



VALLEY ENERGY

523 S. Keystone Avenue, P.O. Box 340, Sayre, PA 18840
800/998-4427 • 570/888-9664 • FAX 570/888-6199

November 1, 2016

MR. Michael Kasputis
Commonwealth of Pennsylvania
Bureau of Consumer Services
PO Box 3265
Harrisburg, PA 17105-3265

Dear Mr Kasputis:

This is in response to Commission correspondence dated October 26, 2016 regarding the "Prepare Now" campaign. Valley Energy is taking the following steps as we head into the winter 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. *Valley Energy started contacting customers in September about reconnecting their natural gas service. If customers do not contact us and we cannot reach them by phone, we tag the door or contact the landlord. We mail LIHEAP applications, along with a letter, to customers we are unable to contact by phone or in person. We also notify them of local organizations and the Dollar Energy Fund.*
- 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. *Valley Energy does not offer CAP, but we do have a hardship fund (Dollar Energy) and there are a few local agencies that will help customers with their bills if faced with termination or if their service has been terminated. Customers are notified of these options when they call our or stop in our office.*
- 3.** Increase corporate donations to utility Hardship Funds and other local programs that assist consumers who need help paying their utility bills. *Valley Energy matches donations up to \$5,000.00 for our Dollar Energy Fund. Printed on our bills is an option to donate to the fund and on our website*

there is a link to the Dollar Energy Fund so customers can donate that way, also.

4. Review company procedures to ensure that automatic payments and online payments allow for consumer contributions to Hardship Funds. *See #3.*
5. Restore service to low-income consumers upon enrollment into the company's CAP for the first time. *See #2*
6. Limit the number of terminations of confirmed low-income consumers by scaling back the company's termination programs 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. *If customers have a termination notice during cold weather, Valley Energy will try to contact them and do whatever possible to help them keep their service from being terminated. We will allow a payment arrangement or let them know about LIHEAP, the Hardship Fund and local agencies that can help them.*
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. *Valley Energy waives the deposit for a low income customer that needs reconnection and we tell them to apply for heat assistance, if they haven't already done so. We will also waive late fees in certain situations.*
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. *Valley Energy does accept these funds for reconnection. If we require more because of a large balance, we will accept funds from local agencies that can help, which will require the low-income customer to pay very little or nothing at all.*
9. Exercise leniency when establishing payment arrangement plans for all consumers. Again, utilities have more discretion in making payment arrangements than does the commission. *If a customer qualifies for LIHEAP, we will set up a payment arrangement according to the low income guidelines and depending on the balance due, we will use the longest term available. If a customer is not considered low income, we will set up an agreement according to household income.*
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. *Valley sends safety inserts in our bills and safety information is included on our website. We have referred our low-income customers to TREHAB, a community action agency, who works with the LIHEAP crisis program if they need heating repairs.*

- 11.** Promote the use of budget billing programs and third-party notification forms. *We usually suggest the budget to our customers, especially the ones that have been on payment arrangements. We currently have 525 customers on budget billing. We mail an insert about third-party notification yearly and information about this is on our website.*
- 12.** Provide information to customers on how they can reduce their heating costs through conservation including information on weatherization programs available as well as cost-effective steps they can do themselves. *Valley encloses an insert in our bills explaining energy conservation. During the winter season we will add different tips on energy conservation as a message on the bills. We also refer consumers to the weatherization program through TREHAB.*

If you have any questions or require further information, please contact me at 570-888-9664(5228).

Sincerely,

Nancy Pack
Customer Service Manager