

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

Meeting of July 23, 2019

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 May 28, 2019, minutes.

Attendance

The following members of the Council were present:

Ralph Douglass, Acting Chairman	Sonny Popowsky
Mary Bach	Sylvia P. Simms
Carl Bailey	Joe Toner (Telephone)
Lenora Best	Justin Udo (Telephone)
Tim Hennessey	

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

Patrick Cicero, Chairman	Chad Quinn
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Public Utility Commission Staff Present:

Angela Kassahun, Vice Chairman Sweet's Office
Regina Matz, Vice Chairman Sweet's Office
Hayley Book, Commissioner Place's Office
Tom Charles, Office of Communications
Lori Shumberger, Office of Communications
Tiffany Tran, Law Bureau
Robert Young, Law Bureau
Tom Beene, Office of Legislative Affairs
Matt Hrivnak, Bureau of Consumer Services
Michele Tate, Bureau of Consumer Services
Dan Mumford, Office of Competitive Market Oversight

Guests Present:

Leonard Bach, guest
Heather Yoder, Office of Consumer Advocate

New Council Members Introductions

Mary Bach introduced her husband/driver, Leonard Bach. She is a former high school teacher and has sued many businesses for overcharging consumers. She has spent 20 years with the AARP PA Consumer Issues Task Force that helps the public to avoid becoming victims of frauds and scams. She has given more than 1,100 presentations to groups statewide over the past 10 years.

Lenora Best said she is a retired PUC Bureau of Consumer Services (BCS) manager. She has worked decades helping low-income customers and programs. She is excited to work with everyone. She has an elderly parent who also is a low-income consumer.

Carl Bailey stated he formed his own business straight out of college. He retired when he was 40 years old and is now 76 years old. He volunteers with Mary Bach at AARP. He has worked on several committees and national boards for consumers. He has travelled across the country. He is a veteran Captain in the Third Regiment Infantry in the Korean War. In 1997, there were many veterans who had appointments at the Philadelphia hospital and had nowhere to stay. He started a home for veterans to stay overnight. It is a great feeling to know that you are doing good for your community.

Sylvia P. Simms said she is the founder of PARENT POWER that conducts workshops and training to get more families involved in their children's education and communities. She was a former school commissioner. She worked mostly with children's education.

Justin Udo said he lives in Philadelphia and is a reporter for the KYW News Radio and CBS 3 News. He used to live in Western PA. He was appointed by the Lt. Gov. John Fetterman.

Ralph Douglass said he has served for 15 years on the school board and would need to have a discussion with Sylvia P. Simms on how to get the parents involved. He welcomed all the new members to the Council.

Chairman and Vice Chairman Election

Ralph Douglass stated he was accepting nominations for the new Chairman.

Sonny Popowsky nominated Patrick Cicero. Sonny Popowsky stated he talked with Patrick Cicero about the Chairman position and was given a yes answer that he is willing to service. The motion passed approving Patrick Cicero as the Chairman for the 2019-21 term.

Ralph Douglass said the position for the Vice Chairman will be deferred until the September meeting when Patrick Cicero is present.

Tom Charles said Ralph Douglass should continue as Acting Chairman until Patrick Cicero is back.

Legislative Update

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

House Bill 11, Rep. Mehaffie's bill, and Senate Bill 510, Sen. Aument's bill, are the two Alternative Energy Portfolio Standard bills that deals with the nuclear issues. These bills are about dead and it is not clear if they will come back this fall.

The Governor nominated Ralph Yanora as the next Commissioner, and the nomination is being considered by the Senate. The Senate has three days left in session. The Senate will be back in session in September, but they may wait until October to act on nominations. Commissioner Kennard can serve until the end of September.

Tom Beene said House Resolution 63 by Rep. Snyder and Senate Resolution 48 by Sen. Phillips-Hill is looking to join Governor Wolf's Restore PA's Broadband Initiative. The resolutions are to conduct a joint audit and study on the telecommunications carriers and high-speed broadband in rural areas.

The Senate will be having broadband hearings in the upcoming months. On Aug. 7, Commissioner Kennard will be testifying in Indiana County on Sept. 3, Chairman Brown Dutrieuille will be testifying in Monroe County. And on Sept. 5, Vice Chairman Place will be in Somerset/Fayette County.

Mary Bach said she was doing a live phone interview and her cell phone lost connection due to no wireless service. It happened near the Willow Hill Exit on the Turnpike. It is hard to believe there are still areas without service. Tom Beene said broadband and wireless service is getting better. Senator Phillips-Hill is working hard on this issue. This will be a hot issue.

Carl Bailey stated there are communities and areas where broadband does not work. You should be able to get broadband in the mountain or in a ditch.

Carl Bailey asked, with Three Mile Island closing, what affect will it have on those living near it? Will they be safe? Hayley Book said there was a public nuclear webinar meeting in Harrisburg. Exelon Corp. filed a decommission plan with the Nuclear Regulatory Commission (NRC) that spans the next 60 years. The PUC does not have jurisdiction over nuclear.

House Bill 1568 introduced by Rep. Comitta. The House Veterans Affairs and Preparedness Committee asked the PUC to testify on Aug. 21. This bill would establish the Pipeline Safety and Communication Board, which would be comprised of state officials.

Ralph Douglass asked Joe Toner if he was aware of this bill. Joe Toner said no. The request for information on HB 1568 was requested. Tom Beene said he would send the information to Tom Charles.

Tom Beene said the other pipeline bills are Senate Bill 258, from Sen. Dinniman and Senate Bill 284, from Sen. Killion. These both deal with emergency response plans and pipeline operation. He is not sure when or how they will move.

House Bill 751, introduced by Rep. Roae, deals with the federal tax law compliance on water. This bill deals with income tax cuts for ratemaking and giving the PUC oversight over small water and sewer utilities, and municipalities companies. Westmoreland Water Authority was only in their area, but is now operating in five counties. They are not held responsible to any oversight agency. There is a lot of interest in this bill.

Potential Enhancements to Pipeline Safety Regulations Update

Robert Young, from the Law Bureau, was asked to give an update on potential enhancements to pipeline safety regulations.

Robert Young said, at the June 13 Public Meeting, there were two Orders approved on pipelines.

The first rulemaking is an Advance Notice of Proposed Rulemaking Order (ANOPR), to adopt the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) pipeline safety standards and regulations. The topic for the ANOPR is what issues may the PUC want to adopt. This is in the preliminary stage, and the PUC wants to receive ideas on subjects and issues for discussion. The Law Bureau will review the comments submitted and will give the Commissioners an overview. This will take at least six months. Ralph Douglass asked if the Council could submit comments. Robert Young said yes. Ralph Douglass asked Joe Toner to help write the comments.

Robert Young said the second rulemaking is to seek comment on a separate Notice of Proposed Rulemaking (NOPR), which proposes that crude oil, gasoline and petroleum products transportation pipeline public utilities would be required to file annual depreciation reports, service life study reports and capital investment plan reports. Currently, they are exempt from filing and accounting for their pipelines. The NOPR would remove these exemptions.

Carl Bailey stated he read about pipeline companies drilling to a certain depth and running into water. PHMSA requires the companies to drill to a certain depth. Robert Young said that issue is more under the Department of Environmental Protection. The Bureau of Investigation and Enforcement (I&E) is reviewing and finding areas that will be submitted for comments.

PHMSA's construction or preconstruction requirements are lacking, and the PUC plans to add more state regulations. At this time, at least 12 parties have filed comments.

Carl Bailey said when pipeline companies are determining the route of the pipeline, they are going through residential homes. With eminent domain, they are forcing the homeowners to sell their home and move. Robert Young said eminent domain is one area that the PUC

does not have jurisdiction over. Ralph Douglass said eminent domain is in the hands of the municipalities.

Sonny Popowsky said the Council could comment on both Orders. The Council will need to work on the ANOPR comments right away. Robert Young provided the docket number: L-2019-3010267. Sonny Popowsky asked if they could get a copy of this. Lori Shumberger said it is in their packets.

Terminations and Reconnections Update

Matt Hrivnak was asked to give an update on the termination/reconnection charts for May and June.

Under Chapter 56, utilities must submit various data to the PUC. Terminations and reconnections are one of those reports. Included are a May 2018 vs. May 2019, a year-to-date May 2018 vs. May 2019, and a May 2017 vs. May 2018 historical report.

Hopefully, everyone had a chance to look at this report. Since we are outside of the winter months, the utilities can terminate customers, and the numbers have gone up.

Matt Hrivnak said there are times the numbers are low or zero. During those times, it is due to a new billing system or something happening at the utility to halt terminations. During the winter termination months, most of the utilities will have very low numbers.

Carl Bailey asked why terminate customers. Matt Hrivnak said for unpaid bills. The utility must send a 10-day notice to the customer with the reason for termination, amount owed and the day of termination. The utility must try to get in contact with the customer three days prior to termination. This attempt should be either in person or by a phone call. If the customer does not pay the bill, the utility can terminate the service.

Sylvia Simms stated, that, most times, the utilities does not get in contact with the customers and just turns off the service. Or they just do the 10-day notice and not the three-day notice. How can we make sure this is done correctly? Matt Hrivnak said the customers can file a complaint with the utility, and, if they are not satisfied with the utility, they can call the PUC. There is a 1-800 phone number to call and file a complaint. An informal complaint will be opened.

Carl Bailey said when a utility stops service, they need to make sure the customer has received the notices. Matt Hrivnak said there is no way the PUC can guarantee this. If BCS sees a pattern or allegations of customers not receiving termination notices, BCS will contact the public utility and start an investigation.

Mary Bach asked if the notices are sent certified mail. Matt Hrivnak said no.

Ralph Douglass asked how much a customer needs to be behind to have their service terminated. Matt Hrivnak said \$25.

Carl Bailey said about half of low-income customers do not have phones or open their mail, that is even if the utilities are following the rules. Mary Bach stated it is the consumer's responsibility to open their mail. Carl Bailey said the consumers may not have their own mailboxes.

Hayley Book stated the PUC wants this type of discussion on how to deal with terminations. It is a two-way street. What other steps are needed?

Mary Bach asked if the PUC tracks the neighborhoods that have the most terminations. Lenora Best said, if BCS sees a trend happening, they will investigate. BCS will communicate with the different communities that are having troubles with billing issues. BCS will let consumers know about LIHEAP.

Justin Udo asked, when the notices go out, are there programs out there to help them? Matt Hrivnak said that is the reason for the two notices. The 10-day termination notices includes the reason for the proposed termination, and, if the public utility has Universal Service Programs, information will be indicating that special assistance programs may be available and how to contact the public utility for information and enrollment. In addition, if the customer calls the public utility after receiving a termination notice and prior to the service being terminated, the utility should be asking about their income and refer the customer to the Universal Service Program (including the customer assistance program).

Ralph Douglass asked if the Council could hear from the utilities on what programs are out there. Tom Charles said utilities, on their own or through the energy association receive a notice about the meetings.

Chapter 56 Rulemaking/CAP Shopping Policy/Default Service and PJM Interconnections Settlement Reform/OCMO Update

Dan Mumford, from the Office of Competitive Market Oversight (OCMO) and Matt Hrivnak, from the Bureau of Consumer Services (BCS), were asked to give updates on the Chapter 56 Rulemaking, the CAP shopping policy, default service and OCMO.

Dan Mumford said he would start with some background information for the new members.

Page 5 includes the Chapter 56 regulations. These apply only to residential accounts dealing with electric, natural gas, water, wastewater and steam heat. Telecommunications is not under Chapter 56. Chapter 56 involves money in the form of bills, payments, applications, terminations and credit. Service issues are not covered.

Page 6 discusses what is covered in Chapter 56 such as billing, payments, terminations, security deposits and dispute procedures.

Pages 7 to 9 cover why Chapter 56 regulations were needed. In the late '70s, there were some brutal winters causing fuel shortages, slowing or crippling transportation. There were some deaths due to the brutal cold. There was one elderly person in Pittsburgh found dead but who was not poor, but whose heat had been shut off.

Page 10 goes over the history. The last major revision was in 2011.

Page 11 explains Chapter 14 and Chapter 56. Chapter 14 is the statutory law that is the foundation of many of the Commission's residential regulations. Chapter 56 is the Commission's regulations, promulgated by the Commission using the rulemaking process to implement the law.

Pages 12 to 16 deal with the rulemaking process and the Final Rulemaking Order. It explains the reviewing of comments from parties and the Independent Regulatory Review Commission (IRRC). The final rulemaking Order will be adopted at a public meeting. Then the Order must be reviewed by IRRC, the Office of Attorney General (OAG), the Budget Office and the General Assembly oversight committees. Once approved by all of those agencies, it will need to be published in the PA Bulletin. This process can take approximately two to three years. The final rules were published in the PA Bulletin on June 1, 2019.

Page 17 goes over the Chapter 56 changes. Most of the changes are simply to bring Chapter 56 into alignment with Chapter 14.

Pages 18 to 32 explain of all the changes and definitions in the new Chapter 56. A medical certificate now can be signed by a physician assistant. A sample medical certificate form also is in development. Other issues include changes to security deposits, a prohibited Friday termination, what to do when facing a termination, utility reporting requirements and reporting of residential accounts that exceed \$10,000 balance to the PUC.

Carl Bailey asked if there is a restricted timeframe for utilities to terminate. Matt Hrivnak said only between 8 a.m. and 5 p.m. Dan Mumford said if the utility is out to terminate a consumer, the utility's call center must be open to receive their phone calls. Matt Hrivnak said, if a utility receives a complaint due to unsafe service, the consumer could be shut off.

Carl Bailey said he knew a consumer who had a medical certificate, and the utility denied it. The utility said it was not the right illness. Matt Hrivnak said the utility is not a doctor and should not deny the certificate. If this happens again, they should call the PUC and start an informal complaint.

Sylvia Simms asked how someone's bill can be more than \$10,000. Dan Mumford said there are some and therefore the regulation has changed. The PUC wants more information on what happened and why. Matt Hrivnak said if a consumer files a complaint with the PUC, they would only need to pay the current bill and not the delinquent amount. Dan Mumford said it could be a landlord not paying the bill. Those would be big usage accounts. There is a law handling tenants' rights. Utilities cannot just shut them off.

Page 33 goes over victims under a protection from abuse order. The order issued by a court of competent jurisdiction in this Commonwealth provides clear evidence of domestic violence against the applicant or customer.

Dan Mumford said Customer Assistance Program (CAP) shopping is covered on pages 34 through 41. Should CAP customers participate in the competitive market?

Pages 35 to 37 covers FirstEnergy's rules that went into effect on June 1, 2019. The deal the customer enters into with a supplier must: Be at a price that is always the same or lower than the utility Price to Compare (PTC); and includes no cancellation fees or any other add-on fees. The PUC will monitor and enforce these rules. FirstEnergy sent a notice to all current CAP customers informing them of the new shopping rules.

PPL CAP customers must shop by participating in a special offer program. No fees are permitted, but there is no guarantee that the price is always below PPL's PTC. PECO and Duquesne Light CAP customers cannot shop.

Page 41 deals with the timeframe for comments. The statewide policy was published in the Pennsylvania Bulletin on June 15, 2019. The initial comments from interested parties have 45 days from the publication of the Order in the Pennsylvania Bulletin to provide written comments: July 30, 2019. The reply comments must be filed with 60 days of the date of publication: Aug. 14, 2019. The Commission staff will be reviewing the comments and preparing a recommendation to the Commission. The docket number is M-2018-3006578.

Page 43 covers the default service investigation. The Commission extended the comment period to July 26, and reply comments are due on Aug. 26.

Page 46 goes over the Great American Power and Vista Energy Marketing enforcement actions. Great American received a \$13,500 penalty for doing door to door without local permits. Vista Energy received a \$4,000 penalty for door to door sales that had "No Solicitation" signs posted.

Page 47 explains the Blue Pilot Energy investigation. This is a Polar Vortex case filed by OCA and OAG. There were 2,516 customers overcharged. They had to give refunds and were charged a civil penalty of \$1,066,900.

Tim Hennessey asked about the refund process. Dan Mumford said the refund is based upon what the supplier charged compared to the utility price. The OCA and OAG will be handling the refunds with the assistance of an administrator. Heather Yoder said the refund will not be coming from the supplier but a third-party group. The supplier will need to pay the third party and then the third party will give the refunds to the consumers. Regina Matz said, these refunds are not from a utility company but a generation supplier.

Page 48 deals with Hiko Energy vs. the PUC which went to the PA Supreme Court. They upheld the PUC fine of \$1.8 million from the Polar Vortex violations.

Pages 49 through 52 review the July 11 press release on the PUC urging consumers to be conscious of utility account security when answering telemarketing sales calls. The PUC urges consumers to avoid intimidating sales pitches pressuring them to act now, reminding them that they are not required to choose a competitive supplier for their electricity or natural gas supply. If a consumer suspected a potential scam, contact the PUC using the 1-800 phone number and let us know if there is an issue. We can investigate them. Do not believe the sales agent if they claim your utility or supplier is going out of business.

Mary Bach asked for the PUC's consumer complaint number. Dan Mumford said it is 1-800-692-7380. Sylvia Simms said this happens a lot to the low-income or senior citizens. Mary Bach said these phone calls are over the top. Dan Mumford suggests signing up for the "Do Not Call" list.

Council Responsibilities/Regulations and PUC's Jurisdiction

Tom Charles mentioned the Commissioners would like to see engaged members on the Council. Please try to attend all the meetings either by phone or in person. Bring to the Council what is happening in your areas. And what the consumers' concerns are.

Tiffany Tran said she is the legal counsel assigned to the Council. She started at the PUC in 2015 as special agent in the Office of Administrative Law Judges (ALJ). She moved to the Law Bureau about two years ago. She was appointed to the Council for about a year ago.

Tiffany Tran said in the packets are two handouts on a Council presentation that covers the Council's purpose and the information from the Council's webpage and Chapter 91, the regulations for the Council.

All of the Council's minutes are on the website, and the Commissioners also receive them. All the Council's motions and comments are also given to the Commissioners.

Tiffany Tran said the PUC is governed by Title 66 of the Public Utility Code. The practice and procedures are under Title 52 of the PA Code. The Council was created under Title 52, Code §91. The Council was created to advise the Commission on matters relating to the protection of the consumer interests that are under the jurisdiction of the PUC.

The Council should reach out to their consumers and bring back their concerns.

Tiffany Tran said the members of the Council are to serve a two-year term and may be reappointed. At the first meeting a new Chairman and Vice Chairman should be appointed. Ralph Douglass said in the past the Council had attendance issues, and it was great to see so many members at the meeting.

Carl Bailey asked if a Council member must attend a certain amount of the meetings. Tom Charles said that may be included in the current rulemaking (as it is addressed in the comments) but at this time, no. Sylvia Simms asked if there is a list of upcoming meetings. Lori Shumberger said, she would send a list of meetings to all.

Tiffany Tran said the Council will be composed of persons who, as a group, reflect a reasonable geographic representation of this Commonwealth and include advocates for low-income individuals, minority groups and various classes of consumers. Ralph Douglass said he did a geographic map and not all areas are covered.

The Council must hold regular meetings not less than quarterly. All meetings are open to the public and must be preceded by reasonable notice. There is no salary, but members are entitled to reimbursement for all necessary expenses.

Hayley Book asked if the Council's contact information is listed on the webpage. Lori Shumberger said no. Mary Bach said she has another email address to be used, mbadvocate@msn.com. Lori Shumberger said she would update this and send out a new contact list to all members.

CAC ANOPR/Appointments Update

Tiffany Tran and Tom Charles were asked to give an update on the CAC Advance Notice of Proposed Rulemaking (ANOPR). A copy of the ANOPR is in the packets.

Tiffany Tran said the PUC received 15 comments on the nine topics in the ANOPR. The comment date was extended. The request for all comments was made, and Tom Charles said we would send the link to view all comments.

Tiffany Tran said she does not anticipate the comments to be sent to the legislators until after September 23, when the General Assembly is back in session.

Hayley Book said the ANOPR will be voted on at a Public Meeting. Tiffany Tran said it could be held off to a later public meeting if there are legislative questions.

The Notice of Proposed Rulemaking (NOPR) will be submitted and then comments will be taken into consideration.

Future Agenda Items

The following items were requested for the September meeting: BCS Update; Robo Calls; Door-to-Door Marketing; Legislative Update; Terminations and Reconnections; Consumer Outreach and Education; and Chapter 56 Rulemaking.

Leonard Bach said, all his utilities offer an insurance for protection for service inside your house. Is there a way to find out how many service issues a utility has done? Does the utility receive a share of the premium of the insurance? Ralph Douglass said he is not sure if this is under the PUC's jurisdiction. Sonny Popowsky said the insurance is through a third-party group. Mary Bach said this is a real consumer issue. Carl Bailey said he had to pay for a water line from the street to his house. Tom Charles said he would add this to the future agenda items.

Sonny Popowsky thanked Ralph Douglass for his wonderful leadership for the last two terms.

Potential Areas of Interest:

- BCS Overview
- CAC ANOPR/Appointments Update
- Chapter 56 Update
- Default Service Proceeding Comments
- Distribution Rates
- DSIC Project Update
- Electric Price to Compare, Shopping
- Electric Vehicles
- Legislative Update
- Lifeline Changes
- Low-Income Energy Affordability Update
- Pipeline Issues
- Rooftop Solar
- Rural Broadband and Governor's Broadband Initiative Update
- Robocalls and Door-to-Door Marketing
- Smart Meters
- Utility Insurance Offerings
- Nuclear Issue/Greenhouse Gas Initiatives

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