Pike County Light & Power Co.

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November 7, 2013

The Honorable Robert F. Powelson
Chairman
Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Dear Chairman Powelson:

Thank you for your October 15, 2013 letter regarding the Public Utility Commission's 2013 "Prepare Now" campaign. Rest assured that Pike County Light & Power Company (PCL&P) remains committed to both helping our customers manage their energy costs, and to minimize the number of winter service terminations. In concert with the actions listed in your letter, we will continue to educate our customers about the programs and services that are available to them and undertake the initiatives outlined below:

PCL&P's Programs:

- The Neighbor Fund, PCL&P's energy payment assistance program, which grants up to $800 to customers in need, was featured in the March and November 2013 issues of *@yourservice*, our consumer newsletter/bill insert. It is also promoted in news releases, on our Web site, in customer literature made available at our walk-in business office in Westfall, PA, and as part of literature on "Managing Your Energy Costs" distributed at community events. A bill insert to PCL&P customers highlighting the Neighbor Fund is also planned for December. PCL&P's customers may contribute to The Neighbor Fund by simply adding a dollar to their monthly payment, mailing a check, or using the planned contribution form on our Web site. PCL&P will match customer donations dollar for dollar. Customers are encouraged to donate to The Neighbor Fund throughout the year simply by checking the box entitled "add a dollar" on their utility bill. By partnering with Pike County's Community Planning and Human Development Agency, we inform customers about the intake agency in Milford, where customers can apply directly for a Neighbor Fund grant.

- PCL&P encourages eligible customers to participate in a special customer payment assistance program called New Start, an arrears forgiveness

program designed for low-income customers who are having difficulty paying their energy bills. The program requires LIHEAP customers to enroll in budget billing and enter into a deferred payment agreement. After three consecutive payments are made on time, PCL&P will deduct up to $62.50 from the unpaid balance every three months for a maximum benefit of $250 over a 12 month period. New Start was noted in the March and November 2013 issues of *@yourservice.*

- Energy Gift Certificates are promoted via our Web site and are available for customers to purchase for a friend or relative who may need help paying their energy bills.

- Budget Billing is also available to help customers manage their energy expenses. Most recently budget billing was promoted in the September 2013 issue of *@yourservice.* This *program will* also be highlighted in the December 2013 issue.

- Customers will be reminded of the availability of third-party notification in the PCL&P Rights and Responsibilities bill insert in December.

- Payment agreements are available to all PCL&P customers and are based on income levels. PCL&P continues to work with all customers who are willing to enter into a deferred payment arrangement, and arrangements are based on low income levels as defined by the state. We will also renegotiate agreements that have defaulted as long as the customer makes payment of the defaulted amount. This option was featured in the November 2013 issue of *@yourservice.* Information regarding Payment agreements is also available on our Web site.

- Energy efficiency information and tips to customers were published in the July, September and November issues of *@yourservice* and will be published again in the December issue. They also feature prominently in the Power of Green Web page on our Web site. They are also made available in literature distributed at community events as well as at our walk-in business office in Westfall.

- Each issue of *@yourservice* features information and updates regarding energy choice. They include the website addresses for the PAPowerSwitch and the Pennsylvania Office of the Consumer Advocate (PAOCA).

- PCL&P also offers customers The HomeEnergyCalculator -- an online energy audit tool. Customers may access the HomeEnergyCalculator through ORU.com and conduct a personalized home energy audit. The audit tool will guide them through simple questions about their homes and appliances, link them to their actual billing history and local weather, and provide a graphical summary of how they use energy along with recommended actions they may implement to lower their energy bills. The tool was promoted in the November 2013 *@yourservice.*

PCL&P's Policies:

- PCL&P will accept all LIHEAP payments to reconnect service to customers whose service has been terminated. We will also renegotiate payment plans with all LIHEAP customers to prevent further termination of service.

- The Company will continue to work with low-income customers to minimize terminations of service during the upcoming winter heating period by making referrals to LIHEAP, the Neighbor Fund, and encouraging enrollment in New Start. Our procedures include specific provisions to protect special needs customers from termination during the winter months. We also refrain from terminating service during the Christmas to New Year holiday season. PCL&P does not normally assess security deposits as a condition to restore residential service. Also, any reconnect fees and/or late payment charges are included in payment agreements that are established for the reconnection of service, and we refer customers with these agreements to the New Start program.

Customer Outreach Efforts:

- Letters are mailed to all former LIHEAP recipients reminding them of the assistance that is available and providing tips on energy conservation and budget billing.

- Information on LIHEAP, the Neighbor Fund, and New Start is included with our service termination notices and payment agreement default letters.

- Application instructions and contact information for LIHEAP were published in the March 2013 of *@yourservice.* A reminder regarding the program was

included in the November 2013 *@yourservice*. We will also be producing a bill insert featuring information and LIHEAP guidelines in December 2013.

- Customers who are in need of having their furnaces or heating systems repaired are referred to the LIHEAP crisis program for emergency assistance.

- In the wake of Super Storm Sandy, PCL&P communications focused on storm preparation and safety tips (including the safe use of portable generators), restoration priorities and ways to reach us to report an outage and check on the status of outages. These topics were featured in the July and September 2013 issues of *@yourservice*.

- Budget Billing is promoted at energy fairs, at our walk-in business office, on our Web site and in *@yourservice*.

I believe the above measures will be instrumental in helping our customers through this winter season and meet the objectives of the 2013 "Prepare Now" campaign. If you have any questions or need further information regarding our programs or policies, please let me know.

Sincerely,

Edwin J. Ortiz
Vice President
Customer Service

cc: John McAvoy
Sasha Oberheim