

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

**Meeting of November 22, 2011**

P.O. Box 3265

[www.puc.state.pa.us](http://www.puc.state.pa.us)

Harrisburg, PA 17105-3265

**Call to Order and Introductions**

Chairman Tim Hennessey called the meeting to order at 10 a.m. in the Executive Chambers of the Public Utility Commission.

The Council approved the October 26, 2011, minutes.

**Attendance**

The following members of the Council were present:

Tim Hennessey, Chairman	Harry Geller
Robert Christianson, Vice Chairman	Tom LeCrone (telephone)
Pedro Anes (telephone)	Tina Serafini
Michael Bannon	Lee Tolbert
Lillian Carpenter (telephone)	Joe Toner (telephone)
John Detman	

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

Cindy Datig	Rick Hicks
	George Silvestri

Public Utility Commission Staff present:

John F. Coleman, Jr., Vice Chairman  
April Ballou, Chairman Powelson's Office  
Pat McDonnell, Commissioner Witmer's Office  
Kim Beemer, Vice Chairman Coleman's Office  
Shane Rooney, Vice Chairman Coleman's Office  
Rhonda Staver, Vice Chairman Coleman's Office  
Matt Totino, Vice Chairman Coleman's Office  
Jan Freeman, Executive Director  
Tom Charles, Office of Communications  
Lori Shumberger, Office of Communications  
Heidi Wushinske, Law Bureau  
Tom Beene, Legislative Affairs

Guests Present:

Heather Yoder, Office of Consumer Advocate  
Karen Markey, Energy Association of PA  
Sandra Levine, with George Silvestri

## Vice Chairman John F. Coleman's Visit

Tim Hennessey welcomed Vice Chairman Coleman to the Council meeting.

Vice Chairman Coleman thanked everyone for the opportunity to talk with the Council.

Vice Chairman Coleman introduced his team. Shane Rooney handles energy and gas issues. He has been with the Commission for 15-plus years. Kim Beemer is the Administrative Officer and is the glue of our office and works on transportation issues. Rhonda Staver works on water, wastewater and telecom issues. She has been with the Commission over 36 years. Matt Totino is a regular fixture at the CAC meetings, and is the newest member of my team. He focuses on energy, gas and telecom issues.

The Commission is climbing a learning curve with all the new issues. The Council is a great group that gives advice to the Commission.

Vice Chairman Coleman said he is a Chamber guy by heart and training. He worked prior for the Chamber of Business and Industry of Centre County, similar to Chairman Powelson, who was with the Chester County Chamber.

Vice Chairman Coleman talked about his priorities. The first priority is natural gas safety and replacement of old pipelines. The Commission has an ongoing dialog about natural gas pipelines. This has become a national discussion and part of his responsibilities as a member of the National Association of Regulatory Utility Commissioners (NARUC) Gas and the Pipeline Safety Committee.

With the Commission's concern on natural gas pipeline, the Commission may receive the jurisdiction over the Marcellus Shale pipelines. We are waiting to see what legislation does.

Another priority is electric restructuring. The Commission has held two en banc hearings to identify and discuss the issues for an electric retail market. There have been various experts giving testimonies, including Harry Geller. The Vice Chairman is a strong believer in the complete market place.

The last priority is the restructuring of the PUC and the budget challenges. The PUC is undergoing a reorganization of bureaus to improve the way we do business. With the reorganization, the Commission needs a strong executive director. Jan Freeman has been with us about five months and receives an A+ for his work.

One of the biggest challenges is the budget. The Governor has instructed the Commission to bring a zero budget increase. This will be very hard. About 80 percent of the PUC's budget covers personnel payroll and bills. A majority of the payroll is controlled by union contracts. It will be hard to find a zero base in the other 20 percent.

Michael Bannon thanked Vice Chairman Coleman for coming. He asked about the legislation on the Marcellus Shale pipeline, which agency is responsible for it. Vice Chairman Coleman said legislators are working on this issue, but right now jurisdiction is with the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA).

Tim Hennessey asked, if the PUC takes over inspections for Marcellus Shale pipelines, will the PUC be able to without increasing the budget? Vice Chairman Coleman said that issue is hasn't been finalized. Without an increase, it will put a large stress on the PUC, but the PUC believes the legislators will allow us funding.

Harry Geller asked Vice Chairman Coleman what role does he see the Council playing. Vice Chairman Coleman said the Council is a large group from all different backgrounds and have ears and eyes on consumers' issues that the PUC doesn't see or hear about. Continue advising the PUC of consumer issues.

Robert Christianson asked Vice Chairman Coleman's opinion on federal and state regulations. Vice Chairman Coleman said he knows Jan Freeman has started a working group to focus on federal issues that the PUC may want to comment on in the future but mostly still handling state issues. The Commissioners are travelling to Washington more to talk with the Pennsylvania delegation.

## Legislative Update

Tom Beene from PUC's Legislative Affairs Office was invited to give the Council an update on legislative issues. A summary on upcoming legislative committee dates and important bills was handed out.

A huge issue this session is Senator Scarnati's Senate Bill 1100, the Marcellus impact fee legislation, it was amended and passed the Senate on November 15. Still needs to pass the House, will take time before its passes.

House Bill 1950 passed the House on November 17. This legislation closely mirrors the Governor's recommendation on Marcellus Shale.

House Bill 1294 deals with alternative ratemaking mechanism. It passed the House and is in the Senate Consumer Protection and Professional Licensure Committee.

House Bill 344 and Senate Bill 325 legislation both deal with gas pipeline safety. Both bills have passed their respective houses. Legislation could use some of each bill and make one bill.

House Bill 1580 deals with AEPS requirement act. The Commission will not be testifying but has submitted written comments.

Michael Bannon asked if the PUC likes one Marcellus shale bill over the other. Tom Been said no, we don't. Both cover pipeline safety and fee collection.

Tim Hennessey asked about House Bill 1580, the solar renewable energy bill. Everyone must pay into this, but only some will get the credit. Has there been any feedback from consumers, since everyone has to pay in. Tom Beene said the Bureau of Consumer Services (BCS) would hear the comments from consumers. There have been some comments but no uprising at this time.

## Marketing Guidelines and Door-to-Door Subcommittee Report

Tim Hennessey said Harry Geller will be taking over the role of subcommittee chairman.

Harry Geller said in the packet are the prior comments from 2010. The comments are due before the next meeting. Does the Council desire to submit comments? Everyone agreed the Council should submit comments.

Some of the issues the Council commented on are: door-to-door sales, protections, notification, criminal background checks, quality control, proper identification, dress code and federal no call list.

Harry Geller said, after hearing everyone's comments, he will set up a small subgroup to provide a draft. These will be sent to the Council. Everything will be done via emails.

Harry Geller asked if the Council should restate these issues or add to or reduce them. Tom LeCrone said the prior comments were great but most of the comments fell on death ears. Can the Council resubmit the past comments? Michael Bannon said he hadn't fully read the comments, but maybe just do some fine tuning. He would like to volunteer to help on the subcommittee.

Lillian Carpenter said the Council needs to do something. The suppliers are doing door-to-door marketing and with no rules. Harry Geller said that suppliers are doing marketing, but there are guidelines in place.

Robert Christianson mentioned the local ordinances that should curtail some of these issues. Michael Bannon said there are multiple ordinances in Bucks County, and that doesn't stop them. Is there a basic procedure that suppliers must follow? Harry Geller said yes, there are interim guidelines.

The question was asked as to how utilities notify customers of the door-to-door sales. There isn't any information about this in the bill. Harry Geller said this is an issue. Who should be informing the customer prior to the suppliers coming? This may be an issue to address.

Harry Geller, Tom LeCrone and Michael Bannon are on the subcommittee. Harry Geller said to send all thoughts and concerns to him by December 1. The

subcommittee will send out a draft by December 12 to the Council members. Comments must be submitted by December 21.

Michael Bannon asked if he could see the existing regulations on the marketing and sales practices. Tom Charles said yes.

### **Retail Markets Investigation**

Tom Charles said the Vice Chairman had touched on this. There was a second en banc hearing about two weeks ago. Harry Geller, Sonny Popowski and suppliers were invited to give presentations. The order should be voted on at a December public meeting. Everything should be wrapped up by April, although significant work will begin to implement the work of the investigation.

Tom Charles said he would continue to give updates and if there is something that the Council would like to see, please let him know.

### **New Travel Reimbursement Procedures**

Lori Shumberger said there are changes to travel and the way expenses must be submitted. In your packet is a copy of some of the new changes and forms.

Starting January 1, 2012, all receipts must be submitted to receive reimbursement. These requirements came from the Office of the Budget and the Office of Administration. All state employees must follow these new requirements.

If you don't receive a receipt for something you purchased, there is a form that must be used to receive your money back. This would be if you bought something from a vending machine or use the parking meters instead of the parking garage. A copy of this form is in the packet.

For mileage reimbursement, I will be adding a new form into your packets starting January. These will need to be filled out with your mileage and returned to Lori Shumberger with your expense sheet and receipts.

If you travel on the turnpike, please get a receipt for your tolls, if you have EZ-pass, you can get a copy of the amount of your tolls online.

### **Future Agenda Items**

Tom Charles said he is working with PECO to have someone at the January meeting. Joe Toner requested information on their tree trimming and budget.

Robert Christianson requested an update on Commission's aging workforce.

Harry Geller said he would like someone from the Commission to give the Commission's views on Title 66, sections 1313 and 1333. Since the PUC has no jurisdiction on landlord and tenants, what is the protocol, if there is one? Who is helping these consumers? Any information would be helpful.

Michael Bannon agreed with Harry Geller on the landlord and tenant issues, and would like information on the resale of energy or shared oil, propane or natural gas. How does the cost get divided correctly? Heidi Wushinske said she would look into these issues.

Robert Christianson said he would like to be part of the door-to-door marketing subcommittee. Harry Geller said that would be great.

Tim Hennessey said the next meeting would be on Tuesday, January 24, 2012. The Council normally skips the December meeting. At that time, the Council will start meeting on a bimonthly schedule.

**Future Meeting Topics Include:**

- Aging Workforce and Line Crew Update
- Director of the Bureau of Consumer Services Visit
- Legislative Update
- LIHEAP Update
- Marcellus Shale Update – Chairman Powelson's Visit
- Marketing Guidelines Update

The next meeting for the CAC will be held at 10 a.m. on Jan. 24, 2012, in the Executive Chambers of the Commonwealth Keystone Building.

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