

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

**Meeting of January 22, 2013**

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

[www.puc.pa.gov](http://www.puc.pa.gov)

**Call to Order and Introductions**

Tina Serafini called the meeting to order at 10 a.m. in the Executive Chambers of the Public Utility Commission.

The Council approved the November 27, 2012, minutes.

**Attendance**

The following members of the Council were present:

Pedro Anes	Harry Geller
Michael Bannon	Tina Serafini
Lillian Carpenter (telephone)	George Silvestri (telephone)
Cindy Datig (telephone)	Lee Tolbert (telephone)

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

Tim Hennessey, Chairman	Rick Hicks
Robert Christianson, Vice Chairman	Joe Toner
John Detman	

Public Utility Commission Staff Present:

Jan Freeman, Executive Director  
Tom Charles, Office of Communications  
Cyndi Page, Office of Communications  
Lori Shumberger, Office of Communications  
Tom Beene, Legislative Affairs  
Dan Mumford, Bureau of Consumer Services

Guests Present:

Heather Yoder, Office of Consumer Advocate  
Marybeth Smialek, FirstEnergy

## Alternatively Fueled Vehicles and PUC Update

Jan Freeman from the PUC's Executive Offices was asked to give an update on alternatively fueled vehicles and other general PUC updates.

Jan Freeman said he is finishing up his first year and half with the Commission. There is never a lack of issues that the Commission is dealing with.

One of the biggest issues for the Commission is the retail markets investigation (RMI). Some of the Council members have been following the details and updates from past meetings.

There are close to 2 million customers who are shopping for a supplier, and this includes a high number of industrial customers. This number moves up every week and should bypass the 2 million customer shopping mark soon.

Last year, the Commission passed the Tentative RMI Order and plans to have the RMI Final Order approved at the February 14 Public Meeting. One of the main issues is changing the price to compare to a 90-day product.

Act 13 deals with the Marcellus Shale or unconventional gas well impact fee. About \$204 million was distributed to various counties, municipalities and state agencies, including the PUC. The Commission is planning to add information to the PUC's website relating to the types of natural gas wells being used. Producers are being asked to confirm that this information is correct. This will help the PUC to accurately allocate the impact fee for 2013. We plan to distribute these funds by July 1 of this year.

For Act 127, the Gas and Hazardous Liquids Pipelines Act, this gives the PUC authority to enforce federal pipeline safety laws as they relate to gas and hazardous liquids pipeline equipment and facilities. The PUC will be hiring personnel to cover these added responsibilities for the additional 1,000 miles of pipelines.

Act 129 expands the Commission's oversight responsibilities and imposes new requirements on electric distribution companies (EDCs), with the overall goal of energy efficiency and smart meters. The timetables for each EDC could vary.

PECO's smart meters overheating problem has been reviewed, and they are moving forward with replacement meter installations.

Act 11 created a Distribution System Improvement Charge (DSIC) for wastewater, electric and natural gas companies to recover the costs incurred to repair, improve or replace old pipelines. Companies must have filed a rate case with the PUC in the last five years or must do so now before submitting their DSIC plans.

The Commission is facing another budget challenge. The Commission went in with a small increase, but the Governor requested a zero budget increase. The Commission may or may not get our requested budget request.

The Commission will be expanding into the use of social media this year. During Hurricane Sandy last year, it was clear social media was a great way to communicate to customers about outages and other issues on Facebook and Twitter. The Commission is planning to start using Twitter for press releases and other information, and Facebook for shopping for a supplier. This should be up and running in February.

On electric reliability, in 2011, Pennsylvania was hit with three storms. In 2012, Hurricane Sandy could have been worse had its path been more easterly. However, Pennsylvania still experienced huge outages. The PUC hosted a reliability forum in January to discuss these issues. Most customers understand that their electricity may not be back on the first day, but they expect correct and timely information. The utility companies are improving customer communications, and the PUC is working with the companies. Hopefully, these storms are not the norm moving forward.

The PUC may be taking over PA One Call enforcement from Labor and Industry. Legislation still has not been introduced. There are normally more than 6,000 line hits a year. The PUC must change contractors' behaviors on digging without calling PA One Call. Also, fines for sites that were not marked properly also may help to reduce hits – providing for less property damage and personal injury.

Harry Geller asked will the PUC need to add more staffing to cover the additional responsibilities of PA One Call? Jan Freeman said, if the PUC receives complete jurisdiction over PA One Call, it would be given to the Bureau of Investigation and Enforcement. At this time, we are not sure of what our exact staffing needs would be.

Michael Bannon asked if PA One Call has a fee system already. Jan Freeman said there are fines now being assessed, and the PUC will be responsible to administer these fines. The PUC hopes to change the behavior of contractors, facility owners and line locators.

Pedro Anes mentioned Hurricane Sandy and the emergency management. Some groups were using old maps that didn't list all the homes in the area. Jan Freeman said he hadn't heard about these issues. Smart meters would help by letting the utility know who is without power.

Jan Freeman said a lot of people bring up the issue of putting all lines underground would eliminate some of these outages. But to move everything underground could be more expensive and could take twice as long to restore. It is often much more difficult to get to the underground wires. The companies would need to excavate in order to make line repairs.

On alternatively fueled vehicles (AFVs), the PUC held a forum last May, at Drexel University. There were about 20 speakers who talked about electric vehicle compressor stations, charging stations, reduction of dependence on foreign oil, reduction of air emissions and electricity coming from non fossil-fuels.

Pennsylvania has a great supply of natural gas with Marcellus Shale, and we should look for more ways to utilize it.

Jan Freeman went over all of the different AFVs that are being considered. They are Natural Gas Vehicle (NGV), Compressed Natural Gas (CNG), Liquefied Natural Gas (LGV), Electric Vehicles (EV), Plug-in Electric Vehicle (PEG), Plug-in Hybrid Electric Vehicle (PHEV) and Hydrogen with either a combustion or fuel cell system.

There are commercial businesses that are investing in AFVs. Federal Express and Giant Eagle are two companies that have looked into AFVs.

Under the PA Department of Environmental Protection (DEP) and Act 13, there are grants available for businesses to switch their fleet vehicles to AFVs.

George Silvestri sent in information on Methanol gas to gasoline technology. There are two groups moving to investigate the conversion of methane into gasoline. They are Shell Oil and Exxon. The cost to provide the infrastructure for methane to customers will be high. Jan Freeman said the article had some good concepts.

Tina Serafini asked about electric vehicles and exchanging stations for batteries. Jan Freeman said that was discussed, and the Turnpike is planning to build electric charging stations by May.

Electric vehicles are better suited for homeowners than fleet vehicles. It can take up to eight or 10 hours to recharge. This also could put a large demand on the electric grid.

Jan Freeman said there needs to be more commitment to install more AFV fueling stations. The state could see more competitive suppliers adding AFV fueling stations like Sheetz.

Michael Bannon said in his area there is a station, but only for heavy duty trucks. Will this be offered to residences section? Jan Freeman said he wasn't sure, but it would be based on marketing decisions. The conversion from gasoline to an AFV isn't cheap. There needs to be a bigger push in Detroit to build AFVs. At this time only Honda is building a pure compressed natural gas car.

Jan Freeman said there is no easy answer when it comes to AFVs. But the PUC wants to stay on top of these issues.

## PUC Website Walk-Through

Cyndi Page from the Office of Communications was invited to give a walk-through on the new PUC website.

Cyndi Page told those on the phone that they could log onto the PUC's website and follow along.

On our home page, there are sliders that change every few seconds. The PUC now adds a slider to inform everyone when the office is closed. These sliders will be updated.

The biggest difference with our website is the consumer and utility information is now separate. A consumer can click on the consumer info box and only consumer information come up. It will be separated by utility so if a consumer has a question on natural gas, they can search there.

The bottom of the consumer info page also lists each utility and top issues for each utility.

Also new to the website is the PA Natural Gas Shopping page. This will allow customers to shop for a new supplier for natural gas just like electric. To shop, just go to you company, click on it, and a list of suppliers will come up. With the list of supplier, their phone number, the contract length, the price per ccf or mcfr. Each supplier must put in the price on how they measure their gas. If a consumer doesn't know their gas company, you can add your zip code, and it will bring up the company in your area.

The PUC will now be posting videos on our website. There will be three sections. The first page will have public meeting videos. The second page will have press release feeds that are done after public meetings for the media. The third page will have other videos that we have.

Filing and Resources are all together now. The hot issues are on the front page. The forms are now listed by utility type to make locating forms easier. The complaint forms are also under this section.

The About PUC page has who our Commissioners are. This also lists our bureaus and offices, staff contact information, document searches, public meeting information and Consumer Advisory Council information.

Harry Geller said the new website is great. One issue that he would like to change is how to find information on assistance programs and universal service. It takes a while to find this. Could it be on its own separate page? Cyndi Page said they would look into this and maybe change the title of the page. Also a slider page could be added for LIHEAP for a week or two. Maybe we could add to the bottom of the page

under each utility. Harry Geller suggested using “low income programs” or “customer assistance programs.” Cyndi Page said they would look into this suggestion.

Michael Bannon said the website is really good, and that he used the site a couple times. Harry Geller said there is a tremendous amount of good information there.

Lillian Carpenter asked if the font size could be made bigger. Cyndi Page said she would check.

Pedro Anes asked if our site is secure. Cyndi Page said yes, the PUC has a large group that handles this.

## **Retail Markets Investigation Update & Cold Weather Survey**

Dan Mumford from the Bureau of Consumer Services was invited to give an update on the Retail Markets Investigation and Cold Weather Survey. A copy of the press release and results are in the packets.

Dan Mumford said, due to the morning weather, he would start with the cold weather survey. Every year, the utilities are required to go out and contact customers that were terminated and see if they could work out anything prior to winter. The utilities had to make four attempts to get hold of the customers. The utility is not required to restore but only try to negotiate to get the service back on.

This year there are about 15,900 households without service. This has decreased from previous years. The PUC did a press release on Dec. 18, 2012.

Every year, the utilities must do a follow-up survey by Feb. 1, and go back out and contact those still without service. Hopefully, more households will get service back. There will be a press release done with the new survey numbers.

Lee Tolbert asked what is considered a good faith effort. Dan Mumford said the Commissioners send out the Prepare Now campaign letter in the fall and list certain things to do or try to get the customer back on, such as screen the customers to see if they are eligible for special programs and talk to them about LIHEAP grants.

Pedro Anes said there are customers in the gray area that their income is too high for low income help, but cannot afford their high bills. Dan Mumford said there is always this group that is above the poverty level but still needs help. All the PUC can do is ask the utilities to do what they can to help these customers.

Pedro Anes asked if the company could open another account for just the winter months. Dan Mumford said the utility could require a security deposit. The PUC has asked the utilities to work with customers, but we cannot make them.

Lee Tolbert said utilities are not using good faith in Philadelphia. Dan Mumford said we can only make a request, we cannot tell them.

Harry Geller said Lee Tolbert and Pedro Anes made good points. The Commission does not have the ability to require them to reconnect the consumers, but are there other ways or options that could be offered? Dan Mumford said they can look at this for next year's Prepare Now letters.

Dan Mumford said the numbers from the resurvey should be into the Commission on Feb. 1. Hopefully, there will be more customers reconnected.

Dan Mumford said the Chapter 14 biennial report has been issued. This report shows the collection trends. Data goes back a decade. Michael Bannon asked about receiving a copy of the report. Dan Mumford said the report is on the website.

Dan Mumford said the Utility Consumer Activities Report and Evaluation (UCARE) is a valuable resource that allows consumers to review their local utility's customer service performance for each year. Performance measures include consumer complaint rate, justified consumer complaint rate, response time to consumer complaints, payment arrangement request rate, justified payment arrangement request rate, response time to payment arrangement requests, infraction rate and termination rate. This report is also on our website.

Dan Mumford said the Retail Markets Investigation (RMI) comments are online. The next step for the Commission is issuing a Final Order. There are comments from 30 parties. Everything is on the website. If anyone needs the link, please let us know.

The PUC has been busy reading and developing the Final Order. The Final Order should be voted on in February.

Harry Geller asked if the Commission will need additional staff to handle the increased workload. Dan Mumford said that multiple bureaus will be handling sections of the Final Order's requirements. So at this time, the Commission should be able to handle everything without needing to hire anyone.

## **2-1-1 Funding Update**

Tom Charles said the petition for 2-1-1 funding has not been filed with the Commission yet. This still may happen late winter or early spring.

The delay for the pilot programs is due to the negotiation of money amount. United Way and the utility companies are still looking to use universal service funds to help.

Tom Charles said both Rick Hicks and former Commission Tyrone Christy are working on this program.

Michael Bannon asked if this is still just for Western Pennsylvania. Tom Charles said yes.

Harry Geller said Columbia Gas has a rate increase case before the Commission and requested funding for the 2-1-1 program. He is concerned that more companies will submit requests to use Universal Service Funding for this purpose.

Cindy Datig said she heard about one utility using Commission approved education funding. Tom Charles said he heard a rumor, but that program expires at the end of December.

Harry Geller asked if DollarEnergy is petitioning for funding. Cindy Datig said no.

Lee Tolbert said the 2-1-1 program has left the eastern part of Pennsylvania out. Why isn't Philadelphia included in the program? Tom Charles said, at this time, the pilot program would only be in Western Pennsylvania.

The Philadelphia smart meters were brought up and the question asked. Is there new information on this issue. Tom Charles said a new vender was chosen and all the faulty smart meters have been replaced. There haven't been any more problems with the smart meters, but he will get an update in a future meeting.

Someone asked about the limousine regulations on replacing vehicles that are eight years or older. Is there any information on this? Also, related to the limousines in Philadelphia: Are they under the Commission's jurisdiction or under the Philadelphia Parking Authority? Tom Charles said he would get an update on this for a future meeting.

## Legislative Update

Tom Beene from the PUC's Legislative Affairs was invited to give a legislative update.

Tom Beene said the House and Senate just came back in session, so there isn't much happening yet.

On Feb. 7, the House Consumer Affairs will be holding a public hearing regarding the general overview of the utility industry.

On Feb. 14, the House Consumer Affairs will have a public hearing on natural gas distribution service.

The PUC's upcoming budget hearings will be held on Feb. 19, with the Senate Appropriations Committee and on March 6 with the House Appropriation Committee.

Harry Geller asked if there will be any new legislation on Chapter 14. Tom Beene said this depends on the executive's and legislative agenda. They may start holding hearings this year, but we haven't heard of anything yet.

## Future Agenda Items

### Future Meeting Topics Include:

- 2-1-1 Funding Update
- Aging Workforce and Line Crew Update
- Chapter 14 Progress Update
- Legislative Update
- Limousine Company Regulations
- Marcellus Shale Update
- Resale of Utilities
- Smart Meters Update

The next meeting for the CAC will be held at 10 a.m. on March 26, 2013, in the Executive Chambers of the Commonwealth Keystone Building.

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