



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

Oct. 26, 2016

Dear Utility CEO:

We are writing to enlist your support for the Pennsylvania Public Utility Commission's 14th annual "Prepare Now" campaign, which focuses on the many Pennsylvania consumers who may not be prepared to handle the costs associated with upcoming winter energy bills.

Many utility consumers may not be familiar with the programs available to help them maintain or restore utility service. Additionally, changing circumstances may trigger a need for assistance for individuals and families who may not have faced this situation before. It is imperative that we work together to remind consumers about the availability of such programs, and we urge all utilities to increase their outreach efforts to ensure that consumers receive information about any program for which they may be eligible.

As we commence the 2016 "Prepare Now" campaign, the Commission is focusing on educating consumers about the availability of low-income programs; increasing consumer awareness of ways to reduce winter heating costs; educating consumers on energy conservation; encouraging consumers to check electric and natural gas bills and supplier contracts; and informing consumers about PAPowerSwitch.com and PAGasSwitch.com as resources to shop for services.

We appreciate your past cooperation with this initiative and ask that you continue to urge consumers on limited or fixed incomes to enroll in utility company programs to help heat their homes or pay their energy bills, including Customer Assistance Programs (CAPs), Low-Income Usage Reduction Programs (LIURP) and budget billing. Low-income households across Pennsylvania also may be eligible for grants under the federal Low-Income Home Energy Assistance Program (LIHEAP), and the Commission strongly supports efforts to increase the visibility of this program, as a companion to the utility-based programs. Efforts to educate consumers about conservation and ways to reduce energy usage also are beneficial as we move into cold weather/peak consumption months.

Lastly, it is important to note that utilities have more flexibility under the law than does the Commission to make allowances for payment-troubled consumers. Moreover, in dealing with these situations, utilities are reminded of the provisions under Chapter 56 of the Public Utility Code that impose an obligation of good faith, honesty and fair dealing in their performance and enforcement. With this in mind, we ask that you consider the following actions as we head into the winter heating season:

- 1) Improve efforts to link consumers to programs that are available to help them restore and maintain service, such as CAP, LIHEAP and utility or local hardship funds.
- 2) Refer low-income consumers to CAP when they call to make payment arrangements. We expect our utilities to do everything possible to get eligible consumers into CAP, especially if a termination-related problem exists.
- 3) Increase corporate donations to utility Hardship Funds and other local programs that assist consumers who need help paying their utility bills.
- 4) Review company procedures to ensure that automatic payments and online payments allow for consumer contributions to Hardship Funds.
- 5) Restore service to low-income consumers upon enrollment into the company's CAP for the first time.
- 6) Limit the number of terminations of confirmed low-income consumers by scaling back the company's termination program as the cold weather approaches. This includes reviewing termination

and reconnection procedures to allow consumers who are making a good faith effort to pay their bills to keep utility service whenever possible.

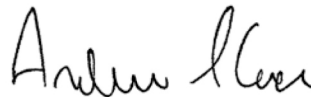
- 7) Waive or reduce security deposits, reconnection fees and late payment charges if they are a barrier to restoration of service or establishing a payment arrangement. As previously noted, utilities have more discretion in waiving these fees than does the Commission. If a security deposit or reconnection fee is necessary, consider adding it to the consumer's bill instead of making it an initial condition of providing service.
- 8) Accept any combination of LIHEAP grant, crisis grant and Hardship Fund grant as sufficient funds to initiate or reconnect service for low-income consumers. If a consumer payment is also necessary, we encourage you to be as lenient as possible.
- 9) Exercise leniency when establishing payment arrangement plans for all consumers. Again, utilities have more discretion in making payment arrangements than does the Commission. When assessing whether to grant a payment arrangement, please consider:
 - Changes in circumstances such as lost or reduced income,
 - Extended illness of the ratepayer or a household member, or
 - Increased household size and accompanying expenses.
- 10) Provide customers with information about home heating safety and work to get consumers who have been "red tagged" the assistance or information needed to help in obtaining repairs to furnaces or heating systems. Refer low-income consumers to the LIHEAP crisis program for emergency repairs.
- 11) Promote the use of budget billing programs and third-party notification forms.
- 12) Provide information to consumers regarding how they can reduce their heating costs through conservation, including information on weatherization programs as well as cost-effective steps they can do themselves.

Please inform the Commission by Friday, Nov. 18, 2016, of any of the above suggested actions your company implements in order to assist in the "Prepare Now" campaign. Also, feel free to offer any additional suggestions you may have that would improve our efforts. Send your comments to Michael Kasputis in the Bureau of Consumer Services at mkasputis@pa.gov. Thank you for your cooperation.

Sincerely,



Gladys M. Brown
Chairman



Andrew G. Place
Vice Chairman



John F. Coleman Jr.
Commissioner



Robert F. Powelson
Commissioner



David W. Sweet
Commissioner