found that the inclusion of scores for the smaller utilities can skew the average of industry scores in ways that do not fairly represent industry performance. For this reason, the BCS has excluded the statistics involving smaller utilities when it calculated the 1999 averages of industry scores. In the future, the Commission may undertake a project in which it calculates and reports performance measure statistics for the smaller utilities and other utility service providers.

### **3. Electric Industry**

---

---

In 1999, the Commission had jurisdiction over 16 electric distribution companies. However, the majority of the consumer complaints and payment arrangement requests involving the electric industry were from residential customers of the six largest electric distribution companies (EDCs): Allegheny Power, Duquesne Light Company, GPU Energy, PECO Energy, Pennsylvania Power Company and PP&L, Inc. This chapter will focus exclusively on those six companies. Most of the complaints and payment arrangement requests dealt with matters covered under 52 Pa. Code, Chapter 56 *Standards and Billing Practices for Residential Utility Service*. For the most part, these consumer complaints and payment arrangement requests represent customer appeals to the Commission resulting from the inability of the company and the customer to reach a mutually satisfactory resolution to a dispute or payment negotiation.

The tables and charts on the pages that follow depict the performance of each of the six largest EDCs in 1999. The tables in the appendices also include UGI-Electric, a major EDC with fewer than 100,000 residential customers. The Bureau investigated complaints in 1999 that were generated as a result of the electric pilot programs that allowed participants to choose an electric generation supply company. However, as mentioned in the first chapter, the BCS removed these complaints from the data base it used to prepare the tables and charts on consumer complaints and payment arrangement requests. Appendices C through H present the actual statistics that the Bureau used to produce the charts in this chapter.

#### **Consumer Complaints**

During 1999, the BCS handled 4,278 consumer complaints about non-competition matters from residential customers of the various electric distribution companies (EDCs). Of those residential complaints, 98% (4,196) were from customers of the six largest EDCs.

#### **Consumer Complaint Categories**

After a BCS investigator closes a consumer complaint, the BCS policy unit reviews the complaint, categorizes it into a specific problem category and enters it into the Bureau's computerized information system. The BCS data system then aggregates the data from all complaints. The following table shows the percentage of 1999 complaints from residential customers of the six largest EDCs in each of the 13 categories used by the BCS policy unit to categorize consumer complaints about electric, gas and water utilities. The number of service quality related complaints increased significantly in 1999. The Commission is working with the companies who have been identified as having service quality problems and is monitoring company plans for corrective action. Appendix D, Table 1 provides the actual number of cases that fell into each category in 1999.

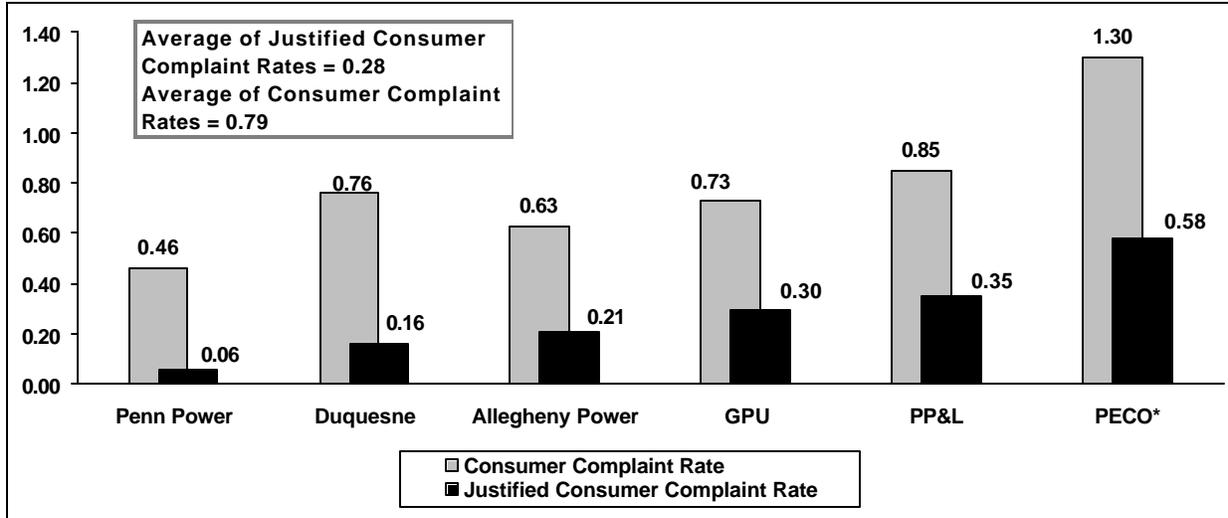
## Consumer Complaint Categories: 1999 Major Electric Distribution Companies

Categories	Allegheny Power	Duquesne	GPU	PECO*	Penn Power	PP&L	Electric Majors
<b>Billing Disputes</b>	29%	20%	22%	22%	30%	47%	28%
<b>Metering</b>	19%	4%	12%	15%	10%	15%	14%
<b>Service Interruptions</b>	5%	25%	24%	13%	18%	4%	13%
<b>Discontinuance/Transfer</b>	12%	7%	6%	13%	0%	9%	10%
<b>Service Quality</b>	7%	9%	7%	9%	8%	4%	7%
<b>Service Extensions</b>	8%	1%	10%	3%	10%	4%	5%
<b>Personnel Problems</b>	3%	6%	5%	6%	4%	3%	5%
<b>Damages</b>	8%	10%	4%	3%	2%	2%	4%
<b>Scheduling Delays</b>	4%	4%	5%	4%	6%	2%	4%
<b>Other Payment Issues</b>	1%	5%	1%	5%	2%	5%	4%
<b>Credit &amp; Deposits</b>	1%	6%	1%	1%	2%	1%	2%
<b>Rates</b>	1%	0%	1%	1%	4%	1%	1%
<b>All Other Problems</b>	2%	3%	2%	5%	4%	3%	3%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\*PECO statistics include electric and gas.

- Categories are for residential complaints filed with BCS: justified, inconclusive and unjustified. See Appendix B-1 for an explanation of complaint categories and Appendix C-1 for the number of cases in each category.
- In 1999, billing disputes accounted for 28% of the consumer complaints about the major electric distribution companies, down from 35% in 1998. Meanwhile, the proportion of complaints about metering and service interruptions increased by 4% in each of these two categories from 1998 to 1999.

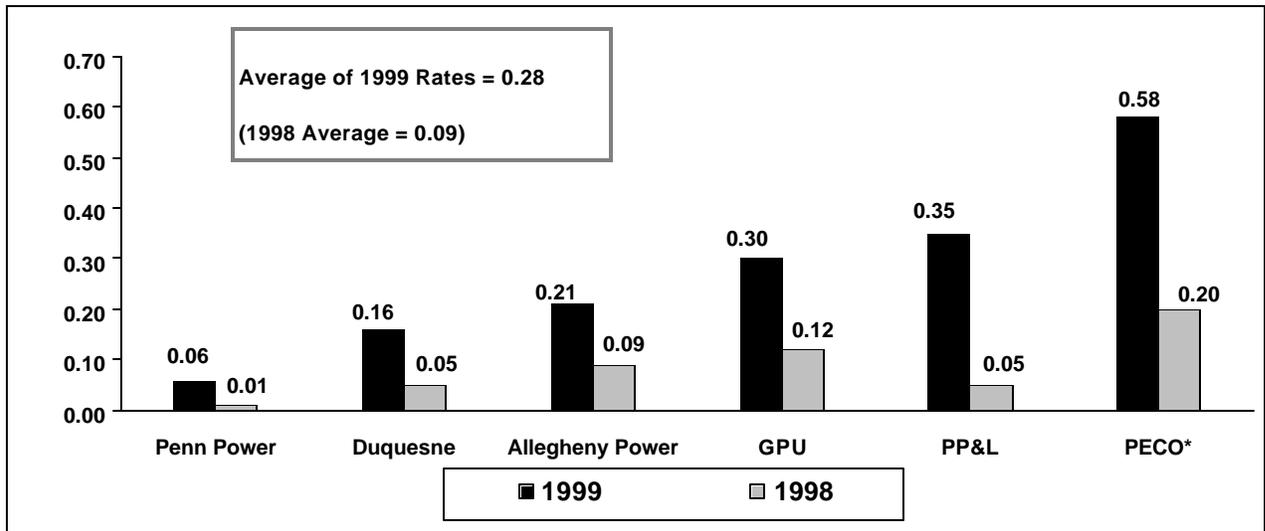
## 1999 Residential Consumer Complaint Rates/ Justified Consumer Complaint Rates Major Electric Distribution Companies



\*PECO statistics include electric and gas

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers. The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers.
- For the major EDCs, the average of the consumer complaint rates is almost three times greater than the average of the justified consumer complaint rates.
- Appendix D, Table 1 presents the number of consumer complaints and justified consumer complaints for each major EDC in 1999.

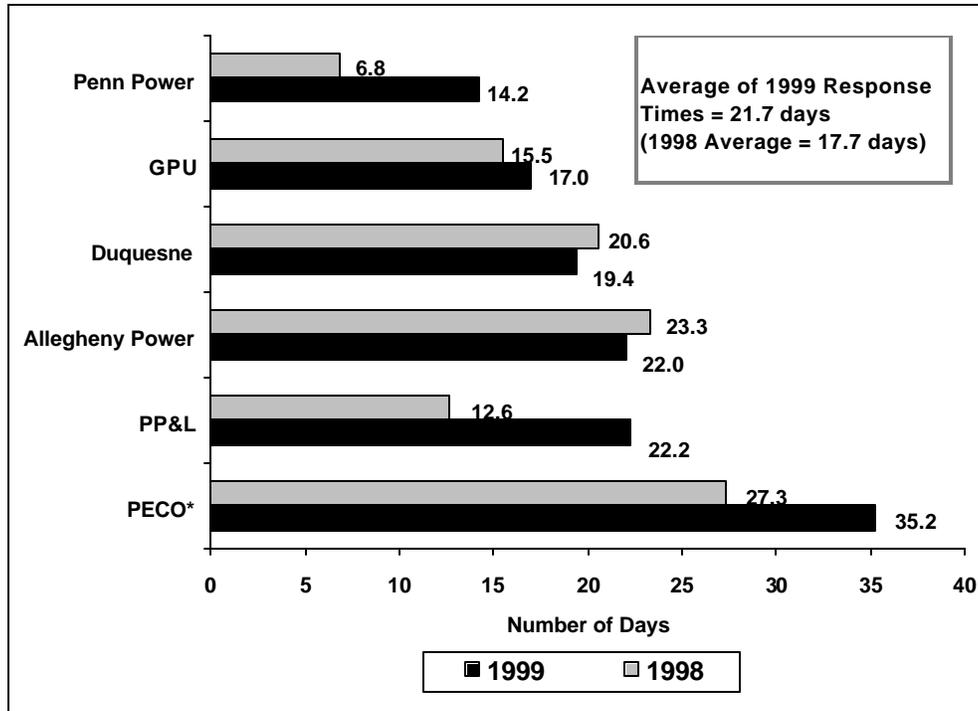
## 1998-1999 Justified Residential Consumer Complaint Rates Major Electric Distribution Companies



\*PECO statistics include electric and gas

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- The average of the justified consumer complaint rates for the major electric distribution companies increased from 1998 to 1999. The justified rates for all six major EDCs increased from 1998 to 1999.
- Appendix D, Table 1 presents the number of justified consumer complaints for each major EDC in 1998 and 1999.

## 1998-1999 Response Time to BCS Residential Consumer Complaints Major Electric Distribution Companies



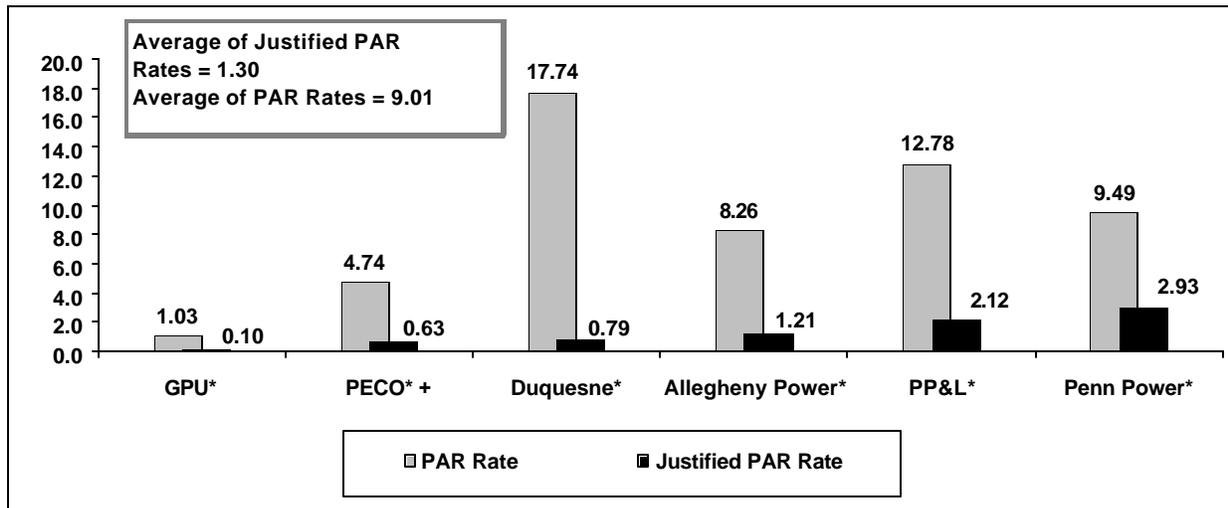
\*PECO statistics include electric and gas.

- Overall, the average response time increased by 4 days from 1998 to 1999. In 1999, the average response time to consumer complaints increased for four of the six major EDCs.
- Appendix E shows the 1998 and 1999 response times to consumer complaints for each of the major EDCs as well as for the major gas, water and telephone utilities.

## Payment Arrangement Requests

In 1999, the Bureau of Consumer Services handled 36,970 payment arrangement requests (PARs) from residential customers of the electric industry. Ninety-nine percent (36,661) of the residential PARs were from customers of the six largest EDCs. For the companies with the largest volume of requests, the Bureau policy unit reviewed a representative sample of PARs for case outcome. In 1999, the BCS reviewed a sample of the PARs for each of the six largest EDCs: Allegheny Power, Duquesne, GPU, PECO, Penn Power and PP&L. Thus, the calculations for justified payment arrangement request rate and response time that appear in the pages that follow are based on a subset of cases that the BCS received from customers of these utilities. The BCS believes that the size of the samples gives a reasonable indication of the performance of these companies. Appendix F, Table 1 provides additional statistics regarding the payment arrangement requests from residential customers of the major EDCs.

### 1999 Residential Payment Arrangement Request Rates/ Justified Payment Arrangement Request Rates Major Electric Distribution Companies



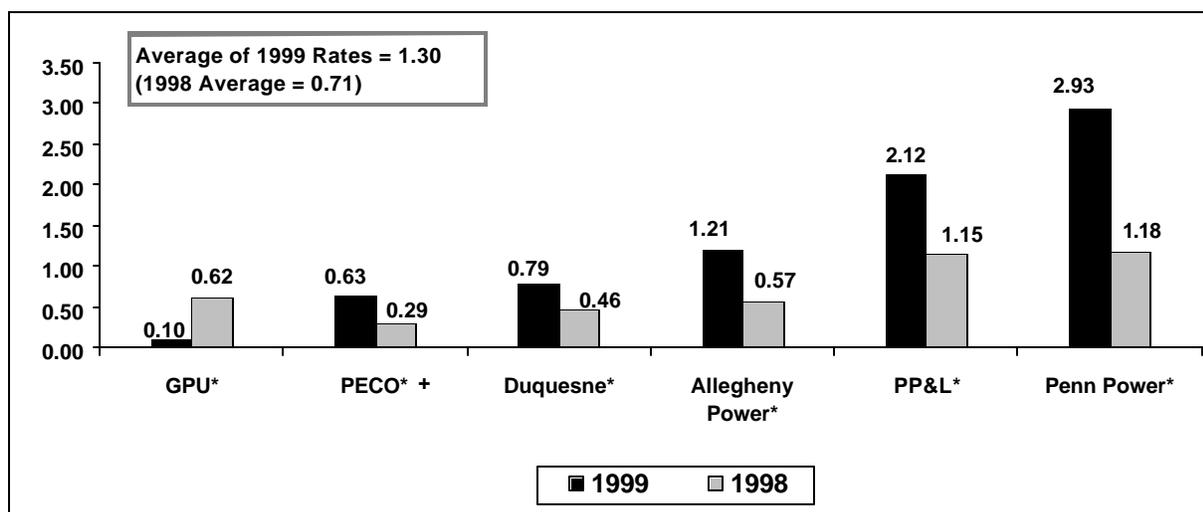
\* JPAR Rates based on a probability sample of cases.

+PECO statistics include electric and gas.

- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers. The payment arrangement request rate equals the number of payment arrangement requests for each 1,000 residential customers.

- On average, there were nine payment arrangement requests to the BCS for each 1,000 residential customers of the major EDCs in 1999. However, there was slightly more than one justified PAR for each 1,000 residential customers.
- Appendix F, Table 1 presents the number of payment arrangement requests and justified payment arrangement requests for each major EDC in 1999.

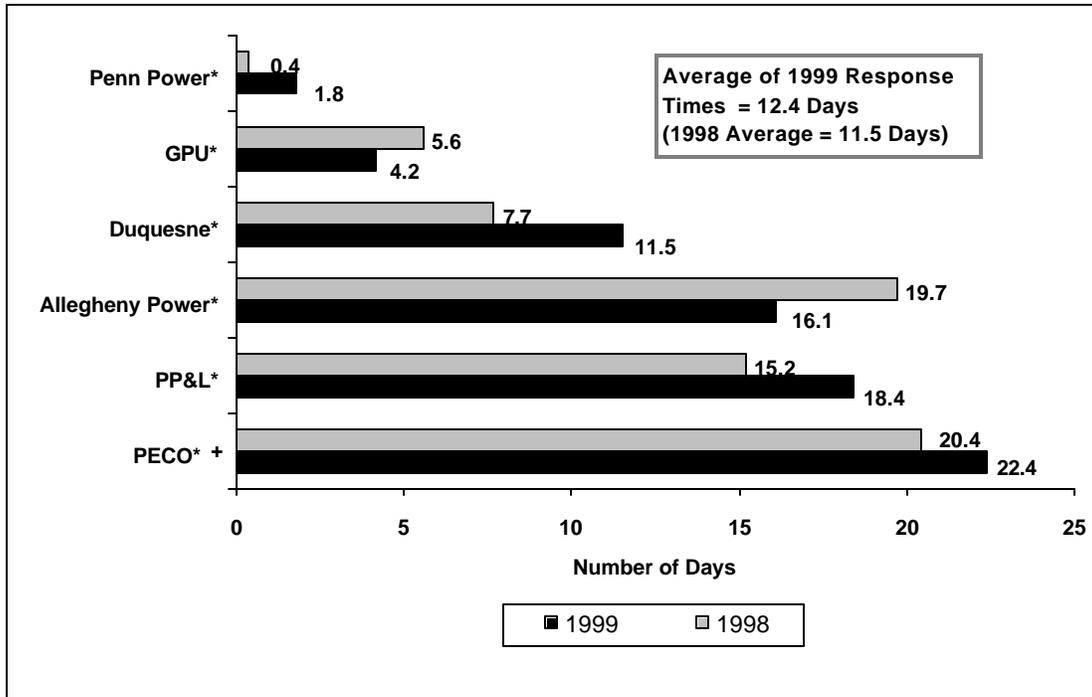
### 1998-1999 Justified Residential Payment Arrangement Request Rates Major Electric Distribution Companies



\*Based on a probability sample of cases.  
+PECO statistics include electric and gas.

- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers.
- The average of the justified PAR rates for the six major EDCs increased by 83% from 1998 to 1999. The justified PAR rates for five of the six major electric distribution companies increased from 1998 to 1999.
- Appendix F, Table 1 presents the number of justified payment arrangement requests for each major EDC in 1998 and 1999.

## 1998-1999 Response Time to BCS Residential Payment Arrangement Requests Major Electric Distribution Companies



\*Based on a probability sample of cases  
+PECO statistics include electric and gas

- For the first time, average response time to BCS payment arrangement requests (PARs) is calculated using only company response time to PARs that include disputes, PARs to restore terminated service and PARs from customers who have previously sought BCS assistance to pay the money they owe. Average response times for 1998 have been recalculated in order to provide a comparison with 1999. (See Chapter 2 for a more detailed explanation.)
- From 1998 to 1999, the average response time for the six major EDCs increased by almost one day.
- Two of the major EDCs reduced their response times to PARs in 1999 compared to 1998 while the other four increased their response times.
- Appendix G shows the 1998 and 1999 response times to payment arrangement requests for each of the major EDCs as well as for the major gas, water and telephone companies.

## Termination of Service

Each month the electric companies report to the Commission the number of residential accounts that they terminated during the previous month. Some EDCs have maintained a fairly consistent pattern of termination behavior while others fluctuate from year to year. The table below indicates the annual number of residential accounts each of the six largest EDCs terminated in 1997, 1998 and 1999. The table also presents the termination rates for each of these companies.

### Residential Service Terminations/Termination Rates Major Electric Distribution Companies

Company Name	Residential Service Terminations				Termination Rates		
	1997	1998	1999	% Change in # 1998-1999	1997	1998	1999
Allegheny Power	5,354	6,614	5,186	-22%	9.27	11.38	8.86
Duquesne	8,905	11,721	9,358	-20%	17.26	22.75	18.14
GPU	10,520	8,643	2,263	-74%	11.56	9.43	2.44
PECO*	13,945	34,009	28,460	-16%	10.41	25.20	20.94
Penn Power	1,722	1,480	1,326	-10%	13.48	11.46	10.16
PPL	9,926	9,649	5,222	-46%	9.11	8.80	4.75
<b>Major Electric</b>	<b>50,372</b>	<b>72,116</b>	<b>51,815</b>	<b>-28%</b>			
<b>Average of Rates</b>					<b>11.85</b>	<b>14.84</b>	<b>10.88</b>

\*PECO statistics include electric and gas.

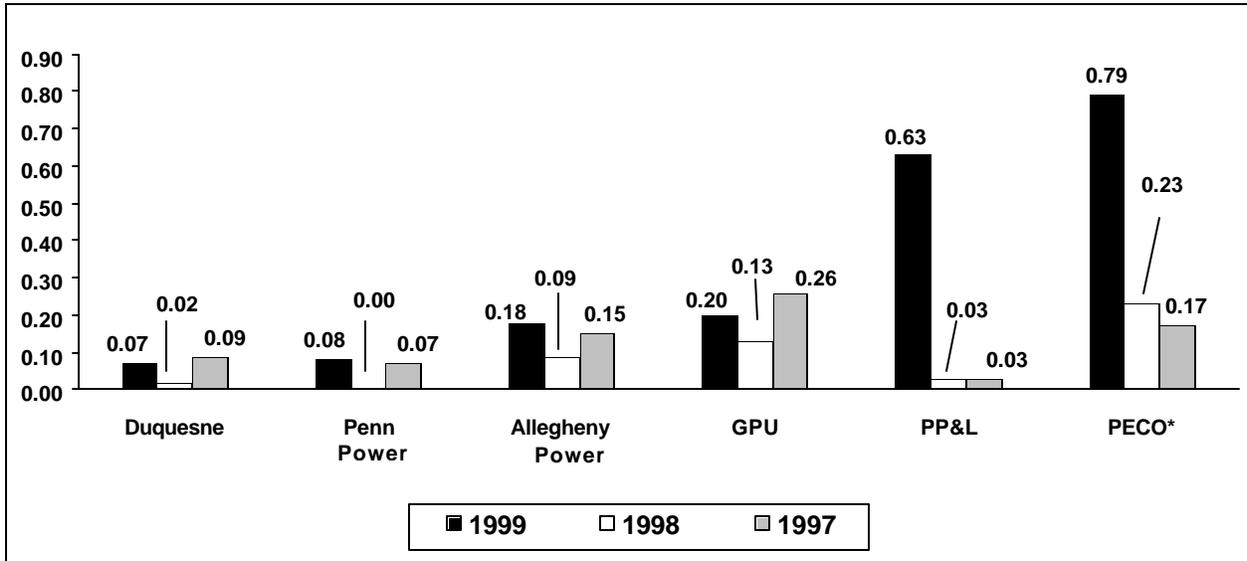
- Overall, the six major EDCs terminated 28% fewer residential accounts in 1999 than in 1998. Each company terminated fewer residential accounts.
- GPU focused its attention on implementing a new computer system in 1999. As a result, the company issued fewer termination notices and terminated only about one-quarter as many accounts as it did in 1998.

## Compliance

The use of “infraction rate” in this report is intended to help the Commission monitor the duty of electric distribution companies at 66 Pa. C.S. §2807(d) to, at a minimum, maintain customer services under retail competition at the same level of quality. In subsequent activity reports, the calculation of “infraction rate” for the electric generation suppliers, the new entrants into electric retail competition, will also help the Commission, pursuant to 66 Pa. C.S. §2809(e), monitor and regulate the service of electric generation suppliers. Electric generation suppliers are required at 66 Pa. C.S. §2809(e) and (f) to both comply with Chapter 56 and to implement practices which prevent deterioration of the present quality of service provided by the electric distribution companies.

During 1997, 1998 and 1999, the Bureau determined that the six major EDCs together logged 3,302 infractions of regulations. The chart that follows and the infraction statistics in Appendix H, Table 1 are drawn from all informal complaints that residential consumers filed with the BCS from 1997 through 1999. Infractions identified on complaints involving competition issues are included in the infraction statistics.

## PUC Infraction Rates Major Electric Distribution Companies



\*PECO statistics include electric and gas

- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- Overall, the number of informally verified infractions attributed to the major EDCs increased in 1999.
- Appendix H, Table 1 presents the actual number of infractions for each major EDC in 1997, 1998 and 1999.

## 4. Gas Industry

---

---

In 1999, the Commission had jurisdiction over 34 gas utilities. However, the majority of the consumer complaints and payment arrangement requests involving the gas industry came from residential customers of the six major gas utilities: Columbia Gas of Pennsylvania, Equitable Gas, National Fuel Gas Distribution Corporation, PG Energy, Peoples Gas and UGI Utilities-Gas Division. This chapter will focus exclusively on those six utilities. As with the electric industry, most of the complaints and payment arrangement requests dealt with matters covered under 52 Pa. Code, Chapter 56 *Standards and Billing Practices for Residential Utility Service*. These consumer complaints and payment arrangement requests, for the most part, represent customer appeals to the Commission resulting from the inability of the company and the customer to reach a mutually satisfactory resolution to a dispute or payment negotiation.

The tables and charts on the pages that follow depict the performance of each of the six major gas utilities in 1999. Appendices C through H present the actual statistics that the Bureau used to produce the charts in this chapter.

### **Consumer Complaints**

During 1999, the BCS handled 1,316 consumer complaints about non-competition matters from customers of the various natural gas distribution companies. Of those residential complaints, 86% (1,126) were from customers of the six major gas companies.

### **Consumer Complaint Categories**

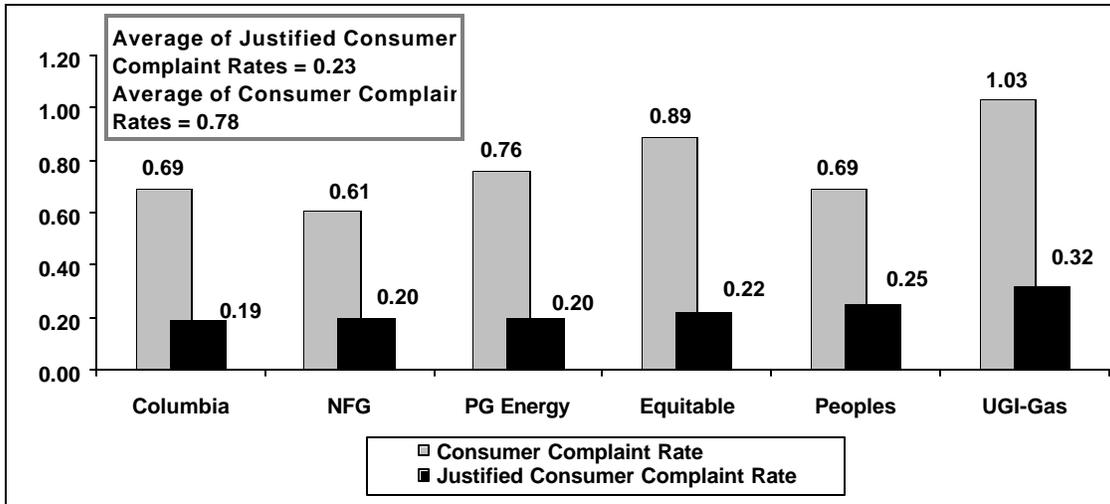
After a BCS investigator closes a consumer complaint, the BCS policy unit reviews the complaint, categorizes it into a specific problem category and enters it into the Bureau's computerized information system. The BCS data system then aggregates the data from all complaints. The following table shows the percentage of 1999 complaints from residential customers of the six major gas utilities in each of the 13 categories used by the BCS policy unit to categorize consumer complaints about electric, gas and water utilities. The percentages shown in the table are for all the cases that residential customers of the major gas utilities filed with BCS, not just cases determined to be justified in coming to the Bureau. Appendix D, Table 2 provides the actual number of cases that fell into each category in 1999.

**Consumer Complaint Categories: 1999**  
**Major Natural Gas Distribution Companies**

<b>Categories</b>	<b>Columbia</b>	<b>Equitable</b>	<b>NFG</b>	<b>PG Energy</b>	<b>Peoples</b>	<b>UGI- Gas</b>	<b>Gas Majors</b>
<b>Billing Disputes</b>	19%	36%	27%	60%	20%	30%	30%
<b>Metering</b>	33%	18%	24%	10%	24%	23%	23%
<b>Discontinuance/ Transfer</b>	11%	7%	22%	6%	19%	14%	13%
<b>Service Extensions</b>	10%	5%	2%	8%	9%	11%	8%
<b>Service Quality</b>	7%	5%	5%	2%	6%	3%	6%
<b>Personnel Problems</b>	7%	8%	3%	2%	6%	3%	5%
<b>Damages</b>	3%	5%	2%	5%	5%	1%	3%
<b>Credit &amp; Deposits</b>	0%	6%	3%	0%	1%	3%	2%
<b>Scheduling delays</b>	2%	2%	1%	0%	3%	5%	3%
<b>Other Payment Issues</b>	4%	3%	2%	2%	1%	1%	2%
<b>Rates</b>	1%	1%	0%	1%	2%	1%	1%
<b>Service Interruptions</b>	1%	0%	1%	3%	1%	1%	1%
<b>All Other Problems</b>	2%	5%	6%	0%	2%	5%	3%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

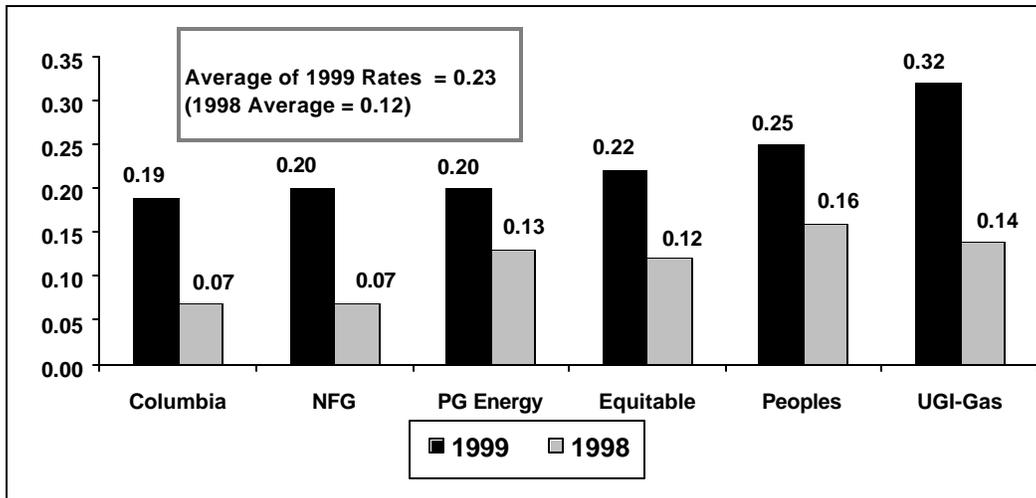
- Categories are for all residential complaints filed with BCS: justified, inconclusive and unjustified. See Appendix B-1 for an explanation of complaint categories and Appendix C-2 for the number of cases in each category.
- In 1999, billing disputes generated 30% of the complaints about the major gas utilities. In 1998 almost 40% of the gas consumer complaints were about billing issues.
- The percentage of complaints about metering increased by 5 percentage points from 1998 to 1999. The percentage of complaints about service quality doubled from 1998 to 1999.

**1999 Residential Consumer Complaint Rates/  
Justified Consumer Complaint Rates  
Major Natural Gas Distribution Companies**



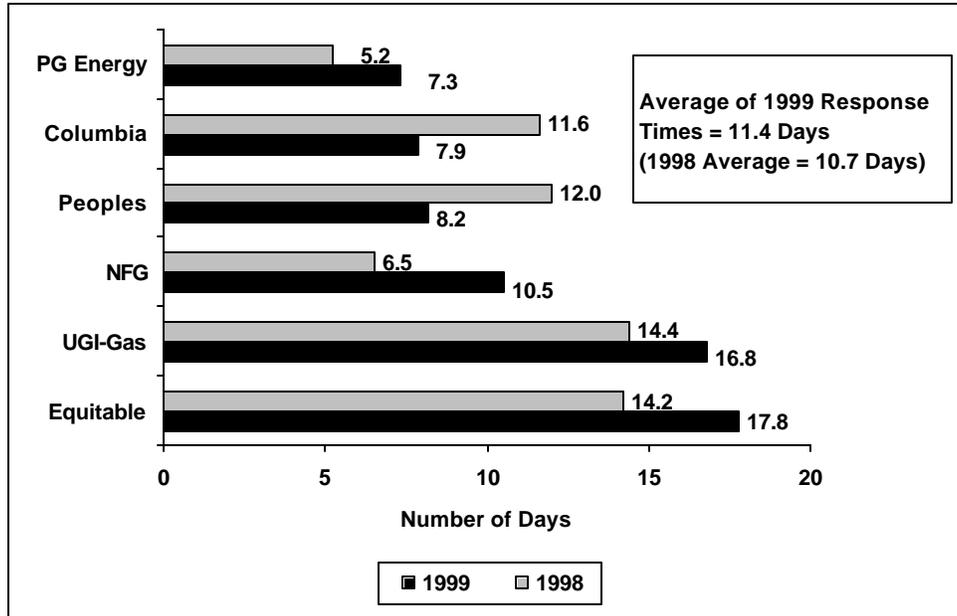
- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers. The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers.
- For the major gas companies, the average of the consumer complaint rates is more than 3 times greater than the average of the justified rates.
- Appendix D, Table 2 presents the number of consumer complaints and justified consumer complaints for each major gas company in 1999.

## 1998-1999 Justified Residential Consumer Complaint Rates Major Natural Gas Distribution Companies



- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- In 1999, the average of the justified consumer complaint rates of the major gas companies increased from 1998. This is the first increase after two years of decreasing rates for the gas companies. The average justified complaint rate increased for each of the six major gas companies in 1999.
- Appendix D, Table 2 shows the number of justified consumer complaints for each major gas company in 1998 and 1999.

## 1998-1999 Response Time to BCS Residential Consumer Complaints Major Natural Gas Distribution Companies

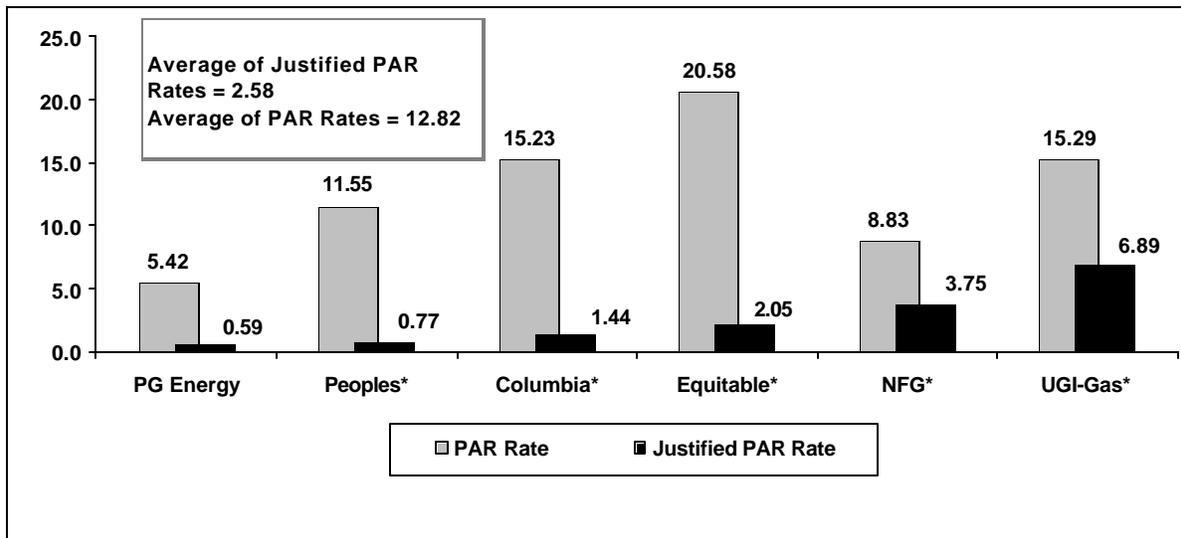


- The average response time for the major gas companies increased slightly from 1998 to 1999. Four of the six major gas companies increased response time to consumer complaints in 1999.
- Appendix E shows the 1998 and 1999 response times to consumer complaints for each of the major gas companies as well as for the major electric, water and telephone utilities.

## Payment Arrangement Requests

In 1999, the Bureau of Consumer Services handled 20,360 payment arrangement requests (PARs) from residential customers of the gas industry. Ninety-seven percent (19,677) of the residential PARs were from customers of the six major natural gas distribution companies. As in past years, for the companies with the largest volume of requests, the Bureau policy unit reviewed a representative sample of PARs for case outcome. In 1999, the BCS reviewed a sample of the PARs for the following gas companies: Columbia, Equitable, NFG, Peoples, and UGI-Gas. Thus, the calculation for justified payment arrangement request rate and response time that appear in the pages that follow are based on a subset of cases that the BCS received from customers of these utilities. The BCS believes that the size of the samples gives an adequate indication of the performance of these companies. Appendix F, Table 2 provides additional statistics regarding the payment arrangement requests from residential customers of the major natural gas distribution companies.

### 1999 Residential Payment Arrangement Request Rates/ Justified Payment Arrangement Request Rates Major Natural Gas Distribution Companies

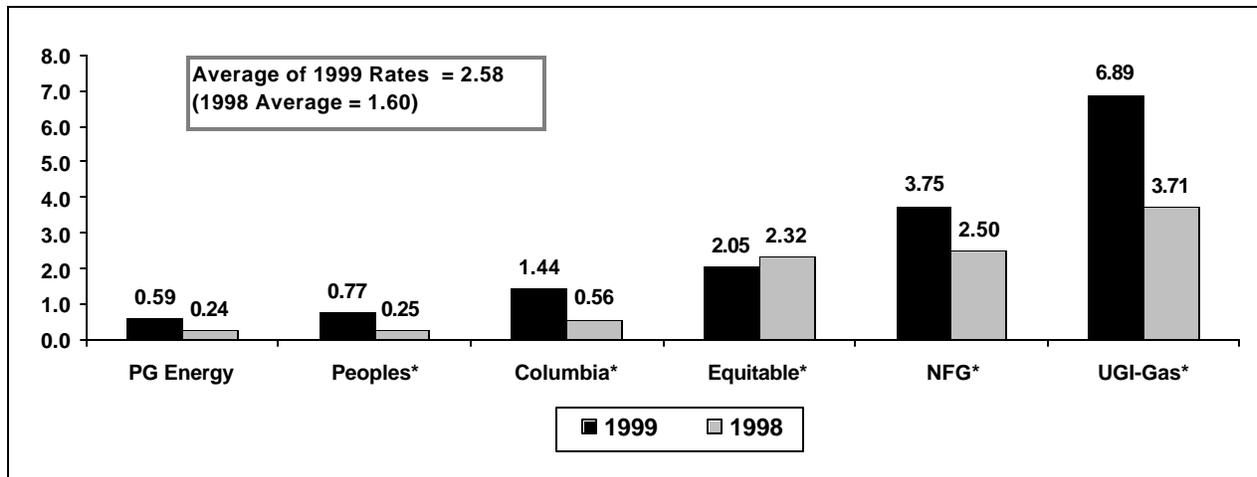


\* JPAR rates based on a probability sample of cases.

- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers. The payment arrangement request rate equals the number of payment arrangement requests for each 1,000 residential customers.
- In 1999, the average of the PAR rates is almost 5 times the average of the justified rates.

- Appendix F, Table 2 presents the number of payment arrangement requests and justified payment arrangement requests for each major gas company in 1999.

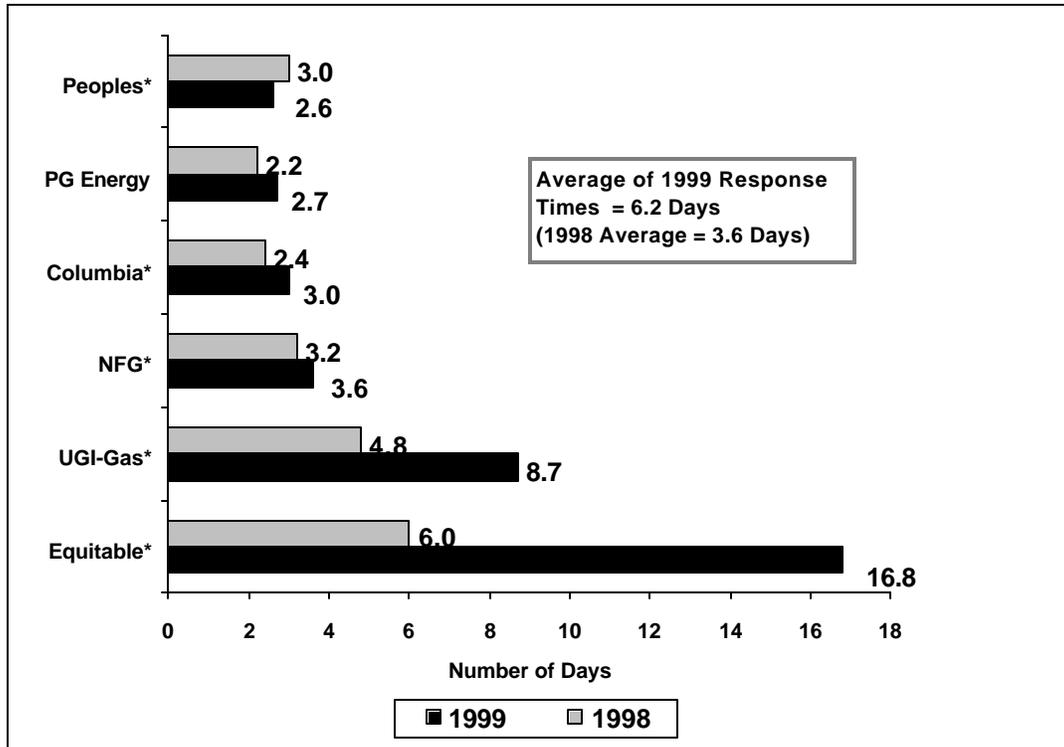
### 1998-1999 Justified Residential Payment Arrangement Request Rates Major Natural Gas Distribution Companies



\* Based on a probability sample of cases.

- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers.
- The average of the justified PAR rates for the six major gas utilities increased by 61% for the six major gas companies. The justified payment arrangement request rate increased for five of the six major gas companies.
- Appendix F, Table 2 presents the number of justified payment arrangement requests for each major gas company in 1998 and 1999.

## 1998-1999 Response Time to BCS Residential Payment Arrangement Requests Major Natural Gas Distribution Companies



\* Based on a probability sample of cases

- For the first time, average response time to BCS payment arrangement requests (PARs) is calculated using only company response time to PARs that include disputes, PARs to restore terminated service and PARs from customers who have previously sought BCS assistance to pay the money they owe. Average response times for 1998 have been recalculated in order to provide a comparison with 1999. (See Chapter 2 for a more detailed explanation.)
- From 1998 to 1999, the average response time to BCS payment arrangement requests increased by 2.6 days. The average response time to BCS PARs for each major gas company was just over 6 days in 1999.
- Five of the six major gas companies had increased response times to BCS payment arrangement requests in 1999.
- Appendix G shows the 1998 and 1999 response times to payment arrangement requests for each of the major gas companies as well as for the major electric, water and telephone companies.

## Termination of Service

Each month, the gas utilities report to the Commission the number of residential accounts that they terminated during the previous month. Some utilities have maintained a fairly consistent pattern of termination behavior, while others fluctuate from year to year. The table that follows indicates the annual number of residential accounts each of the six largest gas utilities terminated in 1997, 1998 and 1999. The table also presents the termination rates for each of these companies.

### Residential Service Terminations/Termination Rates Major Natural Gas Distribution Companies

Company Name	Residential Service Terminations				Termination Rates		
	1997	1998	1999	% Change in # 1998-1999	1997	1998	1999
Columbia	5,490	6,236	5,956	-4%	16.76	18.5 2	17.57
Equitable	3,361	5,683	4,190	-26%	14.70	24.8 3	18.22
NFG	5,500	4,821	5,517	14%	28.23	24.7 1	28.23
Peoples	4,513	2,790	3,714	33%	14.26	8.76	11.60
PG Energy	2,960	2,309	3,529	53%	22.47	17.2 2	26.01
UGI-Gas	6,474	7,783	7,142	-8%	28.58	33.6 7	30.14
<b>Major Gas</b>	<b>28,298</b>	<b>29,622</b>	<b>30,048</b>	<b>1%</b>			
<b>Average of Rates</b>					<b>20.83</b>	<b>21.2 9</b>	<b>21.96</b>

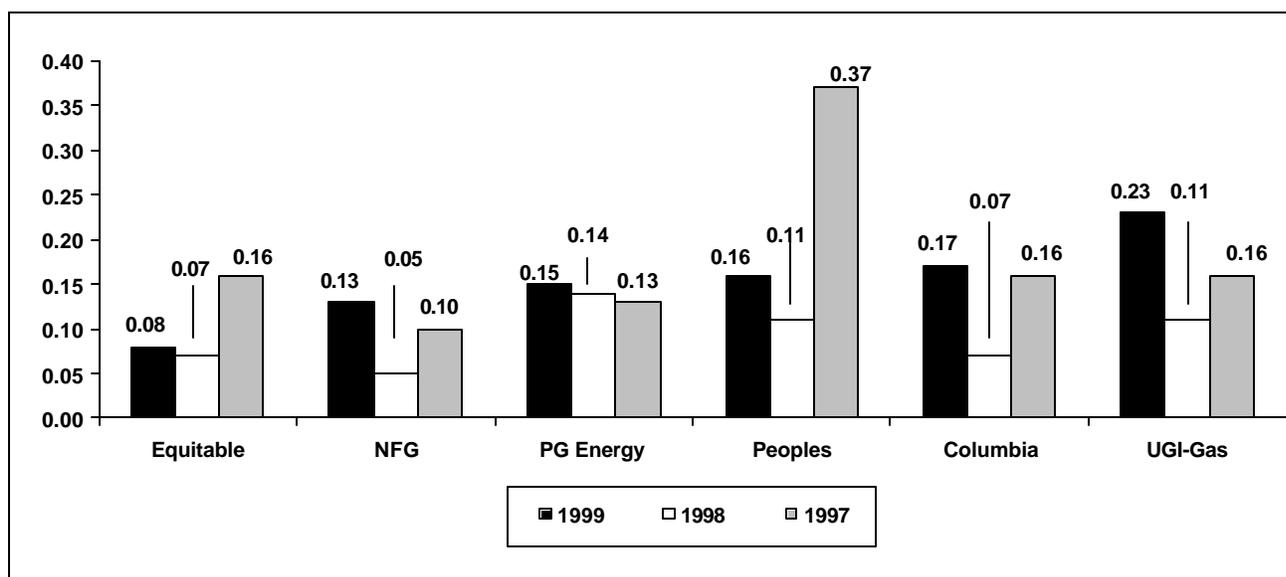
- Overall, the six major gas companies terminated almost 22 out of every 1,000 residential gas customers during 1999.
- Three of the major gas companies terminated more residential accounts in 1999 than in 1998 and three terminated fewer accounts. Overall, the six major gas companies terminated 1% more residential accounts in 1999 than in 1998 and 6% more than in 1997.

## Compliance

The Bureau's primary compliance effort is its informal compliance process. This process provides utilities with specific examples of apparent problems that may reflect infractions of Chapter 56 regulations. Often, through the informal notification process, the BCS provides utilities with written clarifications or explanations of Chapter 56 provisions and Bureau policies.

During 1997, 1998 and 1999, the Bureau determined that the six major gas utilities together logged 633 infractions of regulations. The chart that follows and the infraction statistics in Appendix H, Table 2 are drawn from all informal complaints that residential consumers filed with the BCS from 1997 through 1999. Infractions identified on complaints involving competition issues are included in the infraction statistics.

### PUC Infraction Rates Major Gas Utilities



- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- Infraction rates increased for each of the six major gas utilities in 1999.
- Appendix H, Table 2 presents the actual number of infractions for each major gas utility in 1997, 1998 and 1999.

## 5. Water Industry

---

---

In 1999, the Commission had jurisdiction over 187 water utilities, including 37 municipal water companies. The Commission categorizes the non-municipal water utilities into one of four classifications: A, B, C and Short Form. These four classifications are based on the amount of the utility's annual revenues.

The non-municipal water utilities with the largest annual revenues are classified as Class A water utilities. Class A water companies must have annual revenues of \$750,000 or more for three years in a row. In 1999 there were 13 Class A water companies that served the vast majority of residential water customers. The number of residential customers for these companies ranged from 1,813 for National Utilities, Inc. to 497,453 residential customers for Pennsylvania-American Water Company; one Class A water company serves no residential customers. In 1999, the Class A water companies were Audubon Water Company, Citizens Utilities Water - PA, Columbia Water Company, Consumers PA Water Company - Roaring Creek Division, Consumers PA Water Company - Shenango Division, Consumers PA Water Company - Susquehanna Division, Manufacturer's Water Company (no residential customers), National Utilities, Inc., Newtown Artesian Water Company, Pennsylvania-American Water Company (PA-American), Philadelphia Suburban Water Company, United Water of Pennsylvania, Inc. and York Water Company. The tables and charts in this chapter present individual statistics for the two largest water companies -- Pennsylvania-American Water Company and Philadelphia Suburban Water Company -- and for the other "Class A" companies as a whole.

The other classes of water companies have lower annual revenues and typically, fewer residential customers. In 1999, there were 26 Class B companies. Class B water companies have annual revenues between \$100,001 and \$749,999. In 1998, the latest year for which this information is available, the number of residential customers for the Class B companies ranged from 293 to 3,147. There were 109 Class C companies in 1999. Class C water companies have annual revenues between \$5,001 and \$100,000. The number of residential customers for the Class C companies ranged from 21 to 25,431 in 1998. The two companies classified as SF (short form) have annual revenues of less than \$5,000. Data from 1998 show that one SF company served 23 residential customers and the other served 53 residential customers.

The municipal water companies are companies owned by municipalities that serve customers outside their boundaries. The Commission's jurisdiction is limited to regulating the rates and service of customers outside the municipalities. The Commission does not keep records of the number of residential customers each municipal company serves. Overall, in 1998, the total number of customers served by the municipals that were outside the boundaries of a particular municipality ranged from 3 to 22,077.

As would be expected, the majority of the residential consumer complaints and payment arrangement requests to the BCS came from customers of the Class A water utilities. Most of the complaints and payment arrangement requests from water customers dealt with matters covered under 52 Pa. Code, Chapter 56 *Standards and Billing Practices for Residential Utility Service*. These consumer complaints and payment arrangement requests, for the most part, represent customer appeals to the Commission resulting from the inability of the company and the customer to reach a mutually satisfactory resolution to a dispute or payment negotiation.

The table and charts on the pages that follow depict the performance of the Class A water utilities in 1999. Appendices B through G present the actual statistics that the Bureau used to produce the charts in this chapter. Due to an administrative error, the 1998 justified payment arrangement rates and 1998 response times to payment arrangement requests are not available for the smaller Class A water utilities. However, these statistics are available for PA-American and for Philadelphia Suburban.

### **Consumer Complaints**

During 1999, the BCS handled a total of 619 consumer complaints from residential customers of the various water companies. Of those complaints, 81% (503) were from customers of the Class A companies. The remaining 19% were from customers of 51 smaller water companies. In spite of the fact that the vast majority of consumer complaints involved the Class A water utilities in 1999, the Commission devoted a significant amount of attention to the smaller water utilities. Often the amount of time that the BCS spends on a few complaints from customers of a smaller company far exceeds the amount of time it spends dealing with the larger number of complaints filed against one of the larger companies. This is because larger companies typically have the resources to respond appropriately to complaints and payment arrangement requests as compared to smaller water companies with limited resources.

In 1999, customers of the small water companies logged complaints with the BCS for a variety of reasons. However, of the 116 consumer complaints filed about the non-Class A water companies, 65% involved some type of service complaint (75 cases) and 30 complaints (25% of the total) related to billing disputes. The other complaints were about various issues including the companies' rates and termination procedures.

## Consumer Complaint Categories

After a BCS investigator closes a consumer complaint, the BCS policy unit reviews the complaint, categorizes it into a specific problem category and enters it into the Bureau's computerized information system. The BCS data system then aggregates the data from all complaints. The following table shows the percentage of 199 complaints from residential customers of the Class A water utilities in each of the categories used by the BCS policy unit to categorize consumer complaints about electric, gas and water utilities. The percentages shown in the table are for all the cases that residential customers of these water utilities filed with BCS, not just cases determined to be justified in coming to the Bureau. Appendix D, Table 3 provides the actual number of cases that fell into each category in 1999.

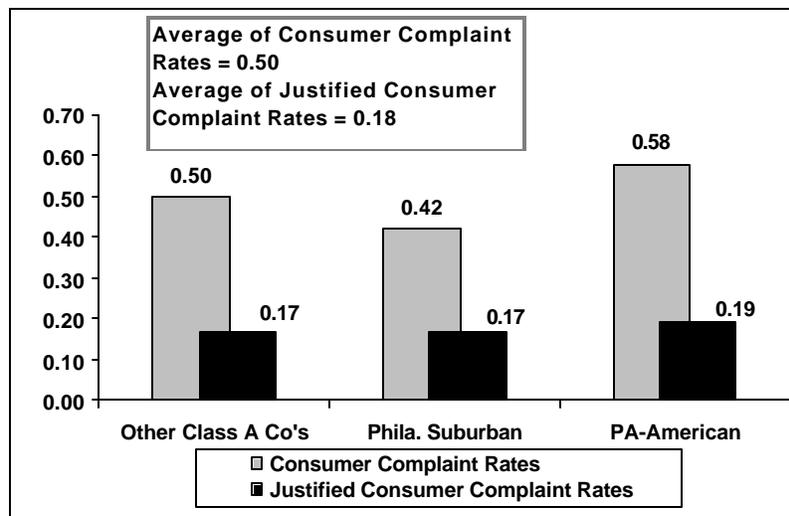
### Consumer Complaint Categories: 1999 Major Water Utilities

Categories	PA- American	Philadelphia Suburban	Other "Class A" Water	All "Class A" Water
<b>Billing Disputes</b>	31%	33%	10%	29%
<b>Service Quality</b>	19%	10%	57%	22%
<b>Metering</b>	11%	26%	4%	14%
<b>Discontinuance/Transfer</b>	5%	7%	6%	6%
<b>Damages</b>	8%	1%	0%	5%
<b>Personnel Problems</b>	5%	5%	4%	5%
<b>Service Extensions</b>	7%	0%	4%	5%
<b>Scheduling Delays</b>	3%	4%	4%	3%
<b>Credit &amp; Deposits</b>	1%	7%	4%	3%
<b>Service Interruptions</b>	2%	2%	4%	2%
<b>Rates</b>	2%	0%	0%	1%
<b>All Other Problems</b>	8%	6%	2%	7%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

- Categories are for all residential complaints filed with the BCS: justified, inconclusive and unjustified. See Appendix C-1 for an explanation of the various complaint categories and Appendix D-3 for the number of cases in each category.

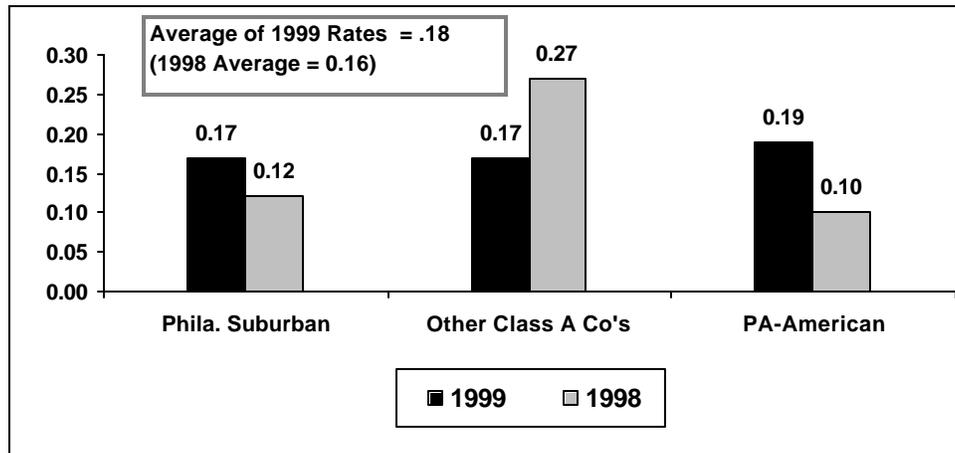
- Almost half of the consumer complaints about the Class A water utilities involved either billing disputes or service quality issues.
- The percentage of complaints about billing decreased from 1998 to 1999. In 1998, thirty-six percent of the complaints about the Class A water utilities involved billing. Meanwhile, the percentage of complaints about service quality has remained unchanged for the past three years.

### 1999 Residential Consumer Complaint Rates/ Justified Consumer Complaint Rates Major Water Utilities



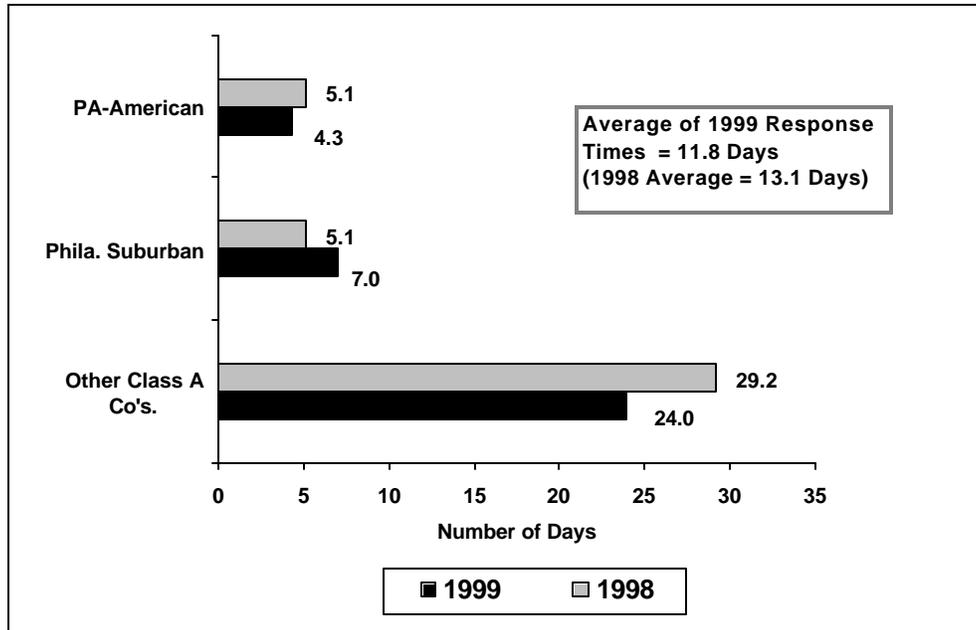
- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers. The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers.
- The average of the consumer complaint rates is almost 3 times greater than the average of the justified rates for the Class A water companies.
- Appendix E, Table 3 presents the actual number of consumer complaints and justified consumer complaints for Philadelphia Suburban, PA-American and the other Class A companies in 1999.

## 1998-1999 Justified Residential Consumer Complaint Rates Major Water Utilities



- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- The average of the justified consumer complaint rates for the “Class A” water utilities increased slightly from 1998 to 1999.
- Appendix E, Table 3 shows the number of justified consumer complaints for Philadelphia Suburban, PA-American and the other Class A water companies in 1998 and 1999.

## 1998-1999 Response Time to BCS Residential Consumer Complaints Major Water Utilities

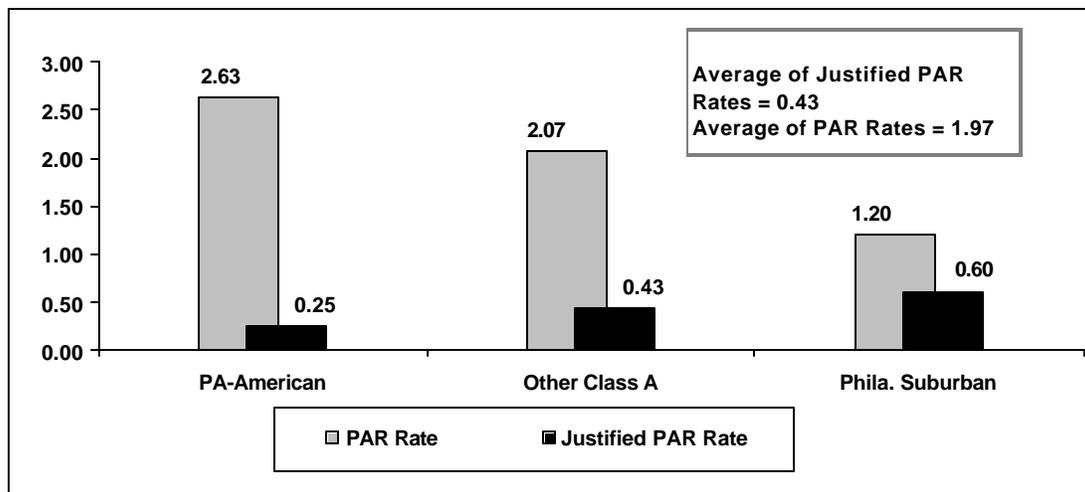


- The average response time for all the Class A water utilities decreased by more than 1 day from 1998 to 1999. The average response time for the other Class A companies decreased by more than five days.
- Appendix F shows the 1998 and 1999 response times to consumer complaints for the Class A water utilities as well as for the major electric, gas and telephone companies.

## Payment Arrangement Requests

In 1999, the Bureau of Consumer Services handled 2,080 payment arrangement requests (PARs) from residential customers of the water industry. Ninety-seven percent (2,025) of the residential PARs were from customers of the 13 Class A water utilities. As in past years, for the companies with the largest volume of requests, the Bureau policy unit reviewed a representative sample of PARs for case outcome. In 1999, the BCS reviewed a sample of the PARs for Pennsylvania-American Water Company. Thus, the calculations for justified payment arrangement request rate and response time that appear in the pages that follow are based on a subset of cases that the BCS received from customers of PA-American. The BCS believes that the size of the sample gives a reasonable indication of the performance of this company. As explained in last year's report, justified PAR rate is not available for the Other Class A companies for 1998. Due to an administrative oversight, justified PAR rate and response time to PARs are not available for the Other Class A companies for 1998. Appendix G, Table 3 provides additional statistics regarding the payment arrangement requests from residential customers of the Class A water utilities.

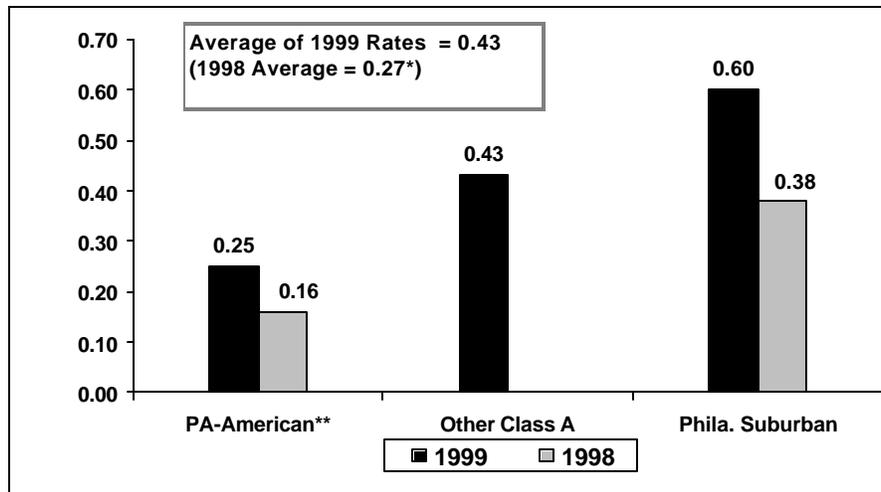
### 1999 Residential Payment Arrangement Request Rates/ Justified Payment Arrangement Request Rates Major Water Utilities



- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers. The payment arrangement request rate equals the number of payment arrangement requests for each 1,000 residential customers.
- The average PAR rate is more than four times the average justified PAR rate.

- Appendix F, Table 3 presents the number of payment arrangement requests and justified payment arrangement requests for PA-American, Philadelphia Suburban and the other Class A water companies in 1999.

### 1998-1999 Justified Residential Payment Arrangement Request Rates Major Water Utilities

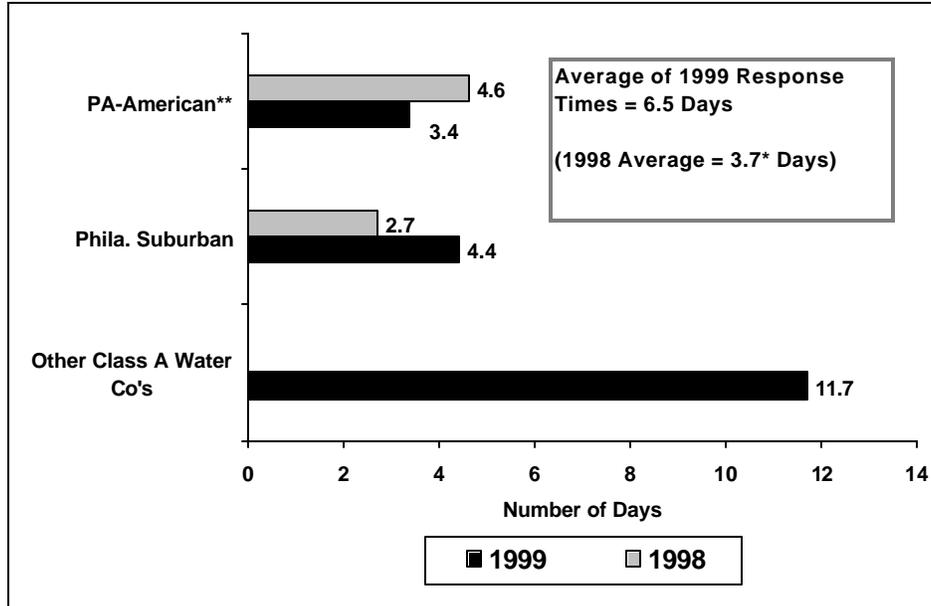


\*PA-American and Philadelphia Suburban only

\*\* Based on a probability sample of cases

- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers.
- Because the 1998 justified PAR rate is not available for the Other Class A water companies, it is not possible to compare the average rates for 1998 and 1999. However, the average rate for PA-American and Philadelphia Suburban increased by almost 60%.
- Appendix F, Table 3 presents the number of justified payment arrangement requests for Class A Water Companies in 1999. This table also presents the number of justified payment arrangement requests for PA-American and Philadelphia Suburban in 1998.

## 1997-1998 Response Time to BCS Residential Payment Arrangement Requests Major Water Utilities



\*PA-American and Philadelphia Suburban only

\*\* Based on a probability sample of cases

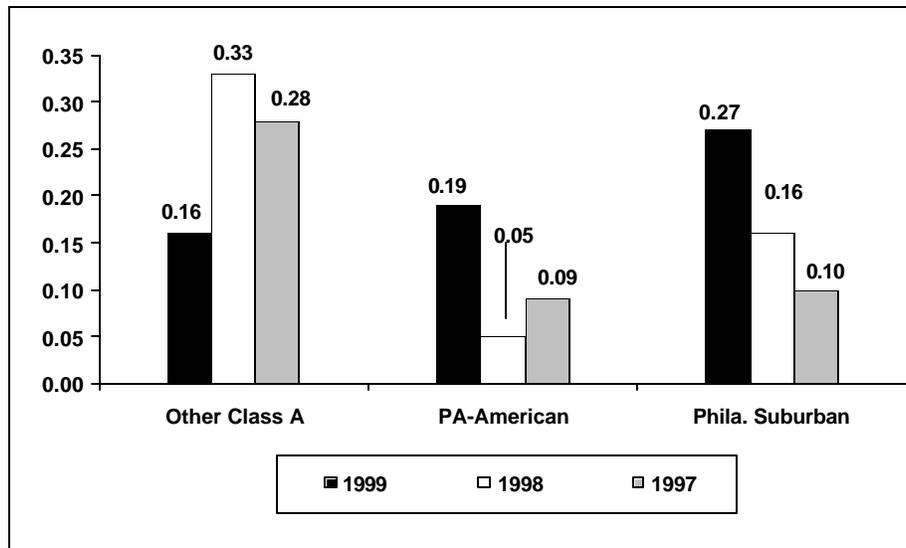
- For the first time, average response time to BCS payment arrangement requests (PARs) is calculated using only company response time to PARs that include disputes, PARs to restore terminated service and PARs from customers who have previously sought BCS assistance to pay the money they owe. Average response times for 1998 have been recalculated in order to provide a comparison with 1999. (See Chapter 2 for a more detailed explanation.)
- The 1998 response time to payment arrangement requests is not available for the other Class A water companies. The average of the 1998 response times to payment arrangement requests shown above is for PA-American and Philadelphia Suburban only.
- For PA-American and Philadelphia Suburban, the average of response times to payment arrangement requests was relatively unchanged from 1998 to 1999.
- Appendix G shows the 1998 and 1999 response times to payment arrangement requests for PA-American and Philadelphia Suburban and the 1999 response times to PARs for the other Class A water companies. It also shows the response times for the major electric, gas and telephone companies.

## Compliance

The Bureau's primary compliance effort is its informal compliance process. This process provides utilities with specific examples of apparent problems that may reflect infractions of Chapter 56 regulations. Often, through the informal notification process, the BCS provides utilities with written clarifications or explanations of Chapter 56 provisions and Bureau policies.

During 1997, 1998 and 1999, the Bureau informally verified 449 infractions of regulations for the Class A water utilities. The chart that follows and the infraction statistics in Appendix H, Table 3 are drawn from the informal complaints that residential consumers filed with the BCS from 1997 through 1999.

### PUC Infraction Rates Major Water Utilities



- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- Overall, the number of informally verified infractions for the Class A water companies increased from 1998 to 1999.
- Appendix H, Table 3 presents the actual number of infractions for PA-American, Philadelphia Suburban and the other Class A water companies in 1997, 1998 and 1999.

## **6. Telephone Industry**

---

---

Given the growing competitive telecommunications market, the BCS handled cases against or inquiries about many different types of telecommunication service providers such as long distance companies, resellers, billing services, competitive local exchange carriers, as well as local telephone companies. As a result of this growth, there were over 500 such providers doing business in Pennsylvania in 1999. Of this group of telecommunications providers, 37 were incumbent local telephone companies. Thirty-two of these local telephone companies were nonmajor utilities each serving less than 50,000 residential customers. The remaining five local telephone companies were major companies, each with over 100,000 residential customers. Collectively, the major telephone companies served over five million residential accounts in 1999. This chapter will focus exclusively on the five major telephone companies: ALLTEL Pennsylvania, Inc. (ALLTEL), Bell Atlantic-Pennsylvania, Inc. (Bell), Commonwealth Telephone Company (Commonwealth), GTE North Incorporated (GTE) and United Telephone Company of Pennsylvania (United) d/b/a Sprint.

### **Consumer Complaints**

As previously stated, the Bureau handled consumer complaints regarding many different types of telecommunication service providers in addition to complaints from local telephone companies. In 1999, the Bureau handled 8,010 telephone complaints from residential customers. Of these complaints, there were 5,961 from residential customers of the incumbent local telephone companies. Within this group of complaints against local telephone companies, 5,886 were residential consumer complaints against the major telephone companies. The majority of these complaints, (5,686) were about matters unrelated to competition. The remaining 2,049 complaints were against other telecommunications providers about various problems such as slamming, cramming, long distance charges, billing, etc. (See Appendix A).

For a second consecutive year, the Bureau received an unprecedented number of consumer complaints about the telephone industry. Given this large number of consumer complaints in 1999, the Bureau did not have the resources to evaluate all of them for case outcome and response time. Therefore, the BCS policy unit reviewed a representative sample of consumer complaints from customers of the largest local telephone company, Bell. Thus, the calculations for justified consumer complaint rate and response time for Bell that appear in the pages that follow are based on a subset of cases that the BCS received from customers of this utility. The BCS believes that the size of the sample gives a reasonable indication of Bell's performance.

## Consumer Complaint Categories

Most of the cases found in the consumer complaint categories deal with matters covered under 52 Pa. Code Chapter 64 and 52 Pa. Chapter 63. The consumer complaint categories table presents the percentage of consumer complaints found in each of the 13 complaint categories for each of the major telephone companies and the telephone industry. The Bureau first classifies all consumer complaints into one of six major problem areas then expands them into one of 13 distinct problem categories for the telephone industry.

### Consumer Complaint Categories: 1999 Major Local Telephone Companies

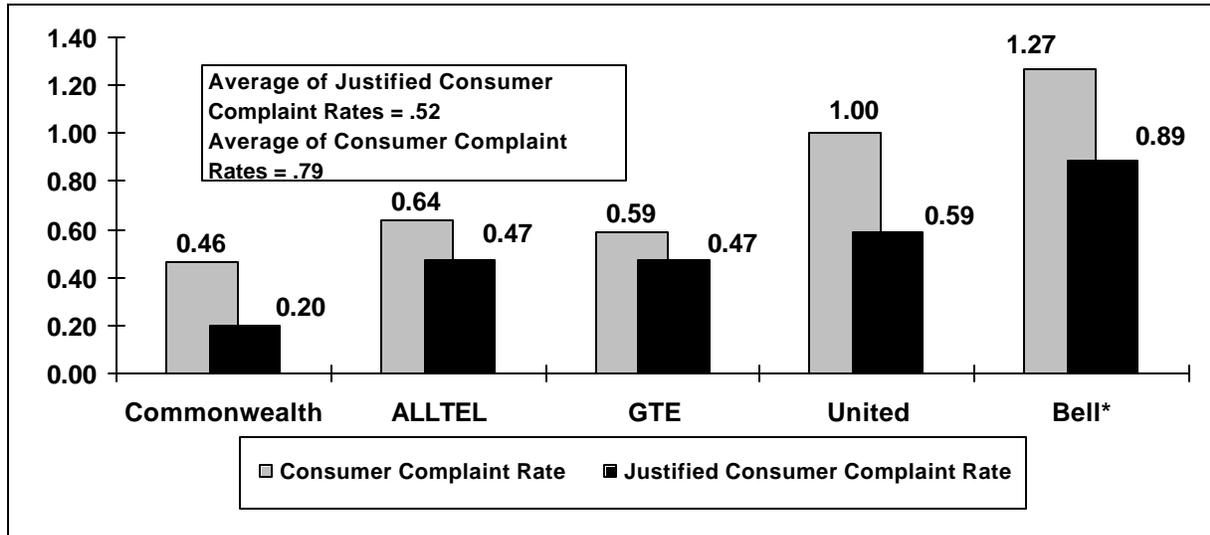
Categories	ALLTEL	Bell	Commonwealth	GTE	United	Telephone Majors
Unsatisfactory Service	27%	33%	25%	57%	29%	35%
Service Delivery	17%	41%	22%	15%	22%	33%
Billing Disputes	7%	6%	20%	9%	25%	10%
Toll Services	3%	7%	16%	5%	8%	7%
Sales Nonbasic Services	3%	2%	4%	5%	7%	3%
Non-Recurring Charges	3%	4%	5%	1%	3%	3%
Credit & Deposits Sales	35%	0%	3%	2%	3%	3%
Discontinuance/Transfer	1%	2%	0%	2%	0%	2%
Annoyance Calls	1%	2%	1%	1%	1%	2%
Rates	0%	1%	0%	2%	0%	1%
Audiotex	0%	0%	0%	0%	0%	0%
EAS	1%	0%	0%	0%	0%	0%
Disputes Related to Suspensions/Terminations	1%	0%	0%	0%	0%	0%
Other	0%	1%	2%	0%	0%	0%
<b>Total*</b>	<b>100%</b>	<b>101%</b>	<b>100%</b>	<b>100%</b>	<b>101%</b>	<b>99%</b>

\*Columns may total more or less than 100% due to rounding.

- It is important to note that the percentages shown in the tables are for all the cases that customers filed with BCS, including unjustified cases. See Appendix B-2 for an explanation of complaint categories and Appendix C-4 for the number of cases in each category.
- Nearly 80% of all complaints for the telephone industry fall into one of three complaint categories, unsatisfactory service, service delivery, or billing disputes.
- The table shows that 35% of all the consumer complaints filed against the telephone industry are about unsatisfactory service while 33% are about service delivery.
- Billing disputes account for 10% of the total number of consumer complaints. With the exception of toll services (7%), the remaining complaint categories each account for 4% or less of total complaints about the telephone industry.

The 1998 and 1999 consumer complaint figures for justified consumer complaint rate and response time for each of the major telephone companies are presented on the following pages.

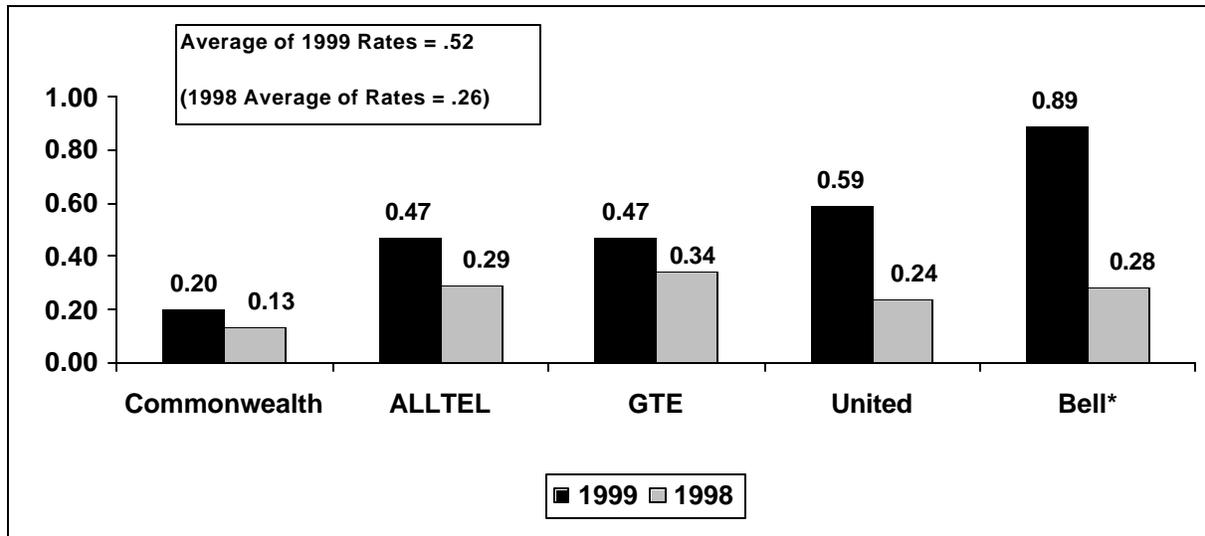
**1999 Residential Consumer Complaint Rates/  
Justified Consumer Complaint Rates  
Major Local Telephone Companies**



\*Based on a probability sample of cases

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers. The consumer complaint rate equals the number of consumer complaints for each 1,000 residential customers.
- The Bureau received more complaints from customers about the telephone industry in 1999 than in 1998. As a result of this increase in complaints, the telephone industry average for consumer complaint rate increased from 1998 to 1999.
- Generally, the justified consumer complaint rate is less than the consumer complaint rate. For 1999, the industry average for consumer complaint rate is .79 while the justified consumer complaint rate is .52.
- Appendix D, Table 4 shows the number of consumer complaints and justified consumer complaints for each major telephone company in 1999.

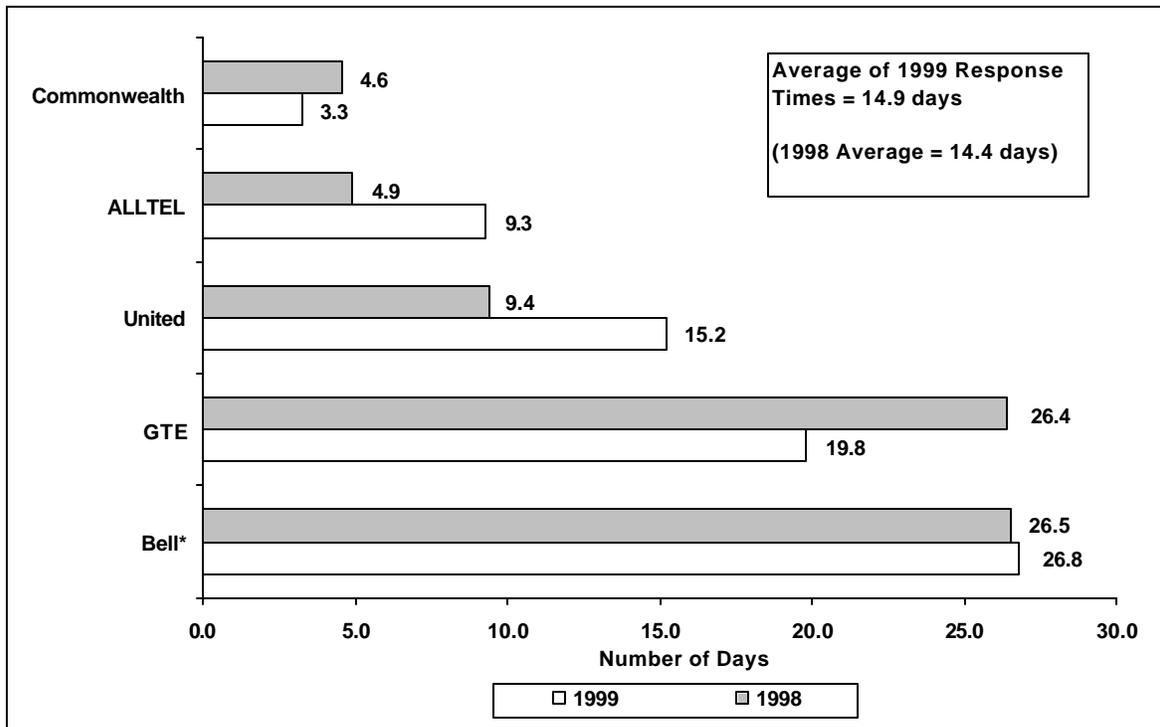
## 1998-1999 Justified Residential Consumer Complaint Rates Major Local Telephone Companies



\*Based on a probability sample of cases

- The justified consumer complaint rate equals the number of justified consumer complaints for each 1,000 residential customers.
- Overall, the major telephone companies' justified consumer complaint rates increased from 1998 to 1999.
- Appendix D, Table 4 shows the number of justified consumer complaints for each major telephone company in 1998 and 1999.

## 1998-1999 Response Time to BCS Residential Consumer Complaints Major Local Telephone Companies



\*Based on a probability sample of cases

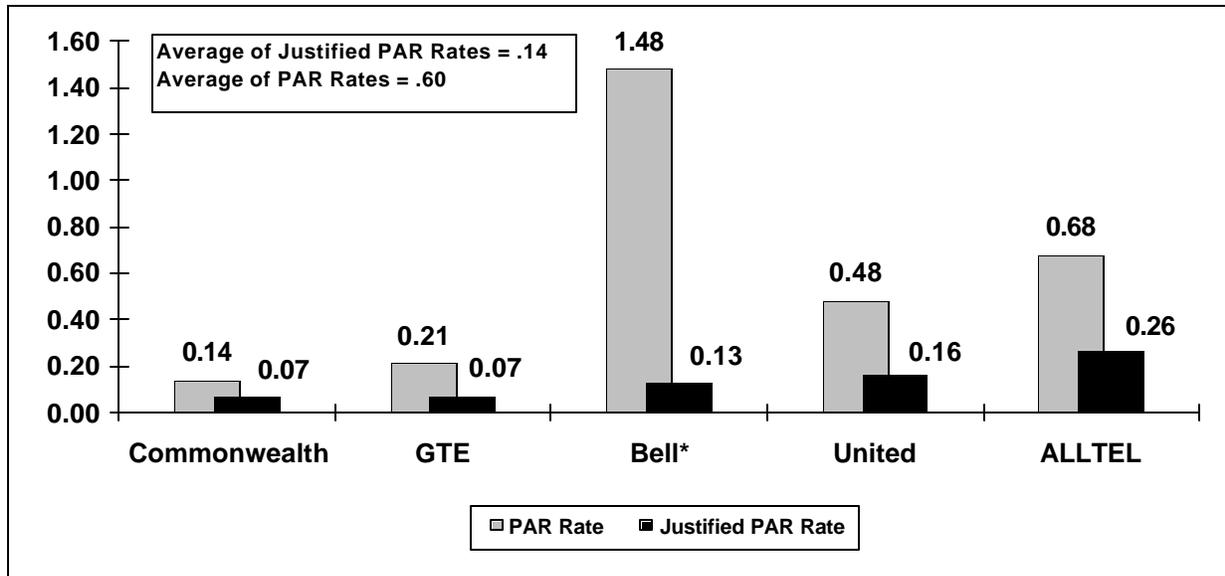
- Appendix E shows the 1998 and 1999 response times to consumer complaints for each of the major telephone companies as well as for the major electric, gas and water utilities.
- The telephone industry's response time increased by more than a half a day from 1998 to 1999.

## **Payment Arrangement Requests**

Telephone service falls into three categories: basic, nonbasic and toll service. The Bureau does not handle customer requests for payment arrangements that involve toll or nonbasic services. For the telephone industry, payment arrangement requests are principally contacts to the Bureau or to companies involving a request for payment terms for basic service. Most payment arrangement requests are cases relating to the cessation of telephone service and are registered during the suspension phase. Under Chapter 64, a customer contact in response to a suspension notice is a dispute (as the term is defined in §64.2) only if the contact includes a disagreement with respect to the application of a provision of Chapter 64. Where telephone cases involving telephone service suspension are concerned, failure to negotiate a payment arrangement does not in itself mean that a dispute exists. Consequently, in this report, telephone cases that involve payment arrangement requests have been separated from telephone cases that also involve a dispute. During 1999, the Bureau handled 6,446 payment arrangement requests from residential and commercial customers of local telephone companies. Of these cases, 6,132 payment arrangement requests were from customers of the five major telephone companies: ALLTEL, Bell, Commonwealth, GTE and United.

As previously mentioned, the Bureau has used sampling over the years to evaluate the large volume of cases it receives from the largest major companies. Given the large volume of payment arrangement requests from Bell, the Bureau evaluated a representative sample of the company's payment arrangement requests to determine justified rate and response time. The BCS believes that the size of the sample gives a reasonable indication of the company's performance. The 1998 and 1999 payment arrangement request figures for justified payment arrangement request rate and response times for major telephone companies are presented in the tables that follow.

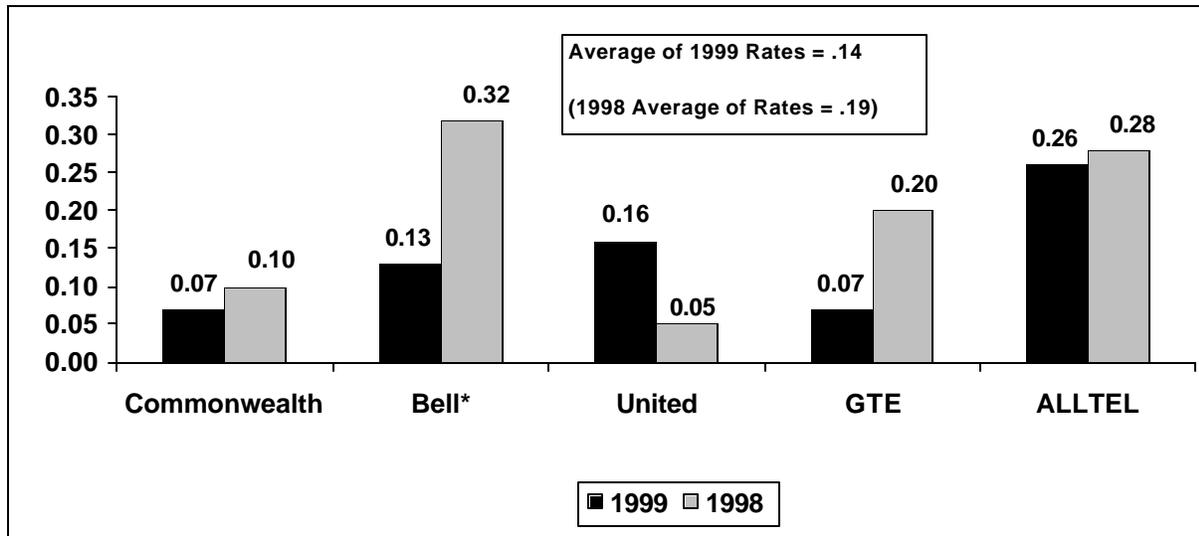
## 1999 Residential Payment Arrangement Request Rates/ Justified Payment Arrangement Request Rates Major Local Telephone Companies



\* JPAR rate based on a probability sample of cases.

- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers. The payment arrangement request rate equals the number of payment arrangement requests for each 1,000 residential customers.
- Most customers in 1999 had already contacted their utility prior to contacting the BCS regarding a payment arrangement request. More customers sought the Commission's assistance in making payment arrangements with their local telephone companies in 1999.
- The payment arrangement request rate for the major telephone companies is more than four times the justified payment arrangement request rate.
- Appendix F, Table 4 presents the number of payment arrangement requests and justified payment arrangement requests for each major telephone company in 1999.

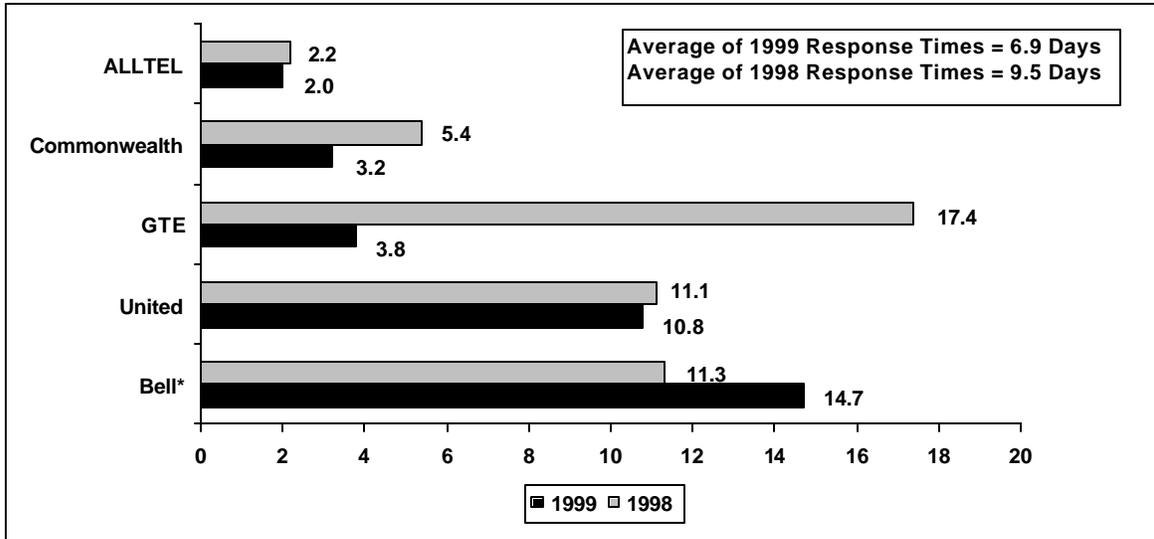
## 1998-1999 Justified Residential Payment Arrangement Request Rates Major Local Telephone Companies



\*Based on a probability sample of cases

- The justified payment arrangement request rate equals the number of justified payment arrangement requests for each 1,000 residential customers.
- The telephone industry's justified payment arrangement request rate decreased from 1998 to 1999.
- Appendix F, Table 4 shows the number of justified payment arrangement requests for each major telephone company in 1998 and 1999.

## 1998-1999 Response Time to BCS Residential Payment Arrangement Requests Major Local Telephone Companies



\*Based on a probability sample of cases.

- Appendix G shows the 1998 and 1999 response times to payment arrangement requests for each of the major telephone companies as well as for the major electric, gas and water utilities.

## Termination of Service

Chapter 64 defines suspension as a temporary cessation of service without the consent of the customer. Termination of service, according to Chapter 64, is the permanent cessation of service after a suspension without the consent of the customer. Most payment arrangement requests are cases relating to the cessation of telephone service and are registered during the suspension phase. Many customers who have their basic service suspended are able to make payment arrangements and avoid termination. Those who are not able to avoid termination cease to be customers once the termination of basic service takes place. For the telephone industry, termination rate is based on the number of basic service terminations per one thousand residential customers. Shifts in terminations can signal potential problems with customers maintaining basic telephone service and reflect the impact of universal service programs.

### Residential Service Terminations/Termination Rates Major Local Telephone Companies

Company Name	Residential Service Terminations				Termination Rates		
	1997	1998	1999	% Change in # 1998-1999	1997	1998	1999
ALLTEL	3,564	3,504	3,564	2%	20.50	19.89	20.06
Bell	158,892	167,928	172,512	3%	41.92	43.93	44.57
Commonwealth	3,420	2,880	2,940	2%	17.38	13.77	13.16
GTE	24,612	18,840	16,836	-11%	52.63	39.34	34.66
United	5,292	5,832	5,868	.6%	19.22	20.85	20.69
<b>Major Telephone</b>	<b>195,780</b>	<b>198,984</b>	<b>201,720</b>	<b>1%</b>			
<b>Average of Rates</b>					<b>30.33</b>	<b>27.55</b>	<b>26.33</b>

- Overall, the basic service termination rate for major telephone companies declined from 1998 to 1999.

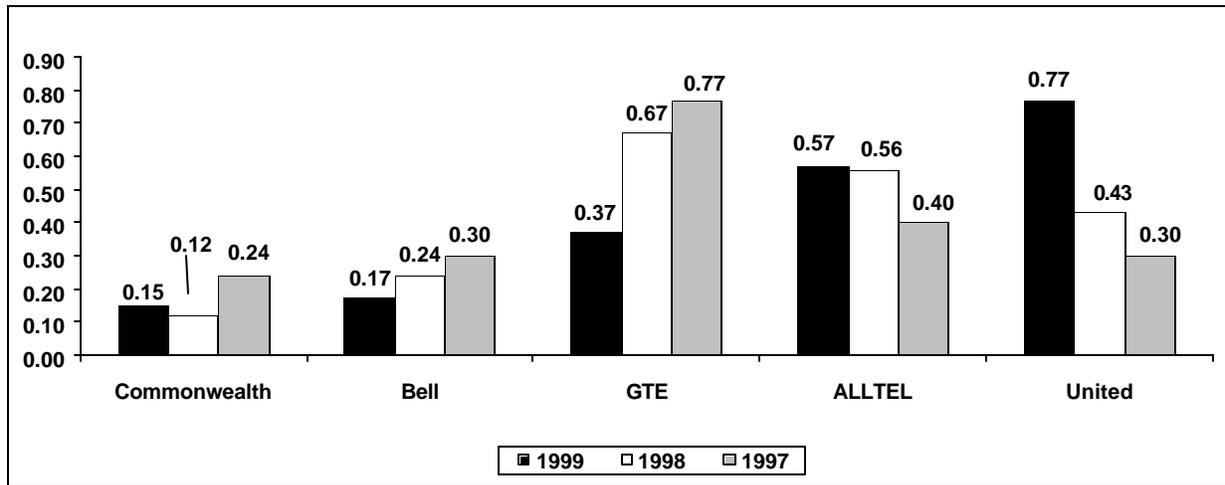
## Compliance

The Bureau's primary compliance effort is its informal compliance process. Through informal compliance notifications or letters, this process provides companies with specific examples of apparent problems that may reflect infractions of the Commission's Standards and Billing Practices for Residential Telephone Service (Chapter 64) and the Telephone Quality Service Standards (Chapter 63). The informal notification process also enables the BCS to provide companies with written clarifications and explanations of Chapter 64 and Chapter 63 provisions and Bureau policies. The informal compliance process is specifically designed to identify systematic errors. Companies can then investigate the scope of the problem and take corrective action. Appropriate corrective action usually involves modifying a computer program; revising the text of a notice, a billing or a letter; changing a company procedure, or providing additional staff training to ensure the proper implementation of a sound procedure.

Although the Bureau tracks all infractions gleaned from the informal complaints filed with the PUC by residential telephone customers, only the data on Chapter 64 infractions have been included in past reports. With the recent emphasis at both the state and federal level on quality of service we have decided that we will include the Chapter 63 infraction statistics in future reports. Although they are not included in this year's report, the Bureau feels compelled to mention that, while the five major local telephone companies together logged 1,180 informally verified infractions of the Chapter 64 standards and billing practices in 1999, during that same period they together logged 5,505 informally verified infractions of the Chapter 63 quality of service regulations. In 1998, there were 745 informally verified infractions of the Chapter 63 quality of service regulations.

The following statistics come from the informal complaints filed with the PUC by residential customers during 1997, 1998 and 1999. The informally verified infraction statistics for the five major telephone companies are presented by company and year in Appendix H, Table 4. The data used for this section was retrieved from the BCS' Compliance Tracking System as of June 2000.

## PUC Infraction Rate Major Local Telephone Companies



- The infraction rate is the number of informally verified infractions per 1,000 residential customers.
- Overall, the number of informally verified infractions of 52 Pa. Code §64 Standards and Billing Practices for Residential Telephone Service reported by BCS for the five major local exchange carriers declined 20% from 1998 to 1999.
- Overall, compliance performance improved from 1998 to 1999 based on the number of informally verified infractions of Chapter 64.
- Appendix H, Table 4 presents the actual number of infractions of Chapter 64 for each major telephone company in 1997, 1998 and 1999.
- Overall, the decline in the number of informally verified infractions of Chapter 64 coincides with an increase in infractions of Chapter 63. The provisions found in Chapter 63 cover, among other things, Service and Facilities and Telephone Quality Service Standards.

## **7. Universal Service and Energy Conservation Programs**

---

---

The Public Utility Commission has a long history of involvement in universal service and energy conservation programs that help utility consumers obtain and keep service and conserve energy. In the sections that follow, readers will find highlights of the many programs that the PUC has supported and encouraged, not only in 1999 but in prior years as well.

### **Electric, Gas and Water Programs**

The Public Utility Commission's Bureau of Consumer Services monitors and evaluates the universal service and energy conservation programs of the electric, gas and water companies. The Bureau's goal in monitoring these programs is to help the Commission fulfill its oversight responsibilities by increasing the effectiveness of utility collections while protecting the public's health and safety.

Experience and evaluation indicate that the programs that grew out of the Bureau's involvement are successful at helping to maintain universal service and cost effective to the utilities. In apparent recognition of the success and value of these programs, the Natural Gas Choice and Competition Act and the Electricity Generation Customer Choice and Competition Act (Acts) require the Commission to ensure that universal service and energy conservation programs are appropriately funded and available in each service territory of the companies covered by the Acts. The Public Utility Code, as amended by the Acts, imposes a mandate for universal service and energy conservation policies, programs and protections. The Acts define universal service and energy conservation policies as customer assistance programs, termination of service protections and consumer protection policies and services that help residential low-income customers to reduce or manage energy consumption in a cost-effective manner, such as the low-income usage reduction programs and consumer education. The Acts further require the Commission to ensure that programs are available and appropriately funded and to ensure that EDCs (Electric Distribution Companies) and NGDCs (Natural Gas Distribution Companies) operate universal service programs efficiently and cost-effectively. Appendix I, Table 1 highlights future funding and enrollment levels for EDC's, CAP (Customer Assistance Program) and LIURP (Low Income Usage Reduction Program) that reach maximum levels in 2002.

In 1999, the Commission approved recommendations from the BCS to revise the CAP Policy Statement. The revisions allow for increased payment amounts and automatic income verification by government agencies. The eligibility criteria now

specify customers who are “payment troubled” rather than customers who have a negative ability to pay. Payment troubled is defined as a customer who has failed to maintain one or more payment arrangements. Changes to the default and reinstatement provisions provide that the consequences for nonpayment should be loss of service not loss of enrollment in CAP.

Also in 1999, the BCS reviewed each EDC’s portability method to ensure that a CAP customer’s universal service benefits move with the customer when the customer chooses alternate supply, or is assigned to a competitive default supplier. Generally, EDCs have adopted the Commission’s recommendation that an EDC may require a CAP customer to receive a single-bill as a condition of participating in CAP. Coupled with affordable payments, a single budget bill makes monthly payments more manageable for a CAP participant. Requiring a single-bill as a condition of CAP provides better payment management for a CAP participant and eases administration for the EDC providing the CAP benefit.

At Public Meeting of August 26, 1999, the Commission reviewed and adopted a recommendation of the BCS relating to §2203(10) of the *Natural Gas Choice and Competition Act* (Act). Section 2203(10) states, “[c]onsistent with paragraph (7), the Commission shall convene a task force to review universal service programs and their funding. The Commission adopted a Secretarial Letter that extended an open invitation to those who may desire to become a member of the universal service task force. In 1999, the BCS convened four task force meetings. The BCS provides technical advice and assistance and serves as a facilitator to the task force.

During 1999, the BCS prepared a universal service training manual and provided training to PUC contract staff who perform payment arrangement intake and make referrals to universal service programs. In 1999, the contract staff made 29,343 referrals to universal service programs as part of the intake process for payment arrangement requests. The staff made an additional 3,030 referrals when customers made inquiries to the BCS.

The following sections briefly discuss the status of universal service programs in the electric, gas and water industries during 1999. The programs include Customer Assistance Programs, the Low-Income Usage Reduction Programs, Utility Hardship Fund Programs, Customer Assistance and Referral Evaluation Services programs, and other programs to assist low-income customers.

## **Customer Assistance Programs**

CAPs provide an alternative to traditional collection methods for low-income, payment troubled utility customers. Generally, customers enrolled in a CAP agree to make monthly payments to the utility based on household size and gross income. Customers make regular monthly payments, which may be for an amount that is less than the current bill for utility service, in exchange for continued provision of the service. Besides regular monthly payments, customers need to comply with certain responsibilities and restrictions to remain eligible for continued participation. This section presents a progress report on the implementation of the Commission's CAP policy statement by the major electric and gas utilities in Pennsylvania.

### **CAP Progress Report**

For the first time in 1999, every major electric and gas utility had an operational CAP. However, several EDCs did not meet their enrollment targets for 1999. The EDCs attribute this to a variety of reasons that include program start-up problems, computer hardware and software enhancements, billing system problems and training needs, and inadequate staffing levels.

As of December 31, 1999, utilities had enrolled 114,447 customers in CAP compared with approximately 69,000 customers at the end of December 1998. Each EDC will continue to expand its program until they reach maximum participation levels in 2002. With respect to the major gas utilities, Equitable and NFG continue to operate full-size programs. As a result of a restructuring settlement agreement, Columbia will also move from a pilot program to a full-size program.

Participants leave CAPs for reasons other than nonpayment or failure to comply with program rules. Utilities find that many participants voluntarily leave CAP pilots because they move or have changes in income. Utilities target CAPs to low-income customers who have chronic payment problems rather than to those who have short-term payment problems. Because the problems of a payment troubled, low-income household are often long-term, a successful participant will not necessarily graduate from CAP. Rather, a successful CAP participant is one who makes regular, monthly payments and complies with program rules. Nevertheless, 1,171 participants graduated from CAP in 1999 because their circumstances improved.

### **Program Changes**

The table on the following page shows the status of the electric and gas CAPs for 1999. Program changes in 1999 include the following:

- Based on BCS review and recommendation, the Commission approved the universal service proposals of Allegheny Power, GPU, and Penn Power.

- Penn Power received Commission approval for its universal service design in June and began to enroll customers at the end of November.
- As a result of a Settlement Agreement, Columbia will increase the enrollment size of its CAP from 1,000 to 22,000 by the end of 2003. In cooperation with EDCs in its service territory, Columbia will develop procedures to accept income verification from EDCs. Columbia will continue to aggregate its CAP customers to purchase supply. By 7/1/2000, Columbia will file a study with the Commission that analyzes the appropriateness and feasibility of CAP portability.

### 1999 CAP Status Summary

Utility	1999 Program Phase-In or Pilot Size	Enrollment as of 12/99	Enrollment Began	Payment Behavior	2002 Phase-In Size
Allegheny	5,000	3,291	1994	86%	16,800
Duquesne	3,000-4,000	2,763	1995	67%	15,000
Met-Ed	2,275	2,711	1993	82%	7,000
PECO*	80,000	82,823	1984	72%	80,000
Penelec	3,457-5,831	4,309	1994	80%	7,000-11,800
Penn Power	0	42	1999 (Dec.)	N/A	3,400-4,500
PPL	9,296	7,649	1993	N/A	18,500
UGI-Electric	100	106	1999	90%	150
<b>Electric</b>	<b>103,128-106,502</b>	<b>103,652</b>		<b>79%</b>	<b>147,800-153,700</b>
Columbia	1,000	1,376	1992	79%	
Equitable	7,000	4,513	1991	83%	
NFG	5,000	3,138	1991	66%	
PG Energy	1,000	440	1995	84%	
Peoples	1,000	796	1994	93%	
UGI-Gas	1,000	532	1997	97%	
<b>Gas</b>	<b>16,000</b>	<b>10,795</b>		<b>83%</b>	
<b>Total</b>	<b>119,128-122,502</b>	<b>114,447</b>		<b>81%</b>	

N/A – Company is unable to report this information.

\*PECO statistics include electric and gas

## **Payment Monitoring**

Quarterly reports from utilities show that the majority of participants enrolled in CAPs pay according to their CAP agreements. In 1999, based on a quarterly average, 81 percent of participants enrolled in CAPS made all monthly payments in a quarter. Appendix J shows that the participant payment rate has remained stable since 1996.

## **Summary Status of CAP Evaluations**

The CAP Policy Statement recommends that a utility thoroughly and objectively evaluate its CAP. Impact evaluations focus on the degree to which a program achieves the continuation of utility service to CAP participants at reasonable cost levels. The evaluation should include an analysis of the costs and benefits of traditional collection methods versus the costs and benefits of handling low-income, payment troubled customers through a CAP. The comparative analysis is to include: 1) payment history, 2) energy assistance participation, 3) energy consumption, 4) administrative costs, and 5) actual collection costs.

In 1999, Columbia, PPL, PG Energy, Peoples, and NFG submitted the results of their impact evaluations. The BCS also received process evaluations from NFG and UGI-Gas in 1999. A process evaluation focuses on whether the CAP implementation conforms to the program design and determines if the program operates efficiently. The findings from the evaluations are available upon request from Janice Hummel of the PUC's Bureau of Consumer Services at (717) 783-9088.

## **A Helping Hand**

In 1994, The Philadelphia Suburban Water Company (PSW) requested and received Commission approval to implement a pilot program that combines several of the elements of energy universal service programs with those of conservation programs. In 1996, PSW made A Helping Hand a permanent part of its collection strategy. In 1997, PSW expanded A Helping Hand to all four counties in its service territory, Bucks, Chester, Delaware, and Montgomery Counties. The program offers a water usage audit and includes an arrearage forgiveness component. PSW targets A Helping Hand to low-income customers who are payment troubled and have high water bills. The company seeks donations from the community to assist with the arrearage forgiveness component. Community agencies administer the program.

Each household enrolled in A Helping Hand receives a water usage audit that includes conservation education. A participating household also receives water conservation improvements as necessary; PSW will pay up to \$100 for minor plumbing repairs. As an incentive to encourage regular bill payment, PSW forgives a percentage of a participant's arrearage if the participant makes regular monthly payments toward the arrearage.

At the end of 1999, PSW's program had 446 active participants. During the year, PSW spent \$27,260 to complete district interviews and household audits. In addition, the company granted \$1,550 in forgiveness credits to 27 program participants.

### **Low-Income Rate**

By order dated October 2, 1997, the Commission approved Pennsylvania American Water Company's (PAWC) request to establish a Low-Income Rate. Since the program began, the Low-Income Rate program has enrolled 3,163 customers, with 766 customers defaulting for nonpayment. At the end of 1999 there were 2,485 active participants in the Low-Income Rate. PAWC projects that it will enroll a total of approximately 5,000 customers in the program.

PAWC targets the program to customers whose incomes are below 110% of the federal poverty guidelines. Customers agree to make monthly payments in exchange for a discount on the service charge. As the result of a base rate settlement agreement in 1999, PAWC increased the service charge discount from 15% to 20%. Customers who miss more than two payments in a six-month period lose their eligibility in the program. Customers who are ineligible because of nonpayment remain so for one year.

### **CARES Programs**

In May 1985, the Commission issued a Secretarial letter encouraging each of the major electric and gas utilities to establish a Customer Assistance and Referral Evaluation Services (CARES) program. The purpose of a CARES program is to provide a cost-effective service that helps selected, payment-troubled customers maximize their ability to pay utility bills. A utility CARES representative works with program participants on a personal basis to help them secure energy assistance funds. By securing these funds, customers with special needs can maintain safe and adequate utility service. Besides directly providing assistance to needy customers, CARES representatives also perform the task of strengthening and maintaining a network of community organizations and government agencies that can provide services to the program clients.

Quantifying the advantages of CARES is often difficult; a CARES program generally helps address health and safety concerns relating to utility service by providing important benefits. One example of a CARES function is that staff conducts outreach and makes referrals to programs that provide energy assistance grants. CARES staff makes referrals to LIHEAP, the federal program that provides energy assistance grants, hardship funds and other agencies that provide cash assistance. In 1999, the utilities who reported

energy assistance dollars for low-income customers show that their CARES staff helped low-income customers receive almost \$16 million in energy assistance grants. Appendix K shows the number of participants in each utility's CARES program.

For more information about CAPs, Dollar Share, A Helping Hand, Low-Income Rate or CARES, readers may contact Janice K. Hummel at (717) 783-9088.

## **Low Income Usage Reduction Program**

The Pennsylvania Low Income Usage Reduction Program (LIURP) is a statewide, utility-sponsored, residential usage reduction program mandated by Pennsylvania Public Utility Commission regulations. Overall, the 15 major electric and gas companies that are required to participate in LIURP have spent nearly \$171 million from 1988 through 1999 by providing weatherization/usage reduction treatments to 156,567 low-income households. While the initial regulations mandated the program from 1988 to 1992, revised regulations extended LIURP for an additional five years through January 1998. The regulations were revised again on January 31, 1998 and extended without a sunset provision.

The primary goals of LIURP are to assist low-income residential customers to conserve energy and reduce their energy bills. If these goals are met, LIURP should serve as an effective means to improve the LIURP recipients' ability to pay their energy bills. LIURP is targeted toward customers with annual incomes at or below 150% of the federal poverty level. However, beginning in 1998, the regulations permit companies to spend up to 20% of their annual LIURP budgets on customers with incomes between 150% and 200% of the federal poverty level. LIURP places priority on the highest energy users which offer the greatest opportunities for bill reductions. When feasible, the program targets customers with payment problems (arrearages). The program is available to both home owners and renters. LIURP services all housing types, including single family homes, mobile homes, and small and large multi-family residences.

The 1997 program year is the latest year for which post-installation annual usage data is available. Overall, the 15 major electric and gas companies spent \$14,462,271 on LIURP in 1997. These companies provided usage reduction services to 13,187 low-income households in 1997. LIURP was successful in achieving its goals by producing benefits in the areas of demand side management, bill reduction, arrearage reduction and avoided collection costs. The list of LIURP benefits includes many other benefits for both utilities and their customers. Noteworthy among the program benefits is arrearage reduction. The analysis of the accounts of payment-troubled LIURP recipients in recent years shows that their arrearages were increasing in the year prior to the customers' receipt of LIURP services. However, in the year following these treatments, arrearages declined. Overall, the total annual program arrearage reductions have been between \$1 million and \$2 million. The BCS believes that this result is directly attributable to two factors: 1) lower bills and 2) the development of a partnership between the customer and the utility as a result

of the provision of LIURP services. The energy savings and bill reductions for 1997 are presented in the following table:

**1997 Energy Savings and Bill Reduction**

<b>Job Type</b>	<b>1997 Average Energy Savings</b>	<b>Estimated Annual Bill Reduction</b>
Electric Heating	13.6%	\$244
Electric Water Heating	10.3%	\$141
Electric Baseload	13.1%	\$151
Gas Heating	24.1%	\$387

Appendices K and L show the spending and production levels of each participating utility from 1997 to 1999 and include the total spending and production amounts since LIURP began in 1988.

For more information about LIURP, readers may contact David Mick of the PUC’s Bureau of Consumer Services at (717) 783-3232.

**Utility Hardship Fund Programs**

Utility company hardship funds provide cash assistance to utility customers who “fall through the cracks” of other financial programs or to those who still have a critical need for assistance after other resources have been exhausted. The funds make payments directly to companies on behalf of eligible customers. Contributions from shareholders, utility employees and customers are the primary sources of funding for these programs. Monies from formal complaint settlements, overcharge settlements, off-system sales, special solicitations of business corporations and natural gas purchase arrangements with Citizens Energy Corporation expand the funding for these assistance programs. Each fall, the Bureau of Consumer Services surveys the companies with hardship funds to obtain information about their programs. The information in this section is from the data that the companies supplied about their hardship funds.

The Pennsylvania Electric Company and Metropolitan Edison Company were the first utilities to begin hardship fund programs. With encouragement from the Public Utility Commission, many other major companies began supporting similar programs. In 1985, the Commission issued a Secretarial letter to all major utilities urging them to develop and support a utility company hardship fund. By 1986 each major electric and gas company sponsored a utility hardship fund in its service territory. The Pennsylvania

American Water Company (PAWC) is the only Pennsylvania water utility that sponsors a hardship fund for its customers. The Commission issued another Secretarial letter in November 1992 that recommended specific guidelines for the funds. (Appendix N lists the name of the hardship fund(s) each utility supports.)

## **Contributions**

In the electric industry the average ratepayer/employee contribution in the 1998-99 program year was \$.33 per residential customer. In the gas industry, the average contribution was \$.33 per residential customer and for PAWC, the average contribution was \$.10 per residential customer. According to the 1998-99 survey data, total contributions from electric, gas and water ratepayers and employees decreased for the fourth year in a row. In 1998-99, contributions from ratepayers and employees totaled \$2,073,932 compared to \$2,115,385 in 1997-98. Contributions from shareholders also decreased; electric, gas and water shareholders contributed \$2,970,015 in 1998-99 compared to \$3,454,435 in 1997-98. The decrease in shareholders' contributions largely reflects matching dollars not being distributed due to the challenges encountered by Penelec, Met Ed and PECO in transitioning to a new computer system. For the 1998-99 program year, on average, shareholders of the electric distribution companies contributed .05% of residential revenues to their utility's hardship fund. For the gas utilities, the average was .09% of residential revenues. PAWC's shareholders contributed .04% of residential revenues.

Shareholders contribute to utility hardship funds in three ways: grants for program administration, outright grants to the funds, and grants that match the contributions of ratepayers. Relative comparisons of shareholder contributions are based on the total dollars of shareholder contributions in 1998-1999 divided by the company's residential revenues for 1999. The following table shows the amount of contributions from each company's shareholders and from employees and ratepayers for the 1998-1999 program year.

**1998-99 Ratepayer/Employee and  
Shareholder Contributions to Hardship Funds**

<b>Company</b>	<b>Ratepayer/ Employee Contributions</b>	<b>Average Ratepayer/ Employee Contribution per Customer</b>	<b>Shareholder Contributions</b>	<b>1998-99 Contribution/ Residential Revenues</b>
Duquesne	\$283,601	\$.55	\$423,450	.105%
Met-Ed	81,391	.19	88,100	.026
Penelec	54,097	.11	112,880	.028
Penn Power	63,993	.49	147,000	.121
PP&L	306,805	.28	440,000	.050
PECO <sup>1</sup>	522,071	.38	529,489	.035
Allegheny Power	196,226	.34	180,000	.050
Columbia	109,543	.32	134,605	.062
Equitable	107,851	.47	240,000	.126
NFG	42,045	.22	33,333	.021
PG Energy	16,545	.12	37,620	.031
Peoples	190,839	.60	420,000	.250
T.W. Phillips	33,000	.61	39,600	.098
UGI <sup>1</sup>	16,321	.06	57,707	.029
PAWC	49,604	.10	72,000	.039
<b>TOTAL</b>	<b>\$2,073,932</b>		<b>\$2,955,784</b>	
<b>Average</b>		<b>\$.31</b>		

<sup>1</sup>Includes electric and gas

**Benefits**

The amount of benefits disbursed to eligible ratepayers decreased from the 1997-1998 program year to the 1998-1999 program year. The number of ratepayers receiving grants decreased by 1% during that time, with the size of the average grant also decreasing by 2%. The following table presents information regarding the number of ratepayers receiving grants for each utility and the amount of the total benefits disbursed during each of the past two program years.

### Utility Hardship Fund Grant Distribution

Company	Ratepayers Receiving Grants		Average Grant		Total Benefits Disbursed	
	1997-98	1998-99	1997-98	1998-99	1997-98	1998-99
Duquesne	2,704	3,192	\$240	\$204	\$650,000	\$650,040
Met Ed	1,856	1,227	95	113	176,131	138,428
Penelec	* 1,673	1,119	* 117	120	* 195,252	134,631
Penn Power	693	784	210	241	145,305	188,949
PP&L	2,936	2,704	258	257	757,724	694,380
PECO <sup>1</sup>	3,908	3,251	414	185	1,617,084	601,874
Allegheny Power	1,163	1,403	258	214	300,000	300,000
Columbia	1,741	1,860	*256	247	*445,654	458,550
Equitable	1,301	1,498	307	252	400,000	377,000
NFG	361	294	184	191	66,297	56,283
PG Energy	*552	634	96	82	52,851	52,253
Peoples	2,356	2,571	*297	267	*700,000	686,000
T.W. Phillips	*219	236	*301	280	*66,000	66,000
UGI <sup>1</sup>	584	678	114	111	66,349	75,394
PAWC	699	655	157	183	110,000	120,000
<b>TOTAL</b>	<b>*22, 929</b>	<b>22,106</b>	<b>*\$251</b>	<b>\$208</b>	<b>*\$5,748,647</b>	<b>\$4,599,782</b>

<sup>1</sup>Includes electric and gas

\*These figures have been revised since the 1998 Activity Report.

For more information about the utility hardship funds, readers may contact Dianna Bentz of the PUC's Bureau of Consumer Services at (717) 783-3970.

## Telephone Universal Service Programs

As part of its ongoing responsibilities, the Bureau also monitors the universal service programs of local telephone companies. For the telephone industry, universal service programs include Link-Up America (Link -Up), Lifeline Service (Lifeline) and the Universal Telephone Assistance Program (UTAP). In 1989, the Commission approved the implementation of Pennsylvania's first universal service program for telephone companies, Link-Up America. At the end of 1996, the Commission directed all telecommunications providers of local service to file lifeline service plans. By May 1997, the Federal Communications Commission's (FCC) Universal Service Order stated that all eligible telecommunications carriers should be required to provide lifeline service to qualified low-income customers regardless of whether states provide matching funds. On July 31, 1997 the Commission mandated that all telephone companies offering residential service file Lifeline service plans and by December 1997 the Commission approved Lifeline service plans for 44 telephone companies. January 1998 marked the statewide implementation of telephone companies' Lifeline programs. The discussion below describes the universal service programs for the telephone industry in 1999.

### Link-Up

Thirty-six local telephone companies, including the five major local telephone companies, participated in the Link-Up program in 1999. Link-Up helps make telephone service more affordable for low-income customers who apply for new telephone service or who transfer telephone service. Link-Up provides qualified customers with a 50% discount, up to \$30, on line connection charges for one residential telephone line. The program targets those customers who have incomes at or below 150% of the federal poverty guidelines, who receive Supplemental Security Income or who participate in certain Pennsylvania Department of Welfare assistance programs. The table below presents the number of Link-Up connections reported by major local companies.

**Link-Up Connections 1998-1999**

Company	Number of Connections 1998	Number of Connections 1999
<b>ALLTEL</b>	<b>762</b>	<b>1,839</b>
<b>Bell</b>	<b>57,402</b>	<b>48,897</b>
<b>Commonwealth</b>	<b>276</b>	<b>284</b>
<b>GTE</b>	<b>1,388</b>	<b>860</b>
<b>United</b>	<b>1,010</b>	<b>250</b>
<b>Total</b>	<b>60,838</b>	<b>52,130</b>

## Lifeline Service

As previously stated, the Lifeline program was implemented statewide in 1998 to help low-income customers maintain basic telephone service by providing a monthly credit for basic service. The 1999 Lifeline program targeted those customers who have incomes at or below 100% of the federal poverty guidelines, who receive Supplemental Security Income or who participate in certain Pennsylvania Department of Welfare programs. For most local telephone companies, Lifeline service included a \$5.25 credit toward their basic monthly phone charges with the option of choosing one-party residence unlimited service or local measured service (if it is available). However, Bell's Lifeline Service included a \$9.00 credit toward its basic monthly phone charges with the option of choosing either the local area standard usage service or the local area unlimited usage service. The 1999 Lifeline program did not permit customers to subscribe to call waiting or other optional services. However, Lifeline customers were permitted to subscribe to Call Trace Service (at the tariffed rate) under special circumstances.

On September 30, 1999, the Commission approved a "Global Telecommunication Order"(Global Order) that changed among other things the Lifeline program. Under the new program, Lifeline would be available to all eligible customers with incomes up to 150% of the federal poverty level guidelines and they could choose one optional service such as voice mail or call waiting. Eligible customers would receive \$5.25 credit towards their basic monthly telephone charges. However, Bell's 1999 Lifeline program would still be available to its eligible customers with incomes of up to 100% of the federal poverty level guidelines. These customers have the option of selecting the new program, which would allow them to have one optional service. The new Lifeline program was not implemented in 1999 due to pending issues related to the Global Order. It is anticipated that the new program will be implemented in September 2000.

### *Lifeline Service Activity 1998-1999*

Company	Total Number of Customers Who Received Lifeline Service		Total Number of Customers Enrolled as of December 1999	
	1998	1999	1998	1999
ALLTEL	1,914	2,650	1,608	2,306
Bell	34,029	68,236	28,482	39,772
Commonwealth	419	796	324	606
GTE	2,013	2,303	1,388	2,244
United	607	1,027	518	780
<b>Total</b>	<b>38,982</b>	<b>75,012</b>	<b>32,320</b>	<b>47,707</b>

## **Universal Telephone Assistance Program (UTAP)**

Bell implemented a Universal Telephone Assistance Program (UTAP) along with its Lifeline Service program as part of a settlement agreement that was approved by the Commission in 1995. Bell is the only company that offers a financial assistance program that helps existing Lifeline customers and qualified Lifeline applicants (with a pre-existing basic service arrearage) to restore their basic telephone service. The Salvation Army manages UTAP and distributes funds to qualified customers and Lifeline applicants. The average UTAP assistance given to customers in 1999 was \$108. Overall, UTAP distributed \$988,043 in financial assistance to 9,144 of Bell's Lifeline customers in 1999.

For more information about the telephone universal service programs readers may contact Lenora Best of the PUC's Bureau of Consumer Services at (717) 783-9090 or by e-mail at [best@puc.state.pa.us](mailto:best@puc.state.pa.us).

## 8. Other Consumer Activities of the Commission

---

---

The Pennsylvania Public Utility Commission serves consumers in a variety of ways. The informal complaint handling services of the Bureau of Consumer Services and the establishment and monitoring of universal service programs are just some of the consumer activities in which the Commission engages. The Commission also has a unit outside of the BCS that is dedicated to educating consumers about utility-related issues. The unit's goal is to help utility customers make good consumer decisions. The Commission, through its Office of Communications, is strongly committed to help customers understand their rights and make the most of competitive alternatives. As utility industries change, the PUC believes it must actively assist customers to make the connections between those changes and the effects they will have on customers' daily lives.

In addition to its consumer education program, the Commission sponsors a Consumer Advisory Council that studies and develops issues of concern to utility consumers. The Commission also supports the Pennsylvania Relay Service Advisory Board that provides guidance to the Commission regarding matters affecting telecommunications relay service in Pennsylvania. This chapter briefly discusses the Commission's consumer education program, the Consumer Advisory Council and the Pennsylvania Relay Service Advisory Board and provides highlights of their 1999 activities.

### Office of Communications -- Consumer Education

The Commission's consumer education program has five interrelated, operational goals:

- **Consumer Information:** Disseminating consumer information about regulatory matters, current utility issues and competition.
- **Outreach and Leadership Training:** Establishing the Commission's presence and increasing its visibility as a consumer education agent.
- **Regulatory Review:** Developing and monitoring utility company performance in consumer education.
- **Feedback:** Obtaining information from the utility industry and consumers about consumer education needs and the success of existing programs.
- **Coordinated Resources:** Responding to legislative requests for assistance and sharing consumer education materials with legislative offices, community organizations and state and local agencies.

## Staff of the Office of Communications



Staff of the Office of Communications (seated, left to right): Christina Chase-Pettis, Consumer Outreach Specialist, Maureen Mulligan, Consumer Education Manager and Roxy Naugle, clerical support; (standing) Brooks Mountcastle, Consumer Information Specialist, and Shari Williams, Consumer Outreach Specialist. Absent from photo: Kevin Cadden, Manager of Communications, Eric Levis, Press Secretary and Maria Hanley, Utility Analyst.

### Consumer Information

The consumer education staff increased consumer information efforts during 1999 while maintaining many of its traditional brochure and pamphlet distribution efforts. Electric competition and the Electric Choice program were responsible for much of this increase in activity, although the staff also focused attention on other industries under the Commission's jurisdiction.

The staff distributed a worksheet that participants could use to calculate the Electric Choice program savings. The worksheet includes questions consumers should ask when shopping for electric generation supply. The staff also developed a list of licensed suppliers serving specific residential markets. This information was made available on the Commission's Electric Choice website (<http://www.electrichoice.com>).

Staff participated in several national forums by actively participating in Electric Choice conferences, the National Low Income Energy Consortium (held in Pittsburgh, Pennsylvania), the Coalition of Northeastern Governors (CONEG) as the Mid-Atlantic Consumer Education representative, and served as the Commission's representative on the Mid-Atlantic Green –e Advisory Board.

Staff worked closely with the Office of Consumer Advocate (OCA) to educate the public about the opportunities that can be realized by shopping for electricity. The Office of Communications served as a clearinghouse for the OCA Shopping Guide which is now published monthly for Pennsylvania consumers. The Shopping Guide can be acquired by calling 1-800-684-6560 or by visiting OCA's website ([www.oca.state.pa.us](http://www.oca.state.pa.us)).

In addition to encouraging consumers to reduce their energy costs through competition, the consumer education staff has promoted the use of energy conservation and efficiency as a way to lower energy bills. Last year, consumer education staff continued the distribution of the *Consumer Update Series 1-9; Saving Water Around the House; Telephone Handbook for Consumers; A Look Inside the PUC; Consumer's Guide to Utility Rate Cases; Caller ID; Glossary of Electric Competition Terms; "Guide to Lower Your Utility Bills: An Energy Efficiency Guide for Your Home"*; and the Commissioners' biographies.

## **Emergency Preparedness and Y2K**

The Office of Communications played a significant role coordinating activities with state agencies and public utilities to ensure that any effects that Y2K, storms, and other unforeseen impacts on Pennsylvania's utilities would be short-lived and minimized.

Activities included the following: supplied staffing at the Federal Emergency Management Agency (FEMA); sponsored Disaster Recovery Centers (DRC) for Hurricanes Dennis and Floyd; provided customer education and assistance relating to utility services; spoke at many engagements on Y2K preparedness of utilities for state and county emergency management agencies and utility trade associations; observed and verified Y2K testing and compliance for major utilities and jurisdictional electric, natural gas, water and telecommunications companies as well as for the Rural Electric Association; reviewed companies' consumer education materials relating to Y2K preparedness; and assisted in media relations during emergency activation of PUC staff for weather related events and Y2K.

## Communications Summary

During 1999 the Communications Office issued 95 press releases; seven involved the electric industry, four addressed natural gas issues, 36 pertained to water/wastewater concerns, 26 pertained to the telecommunications industry and 22 covered miscellaneous topics such as taxis, Y2K and railroads.

The staff, in cooperation with the Council on Electricity Choice updated and released several electric brochures in English and Spanish. The brochures included, *“Questions and Answers for Customers on Limited Incomes;”*, *“Electric Choice: What it’s all about”*, a guide on how electricity was delivered to the home prior to the Pennsylvania Electric Choice program and how electricity is delivered under the new program; and *“Electric Choice: What You Need to Know and Where to Find It”*, a general overview of the Electric Choice program and essential information on how to become part of the Electric Choice program. Other brochures that were distributed to consumers included *“How to Shop Guide”*, *“Answers to Commonly Asked Questions and Helpful Hints.”*

The office continued to promote its Online News Report for media, utility employees and consumers. This free service keeps subscribers up to date on PUC issues by sending them press releases via e-mail. Interested persons may subscribe on the PUC’s website at <http://puc.paonline.com> by selecting Press Releases and following the directions. Approximately 300 individuals subscribe to the service.

The Communications Office also continued to revamp the PUC Internet website to make it more consumer-friendly and to include more information. The PUC’s long-term goal is to have all documents from public meetings available to consumers on the website.

Staff spent a significant amount of time working on the Y2K problem, issuing press releases and updates on the Y2K preparations of the jurisdictional utilities. The office also worked closely with the Governor’s office to coordinate public outreach programs on the issue.

Electric Choice continued to be a major issue in 1999. Staff worked with four public relations firms to promote the program through a variety of media.

## **Outreach and Leadership Training**

Highlights of 1999 outreach activities are listed below:

- “Train the trainer” efforts continued after initial efforts in 1998 reached 82,000 community leaders. In early summer 1999, the Commission hosted an all day briefing on Electric Choice that was attended by over 100 community leaders.
- In the Central and Western regions of Pennsylvania, staff organized, promoted and conducted 13 workshops held in Allegheny, Carbon, Centre, Clearfield, Clarion, Dauphin, Lackawanna, and Wyoming Counties. The staff reached over 600 senior, low-income customers and social service agencies. Staff also participated in utility fairs, workshops, county fairs, legislative events, and “train the trainer” seminars in Luzerne, Schuylkill, Warren, and Berks counties.
- Philadelphia staff participated in workshops (73), fairs and festivals (26), television and radio interviews, seminars and conferences, faith-based meetings, and public input hearings in Philadelphia, Bucks, Montgomery, Delaware, Chester, Lehigh and Northampton counties. In addition, outreach specialists visited public libraries, schools, and senior centers to discuss the Electric Choice program, and to a lesser extent, telephone competition. Through this effort staff reached over 2,000 individuals.
- Staff provided extensive oversight to several projects designed to spread the word about Electric Choice and educate consumers on shopping for electricity. These projects included using the Electric Choice robot and two public relations firms to communicate with the African-American and Hispanic-American communities and other consumers who are traditionally “hard to reach.” .
- The Electric Choice web site, <http://www.electrichoice.com> received over 300,000 hits in 1999 from both inside and outside of Pennsylvania. This page is a plain language tool for consumers who are looking for electric choice information.

## **Regulatory Review**

Consumer education staff completed plain language reviews on a variety of utility company notices and newspaper advertisements. As part of its review, the staff makes recommendations to utilities and suppliers regarding the language, content and layout of the materials so they are accurate and readily understood by residential customers. The staff uses the Commission’s plain language guidelines as a basis for its recommendations. Notices concerning issues related to restructuring, utility rate changes, bill messages, billing changes, plain language summaries of the reasons for requested rate increases, new billing charges, and announcements of public hearings are examples of company materials

the staff reviews. During the last year, staff reviewed a number of utility bills and customer notices, as well as numerous electric generation supplier items and publications targeted to consumers that related to the Electric Choice program.

During 1999, the consumer education staff continued its ongoing participation in numerous Commission rulemakings and orders related to restructuring implementation. Staff prepared consumer education guidelines for each electric company's restructuring order to ensure that the EDC's implement these important procedures.

As part of a Commission-led team, staff participated in developing two documents, the Sustainable Energy Fund and the Low Income Renewable Pilot Program Orders. Both of these documents are a result of settlement agreements negotiated among the electric utilities, environmental community, and consumer advocates during electric restructuring. The Sustainable Energy Fund targets the growth and development of energy efficient and renewable technologies. The Low Income Renewable Pilot Program benefits low-income customers through the deployment of renewable energy sources such as solar/photovoltaic (PV) and possibly small wind turbines that generate clean electricity.

The Council on Electric Choice serves as the oversight body for the Electric Choice campaign. Representatives from the Commission's Consumer Advisory Council, the Pennsylvania Electric Association, the Pennsylvania Office of Consumer Advocate, the Governor's Advisory Commission on African American Affairs, the Pennsylvania Rural Development Council, the Governor's Advisory Commission on Latino Affairs, the Community Action Association of PA and the Commission's consumer education staff make up the Council. In its role as Council member, the consumer education staff reviewed and approved the local education plans of the electric distribution companies. The PUC approves the budgets for the statewide campaign and the local consumer education plans.

## **Feedback**

With the assistance of an electric choice consultant, the staff developed an evaluation tool to measure the effectiveness of the local outreach education efforts. The purpose of the tool is to assist the Commission with feedback on the education plans of various entities including those of community-based organizations, electric utilities, and the Commission's own outreach.

The Council for Electricity Choice also provided valuable information regarding the progress of the Commission's consumer education campaign. The staff also solicited informal feedback from consumer leaders and the PUC's Consumer Advisory Council (CAC) on the Commission's education efforts. The staff used the CAC's feedback to develop appropriate education methods for various consumer groups and geographic areas

throughout Pennsylvania. In addition, the consumer education staff regularly briefed the CAC at its monthly meetings.

After utility fairs were held in various cities across the state, consumer education staff evaluated their success. Fair-planning committee members and attendees completed evaluations that the consumer education staff used to develop recommendations for future fairs and events.

### **Coordinated Resources**

By working with the Consumer Advisory Council (CAC), the consumer education staff continued to develop a network of resources through other state agencies and community-based organizations to help in disseminating the consumer education messages of the Commission.

The consumer education staff coordinated efforts with other state and local agencies to provide information on utility issues. Other agencies involved with energy, consumer issues, and consumer protection developed consumer seminars in which the PUC actively participated.

The consumer education staff participated in media appearances, including radio, television, and cable programs and discussions to provide information about Electric Choice and other utility issues that affect consumers statewide.

## **The Consumer Advisory Council**

The purpose of the Consumer Advisory Council (CAC) is to represent the public in advising the Commissioners on matters relating to the protection of consumer interests which are under the jurisdiction of the Commission, or which, in the opinion of the Council, should be brought under the jurisdiction of the Commission. The Council acts as a source of information and advice for the Commissioners. Interactions between the Council and the Commissioners occur through periodic meetings with the Commissioners and in writing via minutes of meetings and formal motions. Council meetings are generally held on the fourth Tuesday of the month in PUC Executive Chambers in Harrisburg starting at 10:00 a.m. and are open to the public.

## **Agenda Items**

The Council considers matters which arise from consumer inquiry or request, Commissioner inquiry or request, or the proceedings, deliberations or motions of the Council itself. The Council solicits matters for review from these sources and establishes an agenda for action. In considering matters within its jurisdiction, the Council, or members of the Council acting under direction of the Council, may conduct investigations and solicit and receive comments from interested parties and the general public. Public Utility Commission staff are made available to brief the Council on relevant matters and provide necessary support for the Council to complete its agenda. The monthly meeting agenda is available prior to each meeting from the PUC Press Office (717) 787-5722.

## **Qualifications and Appointment of Council Members**

The following elected officials may each appoint one representative to the PUC Consumer Advisory Council: the Governor, the Lieutenant Governor, the Republican and Democratic Chairpersons of the Senate Consumer Protection and Professional Licensure Committee, and the Republican and Democratic Chairpersons of the House Consumer Affairs Committee. The Commission appoints additional “At-Large” representatives, as appropriate, to ensure that the group reflects a reasonable geographic representation of the Commonwealth, including low-income individuals, members of minority groups and various classes of consumers. A person may not serve as a member of the Council if the individual occupies an official relation to a public utility or holds or is a candidate for a paid appointive or elective office of the Commonwealth. Members of the Council serve a two year term, and may be reappointed thereafter without limit. Officers of the Council serve for two year terms. A Chairperson may not act for more than two consecutive terms.

The current, two-year Council term started in July 1999. Katherine Newell served as Chair and Cindy Datig served as Vice Chair. The CAC met ten times in 1999.

## 1999-2001 PUC Consumer Advisory Council



**Front Row, left to right: Cindy Datig (Vice-Chair), Katherine Newell (Chair), Daniel Paul, Julio Tio**  
**Back Row, left to right: K. Tucker Landon, J.D. Dunbar, Harry Geller, Carl Kahl**  
**Absent from photo: Joseph Dudick, William Farally, William Jones, Andrew McElwaine, Luz Paradoa, Jan Rea, and James Schneider.**

### Summary of Activities

In 1999, the Council focused on the variety of issues arising from the restructuring of the electric, gas, and telecommunication industries. Issues the Council addressed included the following:

- The Council continued to closely monitor the development and implementation of the consumer education program for Electric Choice. The Council was particularly interested in insuring that these efforts targeted hard-to-reach consumer groups such as the rural, minority, and aged communities. The Council provided recommendations as to the direction and content of the program. In addition, the Chair of the Council participated as an active member of the Consumer Education Board; the entity responsible for coordinating all consumer education campaign activities.
- The Council followed the development of gas restructuring legislation in the spring of 1999. With passage of the legislation in June 1999, the Council was briefed on Commission implementation plans and consumer education efforts. The Council developed recommendations for the direction and development of the consumer

education program for introducing Pennsylvania consumers to gas choice. The Council also was briefed and submitted comments on various gas restructuring regulations; such as comments on the proposed gas slamming regulations adopted by the PUC in November 1999, and the imposition of residential customer protection regulations on licensed gas suppliers who plan to participate in the competitive gas market.

- With the new millennium approaching, there was much concern about the impact of the “Y2K” computer glitch on utilities and Commission operations. The Council closely monitored Commission activities intended to address the “Y2K” problem. This included frequent briefings and discussions with PUC Commissioners, Commission staff, and utility representatives.
- With the Commission’s adoption of the global telephone order in August opening up the local telephone market to competition, the telecommunications industry continued to attract much Council attention. The Council followed the process of opening up local phone markets to new carriers, and also monitored Commission attempts to curtail slamming (unauthorized change of a service carrier) and cramming (unauthorized charges on a phone bill).
- With several prominent utility mergers and consolidations in 1999, the Council studied the impact of such activities on the market and on consumers. The Council submitted recommendations to the Commission on how the interests of consumers should be addressed and protected as the Commission deliberates on the various merger proposals pending before it.
- During 1999, the Council also examined renewable energy pilot programs, PUC ex-parte rules and procedures, and also initiated and participated in the development of a future PUC consumer conference.

Readers may contact Dan Mumford of the Bureau of Consumer Services at (717) 783-1957 for more information about the PUC’s Consumer Advisory Council. Information on the Council and its activities, including “Minutes” from recent meetings, is also available on the PUC’s website at <http://puc.paonline.com> under “Consumer Services.” A listing of the names and addresses of Council members appears in Appendix O.

## **Pennsylvania Relay Service Advisory Board**

The Commission established the Pennsylvania Relay Service Advisory Board (PRSAB) on May 24, 1990, with its order to establish a statewide Telecommunications Relay Service (TRS)<sup>1</sup>. The purpose of the PRSAB is to review the success of TRS and identify improvements that should be implemented. The PRSAB functions primarily as a TRS consumer group by providing feedback and guidance to the TRS provider regarding communication assistant training, problem solving and service enhancements.

### **Pennsylvania Relay Service Advisory Board Members**



1999-2000 Board -- Seated (left to right): Russell Fleming, Secretary; Lawrence Brick, Chairman; Takao, service dog; Donald Lurwick, Vice Chairman; Standing (left to right): Gary Bootay; Grace House; Lenora Best; Douglas Hardy; Absent from photo: Marcia Finisdore; Mitchell Levy; Steve Samara; Debra Scott.

---

<sup>1</sup> TRS is a telecommunications service that allows people with hearing and/or speech disabilities to communicate with others by phone. TRS centers are staffed with communications assistants who relay conversation verbatim between people who use text telephone (TTY) or telebraille and people who use standard phones. Pennsylvania's TRS center is located in Wayne, Pennsylvania and is operated by AT&T of Pennsylvania. The total volume of calls through the Pennsylvania TRS increased 6% from 1998 to 1999. AT&T reported that it handled 1,758,834 relay calls in 1999.

The Board meets four times a year to advise the TRS provider on service issues and to discuss policy issues related to TRS. At each meeting, the TRS provider gives the Board a status report of its activities which include call volumes, new service offerings, complaint handling and outreach plans.

The twelve members of the Board are appointed by the Commission and serve two-year terms. The Commission requires that the Board consist of one representative from the Pennsylvania Telephone Association, the Office for the Deaf and Hard of Hearing, (ODHH) and the TRS provider (AT&T of Pennsylvania); two representatives from the Commission and seven representatives from the deaf, hard of hearing and speech disabled communities. During 1999, board members from the deaf, hard of hearing, and speech disabled communities included representatives from the following organizations: Pennsylvania Society for Advancement of the Deaf, Self Help for the Hard of Hearing, and Central Pennsylvania Association for the Deaf & Blind and Center on Deafness at the Western Pa. See Appendix P for the Board membership listing.

As a user group, the Board meeting agenda items are primarily related to quality of service issues for improving relay service. However, since the establishment of the PRSAB, the Board has advised the Commission on many critical policy issues that affect TRS users. The following highlights some of the issues addressed by the Board in 1999.

### **1999 Highlights**

- Many of the Board's discussions in 1999 focused on ways to improve the quality of service relay users get from TRS. Several board members expressed the concern that relay users were still confused about how to file a complaint. To address this concern, the Board requested that AT&T provide the Board with information about how to file a complaint with AT&T. AT&T informed the Board that TRS users may file a complaint with the company by phone, TTY, or via AT&T's website .
- A primary concern for the Board is the general public's awareness of TRS. In 1999, much of the Board's discussion centered on increasing public awareness of TRS and its benefits. After much discussion, the Board concluded that a media campaign consisting of Public Service Announcements on radio and television could increase public awareness of TRS. The Board recommended that AT&T include these ideas in its future outreach plans and to expand its marketing of relay services.

- During 1999, the Board urged AT&T to provide “Turbo Code” as a feature of TRS in Pennsylvania. According to AT&T, “Turbo Code is an enhanced form of Baudot, the communications method used by TTYs that allows TTY conversation to occur at a more natural pace.” This would mean that relay calls could be processed faster so there would be a decrease in calling time. However, the TTY users would have to have a machine that had turbo code in order to use this feature. In late fall, AT&T informed the Commission that the company would provide Turbo Code to the Pennsylvania TRS effective November 5, 1999.
- Throughout 1999, the Board monitored the developments related to the provision of 711 as a way for TRS users to access relay services. The Board supported the cooperative efforts of Bell Atlantic-PA and AT&T to pursue the implementation of 711 access for relay services statewide. In 1997, the Federal Communication Commission (FCC) issued its First Report and Order and Further Notice of Proposed Rulemaking (Docket No. 92-105) which included the implementation of “711” as a national number for access to telecommunications relay services. The FCC directed Bell Communications Research to assign 711 on a nationwide basis for access to the states' TRS Relay Centers. The FCC anticipated that that nationwide implementation of 711 for TRS access should occur within three years. On September 24, 1999, the Commission entered a Tentative Order regarding an implementation plan for 711 dialing access to TRS statewide. In this order, the Commission established a 30-day comment period on the proposed 711 implementation plan and created a 711 Implementation Committee, consisting of Bell, AT&T, the PTA and facilities based CLECs. Board members were advised that the organizations they represent could comment on the proposed 711 implementation plan.
- The Board continued to monitor the progress of the Telecommunications Device Distribution Program (TDDP). This program provides qualified people who are deaf, hard of hearing, deaf-blind or speech disabled with communications equipment such as a TTY, TTY with Braille Display, In-Line Amplifier, and other devices to help them use telecommunications services. As of December 1999, TDDP distributed 990 pieces of communications equipment.
- The Board also discussed the accessibility of TRS to the speech disabled community. During 1999, the Board welcomed a representative from the speech disabled community to give a presentation on how she makes relay calls. The Board had a chance to view a demonstration of different communication devices that can be used by individuals that are speech disabled. In addition, the Board discussed ways of increasing awareness of the speech disabled about TRS through outreach at rehabilitation centers.

For more information about the Pennsylvania Relay Service Advisory Board contact Verdina Showell, PUC Liaison and Legal Advisor at (717) 787-4717. To learn more about TRS, contact Mitchell Levy at AT&T by using the TRS at 1-800-654-5988, then (908) 221-2818-TTY or AT&T's website at [www.att.com/relay](http://www.att.com/relay) or the Commission's website at <http://puc.paonline.com>.

## 9. Quality of Service Benchmarking

---

---

Historically, the annual report prepared by the BCS for electric, gas, water and telephone companies has presented information based in large part on customer contacts to the PUC's Bureau of Consumer Services. This has been and still is the case for consumer complaint, payment arrangement and compliance information. As such, the discussion may or may not represent broad statistical trends. The Commission recognizes that this approach has certain shortcomings. For example, most customer contacts to utilities do not result in contacts to the PUC and thus, the BCS and the Commission have had no opportunity to evaluate the quality of the majority of customer contacts with their utilities. The measures that the Bureau of Consumer Services has traditionally used focus on only a portion of the customer service performance of utilities.

In order to capture a more accurate and complete picture of the quality of customer service experienced by customers of utility companies, this report will evolve over the next several years to include additional measures. The development of the report will coincide with the Commission's efforts to develop quality of service measurement and reporting on the part of utilities and other energy providers as appropriate.

The Commission took steps in this direction beginning in 1997. The Electricity Generation Customer Choice and Competition Act is clear in its intent that the electric distribution companies are to maintain, at a minimum, the levels of customer service to customers that were in effect prior to electric competition. In order to fulfill this legislative mandate, the Commission adopted a final rulemaking in April 1998 to establish uniform measurements and reporting requirements regarding various aspects of EDC customer service performance. The regulations were published in the *Pennsylvania Bulletin* on July 11, 1998 and became effective on that date. In compliance with the regulation, the EDCs will begin reporting quality of service data to the Commission in August 1999. The measures to be reported include telephone access to the EDC, billing performance, meter reading performance, response to customer disputes, customer survey results, and informal complaints to the Bureau of Consumer Services. The regulation requires that the Commission annually produce a summary of the EDC-supplied data and make it available to the public.

In addition to these regulations, in March 1998, the Commission issued a Secretarial letter to all EDCs. In this letter, the Commission requested that EDCs report data on various quality of service measures until the proposed regulations take effect. In response, the EDCs have reported some customer service

performance data to the Commission for 1997 and 1998. However, the EDCs have had to take steps to revise their data collection systems in order to obtain the requested information. Therefore, the data that the companies have submitted thus far is neither complete nor uniformly collected. The BCS has been working with the EDCs to improve the quality of the data that they will be collecting and reporting in accordance with the regulations.

### **Future Plans**

The Commission will analyze the quality of service data submissions of the EDCs in response to the Tentative Order, the Secretarial Letter and the Reporting Requirements. After the Commission has received a year or two of reporting from the EDCs on uniform measurements, the Commission will consider setting standards for performance. These standards could be company specific or present a band of acceptance for an industry standard. The setting of standards will be the subject of a future proceeding.

In addition, in compliance with the reporting requirements for quality of service benchmarks and standards, the Commission will use the quality of service statistics submitted by the EDCs to produce a summary report. The Bureau of Consumer Services may include this information in its annual report.

Finally, the BCS anticipates proposing similar quality of service reporting requirements for the gas industry. The Natural Gas Choice and Competition Act which Governor Tom Ridge signed into law on June 22, 1999 requires that customer service “for retail gas customers shall, at a minimum, be maintained at the same level of quality under retail competition as in existence on the effective date of this chapter.” In order to monitor that this requirement is being met, the Commission will need to require the gas distribution companies to regularly collect and report quality of service statistics.

# Glossary of Terms

---

---

**Competitive Local Exchange Carrier (CLEC)** – A competitive LEC that provides basic local telephone and/or toll services as a reseller, a facilities-based carrier, or a combination reseller/facilities-based provider.

**Consumer Complaint Rate** - The number of consumer complaints per 1,000 residential customers.

**Consumer Complaints** - Cases to the Bureau of Consumer Services involving billing, service, rates and other issues not related to requests for payment terms.

**Customer Assistance Program (CAPs)** - Alternative collection programs set up between a utility company and a customer that allow low-income, payment troubled customers to pay utility bills that are based on household size and gross household income. CAP participants agree to make regular monthly payments, which are usually less than the current bill, in exchange for continued utility service.

**Electric Distribution Company (EDC)** - Owner of the power lines and equipment necessary to deliver purchased electricity to the customer.

**Electric Generation Supplier (EGS)** - A person or corporation, generator, broker, marketer, aggregator or other entity, that sells electricity, using the transmission or distribution facilities of an electric distribution company (EDC).

**Hardship Funds** - Utility-sponsored funds that provide cash assistance to low- income utility customers to help them pay their utility bills.

**Incumbent Local Exchange Carriers (ILEC)** – Currently there are 37 facilities-based local telephone companies that provide basic local telephone service and/or toll services.

**Infraction:** A misapplication or infringement of a Commission regulation, particularly the standards and billing practices for residential utility service.

**Infraction Rate** - The number of informally verified infractions per 1,000 residential customers (includes infractions drawn from both consumer complaints and payment arrangement requests).

**Inquiries** - Consumer contacts to the Bureau of Consumer Services that, for the most part, require no follow-up investigation beyond the initial contact.

**Justified Consumer Complaint Rate** -The number of justified consumer complaints per 1,000 residential customers.

**Justified Payment Arrangement Request Rate** - The number of justified payment arrangement requests per 1,000 residential customers.

**Local Exchange Carrier (LEC)** – A public utility which provides basic telephone service either exclusively or in addition to toll service.

**Natural Gas Distribution Company (NGDC)** – A natural gas utility regulated by the PUC that owns the gas lines and equipment necessary to deliver natural gas to the consumer.

**Natural Gas Supplier (NGS)** - An entity other than an NGDC that sells or arranges to sell natural gas to customers using the distribution lines of an NGDC.

**Payment Arrangement Request Rate** - The number of payment arrangement requests per 1,000 residential customers.

**Payment Arrangement Requests** - Consumer requests for payment arrangements principally include contacts to the PUC’s Bureau of Consumer Services involving a request for payment terms in one of the following situations: suspension/termination of service is pending; service has been suspended/terminated and the customer needs payment terms to have service restored; or the customer wants to retire an arrearage.

**Problem Categories** - A breakdown of residential consumer complaints by specific problem categories such as billing, credit and deposits, service quality, rates, etc.

**Response Time in Days** - Response time is the time span in days from the date of the Bureau’s first contact with the company regarding a consumer complaint and/or request for payment arrangements to the date on which the company provides the Bureau with all of the information needed to resolve the case and determine whether or not the customer was justified in seeking a payment arrangement through the BCS. Response time quantifies the speed of a utility’s response in resolving BCS cases. In this report, response time is presented as a mean number of days for each company.

**Termination Rate** - The number of residential customers whose service was terminated per 1,000 residential customers.

# Appendices

**Appendix A**  
**1999 Residential Consumer Complaints**  
**Non-Major Companies\***

Company	Number of Complaints
<b>Electric</b>	
Allegheny Energy (EGS)	23
Columbia Energy (EGS)	215
Conectiv Energy (EGS)	218
DTE Edison America, Inc (EGS)	24
Edison Source (EGS)	152
Energy Cooperative Association of Phila (EGS)	16
Exelon (EGS)	339
Green Mountain Energy Resources (EGS)	118
PennPower Energy (EGS)	51
PG Energy Power Plus	23
Power Choice (Pepco Services) (EGS)	10
PP&L Energy Plus (EGS)	31
Total Gas & Electric Inc (EGS)	78
Other Non-Major Electric Companies	47
<b>TOTAL NON-MAJOR ELECTRIC</b>	<b>1,345</b>
<b>Gas</b>	
Gasco Distribution Systems (NGDC)	10
North Penn Gas Company (NGDC)	33
Penn Fuel Gas (NGDC)	75
T W Phillips (NGDC)	45
United Gas Management (NGS)	36
Other Non-Major Gas Companies	86
<b>TOTAL NON-MAJOR GAS</b>	<b>285</b>
<b>Telephone</b>	
American Nortel Communications, Inc	16
AT&T (IXC)	503
Conectiv Communications, Inc	58
CTSi	36
Excel Telecommunications	24
Frontier Long Distance	12
Integretal (Billing Service)	18

<b>Company</b>	<b>Number of Complaints</b>
Minimum Rate Pricing	18
North Pittsburgh Telephone Company (LEC)	10
Ntegrity Telecontent Services	124
OAN Services, Inc	19
PA Telecom South	38
Quest Telecommunications	74
RCN Telecom Services of PA	72
Sprint (IXC)	123
Telecom USA	17
Telephone Billing Services, Inc	12
US Billing Inc	43
USP&C	16
V.I.P. Telephone Network	10
Worldcom, Inc.	490
Zero Plus Dialing	15
Other Non-Major Telephone Companies	376
<b>TOTAL NON-MAJOR TELEPHONE</b>	<b>2,124</b>

**\*Listing shows companies having 10 or more complaints in 1999.**

## Appendix B-1

### Classification of Consumer Complaints Electric, Gas & Water

**Billing Disputes:** Complaints about bills from the utility: high bills, inaccurate bills or balances, installation charges, customer charges, service charges, repair charges, late payment charges, frequency of bills and the misapplication of payment on bills.

**Competition:** Complaints about issues that are directly related to competition: enrollment/eligibility, application and licensing, supplier selection, changing/switching suppliers which includes slamming, advertising and sales, billing, contracts, and credit and deposits. This category also includes any complaints about more general competition issues such as consumer education, pilot programs and restructuring.

**Credit & Deposits:** Complaints about a company's requirements to provide service: applicant must pay another person's bill, applicant must complete an application, applicant must provide identification, or applicant must pay a security deposit. This category also includes complaints about the amount of or the amortization of a deposit, the payment of interest on a deposit or the failure of a company to return a deposit to the customer.

**Damages:** Complaints about a company's lack of payment or lack of restored property related to damages to equipment, appliances or property due to service outages, company construction or repair, and improperly delivered or transferred service.

**Discontinuance/Transfer:** Complaints related to the responsibility for or the amount of bills after discontinuance or transfer of service: the customer requested discontinuance of service and the company failed to finalize the account as requested or the company transferred a balance to a new or existing account from the account of another person or location.

**Metering:** Billing complaints directly related to the reading of or the failure to read the customer's meter and the accuracy of the meter readings (company reading, customer supplied reading, misreading).

**Other Payment Issues:** Complaints about the amount of budget bills or the transfer of a customer's debt to a collection agency.

**Personnel Problems:** Complaints about performance by company personnel: a company representative did not finish job correctly, a meter reader entered a customer's home to read the meter without knocking, company personnel will not perform a requested service, business office personnel treated the customer rudely, and overall mismanagement of a utility. This category also includes any complaints about sales such as appliance sales by the utility.

**Rates:** General or specific complaints about a utility's rates: general or specific rates are too high, the company's rates are being used to recover advertising costs, or the customer is being billed on the incorrect rate.

**Scheduling Delays:** Complaints about problems with a company's scheduling: delays in scheduling or repairing service or relocating poles, failures to keep scheduled meetings or appointments, and lack of accessibility to customers.

**Service Extensions:** Complaints about line extensions or installation of service: the responsibility for line extensions, the cost and payment for line extensions, inspection requirements, delay in installation, connection or disconnection of service, and denial of service extensions.

**Service Interruptions:** Complaints about service interruptions: the frequency of service interruptions, the duration of interruptions or the lack of prior notice regarding interruptions.

**Service Quality:** Complaints about a utility's product: The quality of the product is poor (water quality, voltage, pressure), the company's equipment is unsatisfactory or unsafe, the company fails to act on a complaint about safety, the company plans to abandon service, the company does not offer needed service, the company wants to change location of equipment or the company providing service is not certified by the PUC (defactos).

**Other:** All other complaints that do not fit into the above categories including but not limited to complaints about termination procedures when there is no need for payment arrangements and complaints about delivered service from the utility.

## Appendix B-2

### Classification of Consumer Complaints Telephone

**Annoyance Calls:** Complaints about the company's failure to resolve problems related to receiving unsolicited sales calls or harassing calls. This includes the company's failure to change the phone number, initiate an investigation and problems with auto dialers and fax machines.

**Audiotex:** Complaints about the company's failure to resolve billing problems related to special phone entertainment or information services.

**Billing Disputes:** Complaints about bills from the utility; high bills, inaccurate bills or balances, installation charges, customer charges, service charges, repair charges, late payment charges, frequency of bills and the misapplication of payment on bills.

**Credit & Deposits:** Complaints about a company's requirements to provide service: applicant payment of another person's bill, completion of an application, provision of identification, or payment of a security deposit. This category also includes complaints about the amount of or the amortization of a deposit, the payment of interest on a deposit or the failure of a company to return a deposit to the customer.

**Discontinuance/Transfer:** Complaints related to responsibility for or the amount of bills after discontinuance or transfer of service; company failure to finalize the account as requested or the company transferred a balance to a new or existing account from the account of another person or location.

**Disputes Related to Suspension/Termination:** Complaints about suspension or termination procedures when there is no need for a payment arrangement.

**Non Recurring Charges:** Complaints about one time charges for installation of basic and/or nonbasic services.

**Rates:** General or specific complaints about a utility's rates; general or specific rates are too high; or the customer is being billed on the incorrect rate.

**Sales Nonbasic Services:** Complaints related to the sale of nonbasic services including the availability of certain services.

**Service Delivery:** Complaints about delays in service installations or disconnections of service and failures to keep scheduled appointments. This also includes the lack of facilities to provide service, unauthorized transfer of service, unavailability of special services and the rudeness of business office personnel.

**Toll Services:** Complaints about charges for local toll and/or long distance toll services.

**Unsatisfactory Service:** Complaints about poor service quality or poor service: problems with the assignment of phone numbers, incorrect information in phone directories, lack of directories, equal access to toll network and service interruptions and outages.

**Other:** Complaints about matters such as Extended Area of Service and the expansion of local calling areas, excessive rates from operator services that provide phone service to hospitals, hotels, and excessive coin phone rates.

## Appendix C - Table 1

### Consumer Complaint Categories\*: 1999 Major Electric Distribution Companies

<b>Categories**</b>	<b>Allegheny Power</b>	<b>Duquesne</b>	<b>GPU</b>	<b>PECO</b>	<b>Penn Power</b>	<b>PP&amp;L</b>	<b>UGI-Elec.</b>	<b>Electric Majors</b>
<b>Billing Disputes</b>	84	53	105	241	14	292	6	795
<b>Metering</b>	54	11	59	175	5	92	5	401
<b>Service Interruptions</b>	13	66	115	152	8	27	1	382
<b>Discontinuance/Transfer</b>	34	20	27	151	0	54	0	286
<b>Service Quality</b>	20	25	33	100	4	26	2	210
<b>Service Extensions</b>	21	4	47	38	5	24	4	143
<b>Personnel Problems</b>	9	17	22	66	2	18	2	136
<b>Damages</b>	22	26	19	38	1	11	0	117
<b>Scheduling Delays</b>	10	12	24	45	3	15	0	109
<b>Other Payment Issues</b>	2	13	7	56	1	28	0	107
<b>Credit &amp; Deposits</b>	3	16	5	14	1	5	0	44
<b>Rates</b>	2	1	4	12	2	3	0	24
<b>All Other Problems</b>	5	9	8	54	2	17	2	97
<b>TOTAL</b>	<b>279</b>	<b>273</b>	<b>475</b>	<b>1,142</b>	<b>48</b>	<b>612</b>	<b>22</b>	<b>2,851</b>

\* Categories are for residential complaints evaluated by BCS as of May 30, 2000. The case outcome may have been justified, inconclusive or unjustified.

\*\*An explanation of the various complaint categories appears in Appendix B-1.

## Appendix C - Table 2

### Consumer Complaint Categories\*: 1999 Major Natural Gas Distribution Companies

Categories**	Columbia	Equitable	NFG	PG Energy	Peoples	UGI-Gas	Gas Majors
<b>Billing disputes</b>	35	56	23	53	34	53	254
<b>Metering</b>	61	28	21	9	40	40	199
<b>Discontinuance/Transfer</b>	21	11	19	5	32	24	112
<b>Service Extensions</b>	19	7	2	7	16	20	71
<b>Personnel Problems</b>	14	12	3	2	11	5	47
<b>Service Quality</b>	13	7	4	2	11	5	42
<b>Damages</b>	6	7	2	4	9	1	29
<b>Credit &amp; Deposits</b>	0	10	3	0	1	6	20
<b>Scheduling Delays</b>	3	3	1	0	5	9	21
<b>Other Payment Issues</b>	7	5	2	2	2	1	19
<b>Rates</b>	1	1	0	1	4	1	8
<b>Service Interruptions</b>	2	0	1	3	1	1	8
<b>All Other Problems</b>	4	8	5	0	3	8	28
<b>TOTAL</b>	<b>186</b>	<b>155</b>	<b>86</b>	<b>88</b>	<b>169</b>	<b>174</b>	<b>858</b>

\* Categories are for residential complaints evaluated by BCS as of May 30, 2000. The case outcome may have been justified, inconclusive or unjustified.

\*\*An explanation of the various complaint categories appears in Appendix B-1.

## Appendix C - Table 3

### Consumer Complaint Categories\*: 1999 Major Water Utilities

Categories**	PA-American	Philadelphi a Suburban	Other “Class A” Water	All “Class A” Water
<b>Billing Disputes</b>	73	35	5	113
<b>Service Quality</b>	46	11	28	85
<b>Metering</b>	27	28	2	57
<b>Discontinuance/Transfer</b>	11	8	3	22
<b>Damages</b>	18	1	0	19
<b>Personnel Problems</b>	12	5	2	19
<b>Service Extensions</b>	17	0	2	19
<b>Scheduling Delays</b>	6	4	2	12
<b>Credit &amp; Deposits</b>	2	7	2	11
<b>Service Interruptions</b>	4	2	2	8
<b>Rates</b>	4	0	0	4
<b>All Other Problems</b>	19	6	1	26
<b>TOTAL</b>	<b>239</b>	<b>107</b>	<b>49</b>	<b>395</b>

\* Categories are for residential complaints evaluated by BCS as of May 30, 2000. The case outcome may have been justified, inconclusive or unjustified.

\*\*An explanation of the various complaint categories appears in Appendix B-1.

**Appendix C -Table 4**  
**Consumer Complaint Categories\*: 1999**  
**Major Local Telephone Companies**

<b>Categories**</b>	<b>ALLTEL</b>	<b>Bell</b>	<b>Commonwealth</b>	<b>GTE</b>	<b>United</b>	<b>Telephone Majors</b>
<b>Unsatisfactory Service</b>	26	352	23	143	69	613
<b>Service Delivery</b>	16	446	20	37	51	570
<b>Billing Disputes</b>	7	68	18	23	60	176
<b>Toll Services</b>	3	73	15	12	20	123
<b>Sales Nonbasic Services</b>	3	24	4	12	17	60
<b>Non-Recurring Charges</b>	3	44	5	2	6	60
<b>Credit &amp; Deposits Sales</b>	33	4	3	6	6	52
<b>Discontinuance/Transfer</b>	1	25	0	4	1	31
<b>Annoyance Calls</b>	1	21	1	3	2	28
<b>Rates</b>	0	13	0	4	0	17
<b>Audiotex</b>	0	4	0	0	1	5
<b>EAS</b>	1	0	0	1	1	3
<b>Disputes Related to Suspensions/Terminations</b>	1	0	0	1	1	3
<b>Other</b>	0	1	2	1	1	5
<b>TOTAL*</b>	95	1,075	91	249	236	1,746

\* Categories are for all complaints evaluated by BCS as of May 30, 2000. The case outcome may have been justified, inconclusive or unjustified.

\*\*An explanation of the various complaint categories appears in Appendix B-2.

## Appendix D - Table 1

### 1998-1999 Residential Consumer Complaint Statistics Major Electric Distribution Companies

Company Name	1999 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaints Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
Allegheny Power	585,165	246	369	50%	0.42	0.63	51	0.09	123	0.21
Duquesne	515,952	256	391	53%	0.50	0.76	26	0.05	80	0.16
GPU	927,356	368	676	84%	0.40	0.73	114	0.12	281	0.30
PECO	1,359,231	898	1,764	96%	0.67	1.30	273	0.20	794	0.58
Penn Power	130,555	30	60	100%	0.23	0.46	1	0.01	8	0.06
PP&L	1,098,947	415	936	126%	0.38	0.85	55	0.05	390	0.35
UGI-Electric	53,241	23	28	22%	0.43	0.53	2	0.04	15	0.28
<b>Major Electric</b>	<b>4,670,447</b>	<b>2,236</b>	<b>4,224</b>	<b>89%</b>			<b>520</b>		<b>1,691</b>	
<b>Average of Rates</b>					<b>0.43<sup>4</sup></b>	<b>0.79<sup>4</sup></b>		<b>0.09<sup>4</sup></b>		<b>0.28<sup>4</sup></b>

<sup>1</sup>Consumer Complaint Rate = Consumer Complaints per 1,000 Residential Customers. The case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on the number of cases on CSIS as of May 30, 2000.

<sup>3</sup>Justified Consumer Complaint Rate = Justified Consumer Complaints per 1,000 Residential Customers.

<sup>4</sup>Does not include UGI-Electric.

## Appendix D - Table 2

### 1998-1999 Residential Consumer Complaint Statistics Major Natural Gas Distribution Companies

Company Name	1999 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaints Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
Columbia	338,960	153	233	52%	0.45	0.69	25	0.07	66	0.19
Equitable	229,998	194	205	6%	0.85	0.89	28	0.12	50	0.22
NFG	195,430	106	119	12%	0.54	0.61	13	0.07	39	0.20
Peoples	320,133	170	221	30%	0.53	0.69	50	0.16	81	0.25
PG Energy	135,660	53	103	94%	0.40	0.76	18	0.13	27	0.20
UGI-Gas	236,997	169	245	45%	0.73	1.03	32	0.14	75	0.32
<b>Major Gas</b>	<b>1,457,178</b>	<b>845</b>	<b>1,126</b>	<b>33%</b>			<b>166</b>		<b>338</b>	
<b>Average of Rates</b>					<b>0.58</b>	<b>0.78</b>		<b>0.12</b>		<b>0.23</b>

<sup>1</sup>Consumer Complaint Rate = Consumer Complaints per 1,000 Residential Customers. The case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on the number of cases on CSIS as of May 30, 2000

<sup>3</sup>Justified Consumer Complaint Rate = Justified Consumer Complaints per 1,000 Residential Customers

### Appendix D - Table 3

#### 1998-1999 Residential Consumer Complaint Statistics Major Water Utilities

Company Name	1999 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaints Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
PA-American	497,453	225	290	29%	0.45	0.58	49	0.10	96	0.19
Phila. Suburban	296,906	82	126	54%	0.30	0.42	33	0.12	49	0.17
Other Class A	173,485	105	87	-17%	0.60	0.50	47	0.27	29	0.17
<b>Major Water</b>	<b>967,844</b>	<b>412</b>	<b>503</b>	<b>22%</b>			<b>129</b>		<b>174</b>	
<b>Average of Rates</b>					<b>0.45</b>	<b>0.50</b>		<b>0.16</b>		<b>0.18</b>

<sup>1</sup>Consumer Complaint Rate = Consumer Complaints per 1,000 Residential Customers. The case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on the number of cases on CSIS as of May 30, 2000

<sup>3</sup>Justified Consumer Complaint Rate = Justified Consumer Complaints per 1,000 Residential Customers

## Appendix D -Table 4

### 1998-1999 Residential Consumer Complaint Statistics Major Local Telephone Companies

Company Name	1999 Residential Customers	Residential Consumer Complaints to BCS			Consumer Complaint Rates <sup>1</sup>		Justified Consumer Complaint Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
ALLTEL	177,635	114	113	-1%	.65	.64	51	.29	84	.47
Bell	3,870,386	2,593	4,902	89%	.68	1.27	1,078*	.28*	3,443*	.89*
Commonwealth	223,366	72	102	42%	.34	.46	28	.13	44	.20
GTE	485,680	224	286	28%	.47	.59	163	.34	227	.47
United	283,595	134	283	111%	.48	1.00	66	.24	168	.59
<b>Major Telephone</b>	<b>5,040,662</b>	<b>3,137</b>	<b>5,686</b>	<b>81%</b>			<b>1,386</b>		<b>3,966</b>	
<b>Average of Rates</b>					<b>.52</b>	<b>.79</b>		<b>.26</b>		<b>.52</b>

<sup>1</sup>Consumer Complaint Rate = Consumer Complaints per 1,000 Residential Customers. The case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on the number of cases on CSIS as of May 30, 2000

<sup>3</sup>Justified Consumer Complaint Rate = Justified Consumer Complaints per 1,000 Residential Customers

\*Based on a probability sample of cases

## Appendix E

### 1998-1999 Response time: BCS Consumer Complaints

Company	Average Time in Days		Change in Days 1998 to 1999
	1998	1999	
Allegheny Power	23.3	22.0	-1.3
Duquesne	20.6	19.4	-1.2
GPU	15.5	17.0	1.5
PECO	27.3	35.2	7.9
Penn Power	6.8	14.2	7.4
PP&L	12.6	22.2	9.6
UGI-Electric	17.8	27.8	10.0
<b>Major Electric<sup>1</sup></b>	<b>17.7<sup>2</sup></b>	<b>21.7<sup>2</sup></b>	<b>4.0</b>
Columbia	11.6	7.9	-3.7
Equitable	14.2	17.8	3.6
NFG	6.5	10.5	4.0
Peoples	12.0	8.2	-3.8
PG Energy	5.2	7.3	2.1
UGI-Gas	14.4	16.8	2.4
<b>Major Gas<sup>1</sup></b>	<b>10.7</b>	<b>11.4</b>	<b>0.7</b>
PA-American	5.1	4.3	-0.8
Phila. Suburban	5.1	7.0	1.9
Other Class A	29.2	24.0	5.2
<b>Major Water<sup>1</sup></b>	<b>13.1</b>	<b>11.8</b>	<b>-1.3</b>
ALLTEL	4.9	9.3	4.4
Bell	26.5*	26.8*	0.3*
Commonwealth	4.6	3.3	-1.3
GTE	26.4	19.8	-6.6
United	9.4	15.2	5.8
<b>Major Telephone<sup>1</sup></b>	<b>14.4</b>	<b>14.9</b>	<b>0.5</b>

\*Based on a probability sample of cases

<sup>1</sup>Average of response times

<sup>2</sup>Does not include UGI-Electric

## Appendix F - Table 1

### 1998-1999 Residential Payment Arrangement Request Statistics Major Electric Distribution Companies

Company Name	1999 Residential Customers	Residential Payment Arrangement Requests (PARs) to BCS			Payment Arrangement Request Rates <sup>1</sup>		Justified Payment Arrangement Requests Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
Allegheny Power	585,165	3,234	4,836	50%	5.57	8.26	329	0.57*	710	1.21*
Duquesne	515,952	6,960	9,152	31%	13.51	17.74	239	0.46*	409	0.79*
GPU	927,356	3,698	955	-74%	4.03	1.03	568	0.62*	89	0.10*
PECO	1,359,231	5,152	6,437	25%	3.82	4.74	397	0.29*	860	0.63*
Penn Power	130,555	748	1,239	66%	5.79	9.49	153	1.18*	383	2.93*
PP&L	1,098,947	9,981	14,042	41%	9.10	12.78	1,261	1.15*	2,333	2.12*
UGI-Electric	53,241	160	274	71%	2.97	5.15	60	1.11	114	2.14
<b>Major Electric</b>	<b>4,670,447</b>	<b>29,933</b>	<b>36,935</b>	<b>23%</b>			<b>3,007</b>		<b>4,898</b>	
<b>Average of Rates</b>					<b>6.97<sup>4</sup></b>	<b>9.01<sup>4</sup></b>		<b>0.71<sup>4</sup></b>		<b>1.30<sup>4</sup></b>

<sup>1</sup>Payment Arrangement Request Rate = Payment Arrangement Requests per 1,000 Residential Customers. Case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on a probability sample of cases and/or the number of cases on CSIS as of May 30, 2000

<sup>3</sup>Justified Payment Arrangement Request Rate = Justified Payment Arrangement Requests per 1,000 Residential Customers

<sup>4</sup>Does not include UGI-Electric

\* Based on a probability sample of cases

## Appendix F - Table 2

### 1998-1999 Residential Payment Arrangement Request Statistics Major Natural Gas Distribution Companies

Company Name	1999 Residential Customers	Residential Payment Arrangement Requests (PARs) to BCS			Payment Arrangement Request Rates <sup>1</sup>		Justified Payment Arrangement Requests Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
Columbia	338,960	1,886	5,164	174%	5.60	15.23	189	0.56	489	1.44
Equitable	229,998	3,979	4,733	19%	17.39	20.58	532	2.32	472	2.05
NFG	195,430	1,136	1,725	52%	5.82	8.83	488	2.50	733	3.75
Peoples	320,133	2,715	3,697	36%	8.53	11.55	81	0.25	245	0.77
PG Energy	135,660	370	735	99%	2.76	5.42	32	0.24	80	0.59
UGI-Gas	236,997	2,145	3,623	69%	9.28	15.29	857	3.71	1,634	6.89
<b>Major Gas</b>	<b>1,457,178</b>	<b>12,231</b>	<b>19,677</b>	<b>61%</b>			<b>2,179</b>		<b>3,653</b>	
<b>Average of Rates</b>					<b>8.23</b>	<b>12.82</b>		<b>1.60</b>		<b>2.58</b>

<sup>1</sup>Payment Arrangement Request Rate = Payment Arrangement Requests per 1,000 Residential Customers. Case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on a probability sample of cases and/or the number of cases on CSIS as of May 30, 2000

<sup>3</sup>Justified Payment Arrangement Request Rate = Justified Payment Arrangement Requests per 1,000 Residential Customers

\*Based on a probability sample of cases

## Appendix F - Table 3

### 1998-1999 Residential Payment Arrangement Request Statistics Major Water Utilities

Company Name	1999 Residential Customers	Residential Payment Arrangement Requests (PARs) to BCS			Payment Arrangement Request Rates <sup>1</sup>		Justified Payment Arrangement Requests Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
PA-American	497,453	816	1,310	61%	1.64	2.63	79	0.16*	122*	0.25
Phila. Suburban	296,906	222	356	60%	0.81	1.20	104	0.38	177	0.60
Other "Class A" Water	173,485	261	359	38%	1.48	2.07	N/A <sup>4</sup>	N/A <sup>4</sup>	75	0.43
<b>Major Water</b>	<b>967,844</b>	<b>1,299</b>	<b>2,025</b>	<b>56%</b>			<b>183<sup>5</sup></b>		<b>374</b>	
<b>Average of Rates</b>					<b>1.31</b>	<b>1.97</b>		<b>0.27<sup>5</sup></b>		<b>0.43</b>

<sup>1</sup>Payment Arrangement Request Rate = Payment Arrangement Requests per 1,000 Residential Customers. Case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on a probability sample of cases and/or the number of cases on CSIS as of May 30, 2000

<sup>3</sup>Justified Payment Arrangement Request Rate = Justified Payment Arrangement Requests per 1,000 Residential Customers

<sup>4</sup>Due to an oversight as explained in Chapter 5, justified number and rate are not available for the other Class A water companies in 1998.

<sup>5</sup>Number and Rate for PA-American and Philadelphia Suburban only

\*Based on a probability sample of cases

**Appendix F - Table 4**  
**1998-1999 Residential Payment Arrangement Request Statistics**  
**Major Local Telephone Companies**

Company Name	1999 Residential Customers	Residential Payment Arrangement Requests (PARs) to BCS			Payment Arrangement Request Rates <sup>1</sup>		Justified Payment Arrangement Requests Numbers <sup>2</sup> and Rates <sup>3</sup>			
		1998	1999	% Change in #	1998	1999	1998		1999	
ALLTEL	177,635	150	120	-20%	.85	.68	49	.28	47	.26
Bell	3,870,386	5,394	5,745	7%	1.41	1.48	1,240*	.32*	504*	.13*
Commonwealth	223,366	37	31	-16%	.18	.14	21	.10	15	.07
GTE	485,680	175	100	-43%	.37	.21	98	.20	36	.07
United	283,595	82	136	66%	.29	.48	14	.05	46	.16
<b>Major Telephone</b>	<b>5,040,662</b>	<b>5,838</b>	<b>6,132</b>	<b>5%</b>			<b>1,373</b>		<b>648</b>	
<b>Average of Rates</b>					<b>.62</b>	<b>.60</b>		<b>.19</b>		<b>.14</b>

<sup>1</sup>Payment Arrangement Request Rate = Payment Arrangement Requests per 1,000 Residential Customers. Case outcome may have been justified, inconclusive or unjustified.

<sup>2</sup>Estimated based on the number of cases on CSIS as of May 30, 2000

<sup>3</sup>Justified Payment Arrangement Request Rate = Justified Payment Arrangement Requests per 1,000 Residential Customers

\*Based on a probability sample of cases

## Appendix G

### 1998-1999 Response Time: BCS Payment Arrangement Requests

Company	Average Time in Days		Change in Days 1998 to 1999
	1998	1999	
Allegheny Power	19.7*	16.1*	-3.6
Duquesne	7.7*	11.5*	3.8
GPU	5.6*	4.2*	-1.4
PECO	20.4*	22.3*	1.9
Penn Power	0.4*	1.8*	1.4
PP&L	15.2*	18.4*	3.2
UGI-Electric	13.0	21.4	8.4
<b>Major Electric<sup>1</sup></b>	<b>11.5<sup>2</sup></b>	<b>12.4<sup>2</sup></b>	<b>0.9</b>
Columbia	2.4*	3.0*	0.6
Equitable	6.0*	16.8*	10.8
NFG	3.2*	3.6*	0.4
Peoples	3.0*	2.6*	-0.4
PG Energy	2.2	2.7	0.5
UGI-Gas	4.8*	8.7*	3.9
<b>Major Gas<sup>1</sup></b>	<b>3.6</b>	<b>6.2</b>	<b>2.6</b>
PA-American	4.6*	3.4*	-1.2
Philadelphia Suburban	2.7	4.4	1.7
Other Class A	N/A <sup>3</sup>	11.7	N/A
<b>Major Water<sup>1</sup></b>	<b>3.7<sup>4</sup></b>	<b>3.9<sup>4</sup></b>	<b>0.2</b>
ALLTEL	2.2	2.0	-0.2
Bell	11.3*	14.7*	3.4*
Commonwealth	5.4	3.2	-2.2
GTE	17.4	3.8	-13.6
United	11.1	10.8	-0.3
<b>Major Telephone<sup>1</sup></b>	<b>9.5</b>	<b>6.9</b>	<b>-2.6</b>

\*Based on a probability sample of cases

<sup>1</sup>Average of Response Times

<sup>2</sup>Does not include UGI-Electric

<sup>3</sup>Due to an oversight, average response time is not available for the Other Class A water company in 1998

<sup>4</sup>Average of PA-American and Philadelphia Suburban.

## Appendix H - Table 1

### 1997-1999 Infraction Statistics Major Electric Distribution Companies

Company	1999 Residential Customers	Infractions				Infraction Rates <sup>1</sup>		
		1997	1998	1999	% Change in 1998-1999	1997	1998	1999
Allegheny Power	585,165	84	50	108	116%	0.15	0.09	0.18
Duquesne	515,952	46	9	37	311%	0.09	0.02	0.07
GPU	927,356	237	115	182	58%	0.26	0.13	0.20
PECO	1,359,231	233	311	1,077	246%	0.17	0.23	0.79
Penn Power	130,555	9	0	10	1,000%	0.07	0.00	0.08
PP&L	1,098,947	34	29	695	2,297%	0.03	0.03	0.63
UGI-Electric	53,241	13	10	13	30%	0.24	0.19	0.24
<b>Major Electric</b>	<b>4,670,447</b>	<b>656</b>	<b>524</b>	<b>2,122</b>	<b>305%</b>			

<sup>1</sup>Infraction Rate = Number of Infractions per 1,000 Residential Customers

## Appendix H - Table 2

### 1997-1999 Infraction Statistics Major Natural Gas Distribution Companies

Company	1999 Residential Customers	Infractions				Infraction Rates <sup>1</sup>		
		1997	1998	1999	% Change in 1998-1999	1997	1998	1999
Columbia	338,960	51	22	57	159%	0.16	0.07	0.17
Equitable	229,998	36	17	19	12%	0.16	0.07	0.08
NFG	195,430	19	9	25	178%	0.10	0.05	0.13
Peoples	320,133	117	36	51	42%	0.37	0.11	0.16
PG Energy	135,660	17	19	21	11%	0.13	0.14	0.15
UGI-Gas	236,997	37	25	55	120%	0.16	0.11	0.23
<b>Major Gas</b>	<b>1,457,178</b>	<b>277</b>	<b>128</b>	<b>228</b>	<b>78%</b>			

<sup>1</sup>Infraction Rate = Number of Infractions per 1,000 Residential Customers

## Appendix H - Table 3

### 1997-1999 Infraction Statistics Major Water Utilities

Company	1999 Residential Customers	Infractions				Infraction Rates <sup>1</sup>		
		1997	1998	1999	% Change in 1998-1999	1997	1998	1999
PA-American	497,453	45	27	94	248%	0.09	0.05	0.19
Phila. Suburban	296,906	26	45	81	80%	0.10	0.16	0.27
Other "Class A"	173,485	46	58	27	-53%	0.28	0.33	0.16
<b>Major Water</b>	<b>967,844</b>	<b>117</b>	<b>130</b>	<b>202</b>	<b>55%</b>			

<sup>1</sup>Infraction Rate = Number of Infractions per 1,000 Residential Customers

**Appendix H - Table 4**  
**1997-1999 Infraction Statistics**  
**Major Local Telephone Companies**

Company Name	1999 Residential Customers	Infractions				Infraction Rates <sup>1</sup>		
		1997	1998	1999	% Change in 1998-1999 #	1997	1998	1999
ALLTEL	177,635	69	99	101	2%	0.40	.56	.57
Bell	3,870,386	1,158	908	649	-29%	0.30	.24	.17
Commonwealth	223,366	47	26	33	27%	0.24	.12	.15
GTE	485,680	361	323	178	-45%	0.77	.67	.37
United	283,595	82	124	219	77%	0.30	.43	.77
<b>Major Telephone</b>	<b>5,040,662</b>	<b>1,717</b>	<b>1,480</b>	<b>1,180</b>	<b>-20%</b>	<b>0.35</b>	<b>.41</b>	<b>.40</b>

<sup>1</sup>Infraction Rate = Number of Infractions per 1,000 Residential Customers

## Appendix I - Table 1

### 1999-2002 Universal Service Funding Levels<sup>1</sup>

Company Name	1999		2000		2001		2002	
	LIURP	CAP	LIURP	CAP	LIURP	CAP	LIURP	CAP
Allegheny Power	\$1,016,000	\$1,750,000	\$1,450,000	\$3,130,000	\$1,900,000	\$4,510,000	\$2,202,000	\$5,880,000
Duquesne	\$1,000,000	\$1,000,000	\$1,250,000	\$2,245,000	\$1,500,000	\$3,850,000	\$1,750,000	\$5,275,000
Met-Ed	\$1,231,000	\$1,481,000	\$1,400,000	\$2,500,000	\$1,600,000	\$3,500,000	\$1,826,000	\$4,564,000
PECO	\$5,600,000	\$44,400,000	\$5,600,000	\$44,400,000	\$5,600,000	\$44,400,000	\$5,600,000	\$44,400,000
Penelec	\$972,000	\$2,420,000	\$1,320,000	\$3,300,000	\$1,640,000	\$4,100,000	\$1,962,000	\$4,900,000
Penn Power <sup>2</sup>	\$180,000	\$500,000					\$645,250	\$1,613,125
PP&L	\$4,700,000	\$5,875,000	\$4,700,000	\$8,000,000	\$4,700,000	\$10,000,000	\$4,700,000	\$11,700,000
UGI - Electric	\$131,791	\$150,000	\$131,791	\$150,000	\$131,791	\$150,000	\$131,791	\$150,000
Total	\$14,830,791	\$57,576,000	\$15,851,791	\$63,725,000	\$17,071,791	\$70,510,000	\$18,817,041	\$78,482,125

<sup>1</sup>Final EDC restructuring orders and Commission-approved settlement agreements have established these projected funding levels.

<sup>2</sup>The Commission specified beginning and ending funding levels only.

## Appendix I - Table 2

### 1999-2002 Estimated CAP Enrollment<sup>1</sup>

Company Name	1999	2000	2001	2002
Allegheny Power	5,000	8,943	12,886	16,800
Duquesne	4,000	6,378	10,938	15,000
Met-Ed	2,275	3,840	5,376	7,000
PECO	80,000	80,000	80,000	80,000
Penelec	3,457-5,831	4,714-7,952	5,857-9,880	7,000-11,800
Penn Power		1,133-1,500	2,266-3,000	3,400-4,500
PP&L	9,296	12,658	15,823	18,500
UGI-Electric	100	100	100	100
<b>Total</b>	<b>104,128-106,502</b>	<b>117,766-121,371</b>	<b>133,246-138,003</b>	<b>147,800-153,700</b>

<sup>1</sup>The projected enrollment figures are estimates based on final EDC restructuring orders and Commission-approved settlement agreements.

## Appendix J

<b>CAP Participant Payment Rate</b>			
<b>Utility</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
Allegheny	90%	91%	86%
Duquesne	85%	73%	67%
Met-Ed	78%	78%	82%
PECO-CAP	87%	89%	Program Ended in 1998
PECO CAP Rate	68%	81%	72%
Penelec	85%	83%	80%
Penn Power	Program began 12/99		N/A
PP&L	N/A	N/A	N/A
UGI-Electric	Program began 1/99		90%
Columbia	N/A	81%	79%
Equitable	84%	85%	83%
NFG	77%	69%	66%
PG Energy	66%	68%	84%
Peoples	91%	93%	93%
UGI-Gas		97%	97%
<b>Quarterly Average</b>	<b>81%</b>	<b>82%</b>	<b>81%</b>

N/A - Company is unable to report this information.

\*The BCS defines participant payment rate as the total number of bills issued in a quarter divided by the total number of full, on-time payments in a quarter.

## Appendix K CARES Programs

The fourteen major electric and gas utilities all have CARES programs that reflect the guidelines in the Commission's Secretarial letter. Utilities report that CARES programs serve households whose average annual incomes are below \$13,500. These households generally receive their incomes from Social Security, pensions and/or wages. According to company reports, CARES participants are often elderly customers.

The table below shows the number of CARES participants for each of the utilities that sponsors a CARES program. Companies generally have not set limits on the number of participants in their CARES programs. As Customer Assistance Programs (CAPs) expand, utilities will enroll customers with long term payment difficulties into their CAPs rather than into their CARES programs.

### 1998-1999 CARES Participants

Utility	# of CARES Participants		Short Term Assistance Recipients	
	1998	1999	1998	1999
Allegheny	234	213	N/A	N/A
Duquesne	3,157 <sup>1</sup>	3,656 <sup>1</sup>	N/A	N/A
GPU	193	11	N/A	30
Penn Power	61	N/A	50	N/A
PP&L	578	160	N/A	95
PECO	N/A	432	N/A	1,000
UGI-Electric	N/A	N/A	N/A	468
Columbia	221	95	1,403	1,175
Equitable	103	338	3,334	2,869
NFG	16	13	N/A	13
PG Energy	56	73	8	24
Peoples	760	835	2,284	2,578
TW Phillips	3	7	74	51
UGI-Gas	140	404	N/A	N/A
<b>Total</b>	<b>5,522</b>	<b>6,237</b>	<b>7,153</b>	<b>8,303</b>

<sup>1</sup>Includes both long-term and short-term assistance.

N/A – Company is unable to report this information.

For more information about CARES programs, readers may contact Janice K. Hummel at (717) 783-9088.

## Appendix L

### LIURP SPENDING

	1997	1998	1999	Twelve Year Total
Allegheny Power	\$568,966	\$604,341	\$636,958	\$10,088,329
Duquesne	\$742,033	\$790,455	\$853,202	\$8,497,913
Met-Ed	\$1,353,009	\$1,413,946	\$1,186,062	\$14,703,069
Penelec	\$861,646	\$997,558	\$877,845	\$10,985,236
Penn Power	\$153,800	\$123,100	\$152,700	\$1,764,107
PP&L	\$3,057,730	\$3,061,100	\$4,375,449	\$37,556,521
PECO*	\$3,119,853	\$3,292,514	\$5,633,906	\$40,656,273
UGI-Electric	\$62,787	\$109,508	\$87,886	\$894,836
<b>Electric-Total</b>	<b>\$9,919,824</b>	<b>\$10,392,522</b>	<b>\$13,804,008</b>	<b>\$125,146,284</b>
Columbia	\$1,206,201	\$1,219,238	\$1,313,019	\$12,186,745
Equitable	\$649,122	\$574,952	\$297,944	\$6,590,737
NFG	\$996,744	\$867,008	\$932,966	\$7,879,216
Peoples	\$674,852	\$575,418	\$373,093	\$7,593,172
PG Energy	\$293,182	\$380,185	\$297,769	\$3,565,161
TW Phillips	\$252,179	\$240,000	\$121,082	\$1,953,264
UGI-Gas	\$470,167	\$618,334	\$541,851	\$5,838,393
<b>Gas-Total</b>	<b>\$4,542,477</b>	<b>\$4,475,135</b>	<b>\$3,877,724</b>	<b>\$45,606,688</b>
<b>Overall Total</b>	<b>\$14,462,271</b>	<b>\$14,867,657</b>	<b>\$17,681,732</b>	<b>\$170,752,972</b>

\*Combined electric and gas

## Appendix M

### LIURP Production Levels

	Heating Jobs				Water Heating Jobs				Baseload Jobs				Cumulative 12 Yr. Total
	1997	1998	1999	12 Yr. Total	1997	1998	1999	12 Yr. Total	1997	1998	1999	8 Yr. Total	
Allegheny Power	297	179	2	5,944	314	343	15	9,236	3	0	0	306	15,486
Duquesne	4	2	2	1,968	8	5	15	996	1,011	791	988	5,170	8,134
Met-Ed	405	382	419	6,758	315	381	327	5,347	233	350	269	1,218	13,323
Penelec	240	188	171	4,689	685	705	581	12,101	79	136	153	1,064	17,854
Penn Power	27	11	19	562	122	74	75	1,782	50	60	75	329	2,673
PP&L	1,965	1,619	1,209	23,031	202	323	537	6,041	427	387	750	3,241	32,313
PECO*	769	1,344	1,701	16,064	0	0	0	7,644	4,693	4,218	6,809	27,505	51,213
UGI-Electric	5	26	9	269	0	1	0	13	13	23	50	197	479
<b>Electric-Total</b>	<b>3,712</b>	<b>3,751</b>	<b>3,532</b>	<b>59,285</b>	<b>1,646</b>	<b>1,832</b>	<b>1,550</b>	<b>43,160</b>	<b>6,509</b>	<b>5,965</b>	<b>9,094</b>	<b>39,030</b>	<b>141,475</b>
Columbia	298	255	234	3,292									3,292
Equitable	194	163	52	1,688									1,688
NFG	244	195	192	2,391									2,391
Peoples	225	167	117	2,798									2,798
PG Energy	138	133	112	1,938									1,938
TW Phillips	42	19	18	712									712
UGI-Gas	179	231	205	2,273									2,273
<b>Gas-Total</b>	<b>1,320</b>	<b>1,163</b>	<b>930</b>	<b>15,092</b>									<b>15,092</b>
<b>Overall Total</b>	<b>5,032</b>	<b>4,914</b>	<b>4,462</b>	<b>74,377</b>	<b>1,646</b>	<b>1,832</b>	<b>1,550</b>	<b>43,160</b>	<b>6,509</b>	<b>5,965</b>	<b>9,094</b>	<b>39,030</b>	<b>156,567</b>

\*Combined electric and gas

## Appendix N

### Utility Hardship Funds

<b>Company</b>	<b>Hardship Fund Name</b>
Allegheny Power	Dollar Energy Fund
Duquesne	Dollar Energy Fund
Met-Ed	Project Good Neighbor
PECO*	Matching Energy Assistance Fund (UESF and others)
Penelec	Project Good Neighbor
Penn Power	Project Reach
PP&L	Operation Help
Columbia	Dollar Energy Fund (Western PA.) Project Warm-up (Central PA.)
Equitable	Dollar Energy Fund
NFG	Neighbor for Neighbor
Peoples	Dollar Energy Fund
PG Energy	Project Outreach
T.W. Phillips	Dollar Energy Fund
UGI*	Operation Share
PAWC	Dollar Energy Fund

\*Includes electric and gas

## **Appendix O**

### **PUC Consumer Advisory Council**

Ms. Katherine A. Newell, Esq., Chair  
935 Crestmont Road  
Bryn Mawr, PA 19010

Mr. Carl Kahl  
320 Walker Grove Road  
Somerset, PA 15501

Ms. Cynthia J. Datig, Vice Chair  
Executive Director  
Dollar Energy Fund  
Box 42329  
Pittsburgh, PA 15203-0329

K. Tucker Landon, Esq.  
73 Lake Drive  
Jim Thorpe, PA 18229

Mr. Joseph Dudick, Jr.  
Dynamic Strategies Group  
260 Edward Street  
Harrisburg, PA 17110

Mr. Andrew McElwaine  
Pennsylvania Environmental Council  
600 North Second Street, Suite 403  
Harrisburg, PA 17101

Ms. J. D. Dunbar, Chief Executive Officer  
Penna. Rural Leadership Program  
Pennsylvania State University  
6 Armsby Building  
University Park, Pa. 16802-5602

Ms. Luz Paradoa, Executive Director  
Philadelphia Hispanic Chamber of Commerce  
2749 N. 5<sup>th</sup> Street  
Philadelphia, PA 19133

Mr. William Farally  
Sheet Metal Workers International Assoc.  
Chief International Representative  
1750 New York Ave. NW  
Washington, DC 20006-5386

Dr. Daniel M. Paul  
938 Fountain Street  
Ashland, PA 17921

Mr. Harry S. Geller  
PA Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101

Ms. Jan Rea  
10500 Old Villa Drive  
Gibsonia, PA 15044

Mr. William J. Jones  
148 Balignac Avenue  
Woodlyn, PA 19094-1802

Mr. James S. Schneider  
Manager, Corporate Energy Affairs  
RR Donnelley & Sons Company  
1375 Harrisburg Pike  
Lancaster, PA 17601

Mr. Julio J. Tio  
Apartment 806  
322 N. Second Street  
Harrisburg, PA 17101

## **Appendix P**

### **1999-2000 Pennsylvania Relay Service Advisory Board**

Mr. Lawrence J. Brick, Chairman  
PA Society for Advancement of the Deaf  
3017 Midvale Avenue  
Philadelphia, PA 19129-1027

Mr. Donald R. Lurwick, Vice Chairman  
Member At Large  
P.O. Box 27055  
Philadelphia, PA 19118-0055

Ms. Lenora Best  
Bureau of Consumer Services  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Gary Bootay  
PA Society for Advancement of the Deaf  
6 Manor Drive  
Mechanicsburg, PA 17055-6133

Ms. Colleen Danielson\*  
Outreach Manager  
AT&T  
440 Hamilton Avenue  
Room 401C  
White Plains, NY 01601

Ms. Marcia Finisdore  
Self-Help for Hard of Hearing  
1105 Wooded Way  
Media, PA 19063-2291

Russell Fleming, Secretary  
Center on Deafness at the Western PA  
School for the Deaf  
300 East Swissdale Avenue  
Pittsburgh, PA 15218

Mr. Douglas Hardy  
Central PA Association for the  
Deaf & Blind  
Box 34  
Summerdale, PA 17093-0034

Ms. Grace House  
Bureau of Fixed Utility Services  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Mr. Mitchell Levy  
Account Manager – AT&T  
Accessible Communications Services  
295 N. Maple Ave., Room 5357B2  
Basking Ridge, NJ 07920

Mr. Steve Samara  
Pennsylvania Telephone Association  
30 North Third Street, Suite 300  
Harrisburg, PA 17108-5253

Ms. Debra Scott, Director  
Office for the Deaf & Hard of Hearing  
1308 Labor & Industry Building  
Seventh & Forster Streets  
Harrisburg, PA 17120

Lois Steele  
Pennsylvania State Grange  
5 Buttonwood Drive  
West Grove, PA 19390

Ms. Gail Wickwire\*\*  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

\*Member of the 1999-2000 Pennsylvania Relay Advisory Board replaced by Mitchell Levy

\*\*Member of the 1999-2000 Pennsylvania Relay Advisory Board replaced by Grace House

# **Consumer Access to the Public Utility Commission**

**The Pennsylvania Public Utility Commission provides access to consumers through several toll free telephone numbers:**

**Termination Hotline: 1-800-692-7380**

**Complaint Hotline: 1-800-782-1110**

**Electric Competition Hotline: 1-888-782-3228**

**General Information Line: 717-783-1740 (not toll free)**

**✍ Consumers can also reach the Commission by mail at the following address:**

Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg PA 17105-3265

**✍ Information about the PA PUC is available on the following Internet site:**

<http://puc.paonline.com>

**✍ Information about electric choice is available on the following Internet site:**

[www.electrichoice.com](http://www.electrichoice.com)