

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

Meeting of July 25, 2017

P.O. Box 3265

www.puc.pa.gov

Harrisburg, PA 17105-3265

Call to Order and Introductions

Chairman Ralph Douglass called the meeting to order at 10 a.m.

The Council approved the minutes for the March 28, 2017, and May 23, 2017.

Attendance

The following members of the Council were present:

Ralph Douglass, Chairman (telephone)	Chad Quinn (telephone)
Tim Hennessey, Vice Chairman (telephone)	Tina Serafini
Troy Geanopoulos	Joe Toner (telephone)
Sonny Popowsky	Javier Toro (telephone)
	Chris Winters

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

Lillian Carpenter	George Silvestri
Patrick Cicero	

Public Utility Commission Staff Present:

David Alexander, Chairman Brown's Office
Joe Witmer, Chairman Brown's Office
Labros Pilalis, Vice Chairman Place's Office
Matt Totino, Commissioner Coleman's Office
Krystle Sacavage, Commissioner Powelson's Office
Angela Kassahun, Commissioner Sweet's Office
Regina Matz, Commissioner Sweet's Office
Tom Charles, Office of Communications
Lori Shumberger, Office of Communications
Christina Chase-Pettis, Office of Communications
Colin Scott, Law Bureau
Robert Young, Law Bureau
Tom Beene, Legislative Affairs
Matt Hrivnak, Bureau of Consumer Services
Michael Fausey, Law Bureau Intern
Holly Smith, Law Bureau Intern

Guests Present:

Linda Melenchek, PPL
Nicole Gear, Energy Association of PA

Heather Yoder, Office of Consumer Advocate
Taylor Doyle, Office of Consumer Advocate
Joe Graham, Office of Consumer Advocate
Shelby Linton-Keddie, Duquesne
Lennie Howell, FirstEnergy (telephone)

CAC Chairman and Vice Chairman Elections

Tom Charles said that these events will be postponed until the September Council meeting, considering most members are absent or calling in.

Legislative Update

Tom Beene, from Legislative Affairs, was asked to give an update on legislation.

Tom Beene said the state budget was passed, but the funding for it has not been passed yet. There is talk about adding a gross receipt tax on cell phone service, home-heating bills, electricity and some premium cable channels.

The Senate could be called back in later today. Both the Senate and House are on a six-hour call of the Chair.

House Bill 1490 places water and sewer authorities in cities of the second class under the jurisdiction of the PUC. The Pittsburgh area would be covered under this bill. Like PGW, the Pittsburgh Water and Sewer Authority would be under us. This bill has passed the House and is on the third consideration in the Senate. There is a provision in our budget for an increase to cover the costs if this bill passes.

Senate Bill 242, PA One Call legislation, has passed the Senate and is now in the House Consumer Affairs Committee.

Senate Bill 774 creates a statewide Office of Administrative Law Judge for all Commonwealth agencies to utilize. The PUC opposes this legislation and seeks exemption from it. The bill had some movement last session but, it is not certain what will happen this session.

Tom Beene said Senate Bill 446 includes language amending the Alternative Energy Portfolio Standards (AEPS) Act to close the borders for solar. The Administrative Code bill was amended by the House Appropriations Committee. The bill does not harm existing contracts.

Senate Bill 211 is a grant program for a Statewide 2-1-1 system. There is a House Bill 211 as well. The Senate Bill is in the House, and the House Bill is in the Senate. The bill does not appropriate money, although grants, would come from funds appropriated or made available.

Ralph Douglass asked how the PUC is funded. Tom Beene said the PUC is funded by assessment of regulated public utilities.

Sonny Popowsky brought up the gross receipt tax. The natural gas tax was done away with around 1999. This bill was shot down last year, and we will see what happens this year.

Sunoco Pipeline and Legislation on Eminent Domain Presentation

Robert Young, from the Law Bureau, was invited to give an update on pipeline jurisdiction and eminent domain presentation. A copy of the PowerPoint and definitions are in the packets and were emailed to everyone on the phone.

Page 2 gave the definition of a public utility. Section 1 explains the basic definition of the public code since 1913 and the types of fuel transported by pipeline.

Pages 3 and 4, explained the differences among Petroleum products, natural gas and natural gas liquids.

Page 5 covers the federal Natural Gas Act and Interstate Commerce Act. The federal Natural Gas Act preempts the state's ability to regulate the interstate transmission of natural gas, but the Interstate Commerce Act (ICA) permits state regulation of the transmission of natural gas liquids in intrastate commerce.

Page 6 explains the Mariner East project of Sunoco Pipeline LP (SPLP). The SPLP falls under both the federal and state laws. The Intrastate transmission is under the PUC, and the interstate transmission is under the Federal Energy Regulatory Commission (FERC).

Page 7 is a map of the Mariner East Pipeline Project. The map shows the existing Mariner East 1 pipeline and the proposed Mariner East 2 pipeline. The map also shows where different facilities and terminals are located on the pipeline.

Page 8 starts the eminent domain presentation. The description covers what is a public utility corporation and the PA Business Corporation Law regulation that covered the eminent domain.

Page 10 covers the Public Utility Code which requires public utilities to have Certificate of Public Convenience (CPC) before exercising eminent domain.

Sunoco is a public utility in Philadelphia.

Joe Toner asked if the Sunoco project has a CPC issued by the PUC. Robert Young said yes, they have certificates for the geographic scope of the pipeline but the certificates are not project specific.

Ralph Douglass asked where Washington County is on the map. Robert Young said the Houston facility is in Washington County.

Tina Serafini asked if the pipeline follows the Turnpike? Robert Young said it does not follow the Turnpike completely. The original pipeline is from the 1920s or 1930s and at that time, it probably followed railroad rights-of-way.

Sonny Popowsky stated the PUC does not have siting authority for the Mariner East pipeline. Robert Young said that is correct, and, while FERC sites interstate natural gas transmission, FERC does not site hazardous liquids lines.

Joe Toner said, in Chester County, the PUC judge ordered Sunoco to “cease and desist all current construction” due to the township filing an emergency order and an interim emergency order. The interim order has been acted on and is now in front of the PUC and most likely will have a briefing schedule. There was a newspaper article on Monday, June 26. Robert Young said that, since this is before the Commission, it cannot be discussed.

Robert Young thanked the Council for the invitation.

Ralph Douglass said this is a very interesting issue, and he would add Sunoco Pipeline to the CAC Subcommittee agenda. Joe Toner said he would like to be included. Ralph Douglass said he would email everyone.

Joe Toner gave a description on what is happening with the pipeline. The product is not a petroleum product. It is an odorless, colorless gas that is heavier than air. It will collect in basements, over swimming pools. Since there is no odor or color to the gas, if it is leaking, no one will know. If someone uses a cell phone around the leak, it will ignite. There have been requests to Sunoco to restrict smoking from their employees in the construction area. Even when Sunoco has agreed with consumers, they continue to allow smoking in the construction area.

After a discussion on the multiple concerns about the Sunoco pipeline, Ralph Douglass said he would make sure this issue is on the Subcommittee agenda. The Subcommittee meeting will be on Tuesday, Aug. 22, 2017, at 10 a.m. An email will be sent out a week prior with the agenda and telephone conference call information.

Colin Scott said he would cover how the Council is to submit information to the Commissioners and staff under his section.

Chapter 56 Revisions Update, Terminations/Reconnections

Matt Hrivnak, from Bureau of Consumer Services, was asked to give an update on Chapter 56 revisions and the termination/reconnection numbers.

Chapter 56 revision comments were due in April. At the July 12 Public Meeting, the Commissioners voted to seek additional input on initial comments submitted as part of the PUC’s proposed rulemaking to request comments on two new matters that would enable confirmation notices on supplier contracts to be sent to third parties, as well as further clarify termination rules for customers appealing informal decisions by the PUC.

Relating to the definition of a “Medical Certificate,” the Commission is proposing new content standards for medical certificates, the Public Utility Code contained no definition for medical certificates and added physician assistants to the list of health professionals who can authorize medical certificates, a change also sought in the proposed rulemaking.

Matt Hrivnak said all interested parties have 45 days from the publication of the Order in the Pennsylvania Bulletin to provide written comments to the PUC. There could be a chance that the rulemaking will be published by this Saturday. (The order was published in the Pennsylvania Bulletin on Saturday July 29.)

Ralph Douglass said this will be added to the subcommittee meeting as well. The Council had submitted comments back in April and should consider submitting reply comments.

Affordability Study and the Universal Services Review

Tom Charles said there is no update now, and this issue will be included on a future meeting agenda.

Council Responsibilities and Regulations and PUC’s Jurisdictions

Colin Scott, from the PUC’s Law Bureau, gave an update on the Council’s responsibilities and regulations. A copy of the regulation is in your packets.

Colin Scott said the function of the Council is to advise the Commission on matters affecting consumers within the Commission’s jurisdiction. The Council can do this by providing information to the Commissioners through meetings, minutes and motions. The regulation establishing the Council has not been updated since 1977.

The Council was created by regulation at 52 Pa. Code Ch. 91. The Council can bring consumer inquiries or concerns and ratepayers’ recommendations to the Commission.

Colin Scott stated the Council’s minutes and agendas are on the PUC’s website, and Commissioners’ staffs receives the minutes.

The Commission is governed by Title 66 (the Public Utility Code) of the Pennsylvania Consolidated Statutes, and practice and procedure before the Commission is governed by Title 52 of the Pennsylvania Code. A “public utility” is defined at 66 Pa. C.S. § 102, and the Commission is granted general administrative power and authority to supervise and regulate these entities in Section 501.

The Commission has jurisdiction over electric, natural gas, public water, public wastewater, telephones, passenger transits, taxis, limousines, railroads, railroad bridges and crossings, and pipeline transportation and safety.

Colin Scott said the question has been asked on how the Council could better serve consumers. The Commissioners have recommended the Council members should reach out to their constituents to bring back their concerns.

Colin Scott said the Council members are appointed for a two-year term and can be reappointed without limits. There are six members that are executive or legislative appointments, and the rest are Commission “at-large” appointments to ensure geographic representation and diversity in consumer classes.

Colin Scott said the Council formed a Subcommittee to discuss in greater detail issues that may be reported to the Commission. These conference call meetings are on the fourth Tuesday of the months the larger Council does not meet. The Council did file comments on Chapter 56 revisions and can file additional comments on Chapter 56.

The Council must appoint a Chairman at the beginning of the new term and has traditionally selected a Vice Chairman, too.

There must be a quorum for each meeting. Quorum is half the Council appointees plus one. Please make every attempt to attend the meetings; in the past, it has been hard to get a quorum. There are 12 members for the upcoming two-year term, so there must be seven members to participate for a quorum.

The Council must hold regular meetings no less than quarterly. All meetings are open to the public.

Section 91.5 explains salaries and expenses for the Council, and states the PUC must provide the Council a reasonable amount of staff assistance.

Joe Toner brought up the use of our own private vehicles to attend the meetings and contended that more members of the Council would attend meetings in person if allowed to use their own cars. Lori Shumberger said that members can drive their personal vehicles, but they would be reimbursed at the lower rate. There is a chance the Office of the Budget will decide the reason is not good enough to be reimbursed. Ralph Douglass said he likes using the Enterprise car.

Ralph Douglass stressed that everyone needs to attend meetings.

Future Agenda Items

Ralph Douglass said the Sunoco issue should be kept on the agenda, as well as:

- Act 12 of 2016, Section 1329, on acquiring water or wastewater systems.
- The PUC and Solar jurisdiction and role.

Matt Hrivnak said the PUC Universal Services Stakeholder Meeting is tentatively set for Sept. 13 and Sept. 14. Comments are due in by Aug. 8, 2017. Ralph Douglass asked how

the PUC will announce this event. Tom Charles said the meeting was publicized in the Pennsylvania Bulletin and in notices to parties.

Tina Serafini brought up the 10-digit dialing in the 717-area code. Has this been done in other areas? Tom Charles said yes.

###