

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Implementation of	:	COMMENTS
Act 155 of 2014	:	
(Chapter 14)	:	Docket No. M-2014-2448824

**COMMENTS OF
NATIONAL FUEL GAS DISTRIBUTION CORPORATION**

On December 22, 2014, Act 155 of 2014 became effective and reauthorized Chapter 14 of the Public Utility Code (66 Pa. C.S. §§ 1401-1419) with certain amendments. National Fuel Gas Distribution Corporation (“NFG” or “Company”) respectfully submits the following Comments in response to the January 15, 2015 Tentative Order by the Pennsylvania Public Utility Commission (the “Commission”) issued to provide guidance regarding Act 155 implementation issues that require immediate attention. Other issues related to the implementation of Act 155 will be the subject of the rulemaking process. NFG appreciates the opportunity to comment on the more immediate issues, specifically Sections 1403 and 1410.1(3)-(4), prior to the rulemaking process.

1. Section 1403, Definition of *Medical Certificate*.

First, the Tentative Order addresses the definition of a medical certificate in Section 1403. Specifically, Section 1403 requires a medical certificate to be “[a] written document, in a form approved by the commission.” NFG agrees with the Commission that the use of the word form does not mean a literal or standardized form. Rather, the use of form more closely resembles “manner;” as in, “in a [manner] approved by the commission.” Accordingly, utilities should be able to utilize their own forms, forms from medical offices, or letters from the

appropriate physician, nurse practitioner, or physician's assistant as medical certificates so long as they contain the requisite information. This information should specifically certify that a customer or household member has a serious illness or medical condition which requires the continuation of service. A letter from the appropriate medical personnel making such a determination should satisfy Section 1403's definition of medical certificate.

NFG notes that 52 Pa. Code § 56.113 is more specific than Section 1403. The regulation calls for the nature and anticipated length of the affliction along with a specific reason for which the service is required. *See* 52. Pa. Code § 56.113 (3)-(4). Section 1403 relies instead on broader language. Situations could certainly arise where the appropriate medical personnel has complied with the general language and intent of Section 1403, but refuses to provide the specific information requested in § 56.113(3)-(4) due privacy concerns. The Commission should provide clear guidelines as to whether the more general language in Section 1403 is acceptable when the specific information is not provided or unavailable.

2. Section 1410.1(3), Utility Reporting Requirements regarding Accounts Exceeding \$10,000 in Arrearages.

Section 1410.1(3) relates to a new utility reporting requirement for accounts with arrearages exceeding \$10,000. NFG agrees that information required under the section relates to specific accounts rather than aggregate data. Accordingly, NFG agrees a unique account identifier should be utilized in place of private or sensitive customer information. NFG further agrees with the Commission's proposal to use a "snapshot" approach, but believes the snapshot date should be December 1. This earlier date would limit the impact of any inflated arrearages due to the avoidance of cold weather terminations and/or higher winter bills.

Due to the intent of the Section and the inclusion of potential civil fines or sanctions by the Commission, NFG also notes that accounts in arrears due to the discovery of a theft of

service should not be included in the report. If a theft of service has been discovered and can be demonstrated to have existed for a significant amount of time, the associated account could reach the \$10,000 threshold very quickly. Such an account would not have a history of payment agreements or other collection efforts and should not be held against the reporting utility. This is especially true in instances where a fine or sanction may be considered. NFG agrees with the Commission that where a fine or sanction is considered, due process should still be afforded.

3. Section 1410.1(4), Utility Reporting Requirements regarding Medical Certificates.

Section 1401.1(4) requires a public utility to annually report the “number of medical certificates and renewals submitted and accepted in the service territory.” The language of this new requirement is problematic however, because it can be read in a variety of ways. For example Section 1401.1(4) could be read to require a single number: the number of medical certificates *and* renewals that have been submitted *and* accepted. Alternatively, the Section may require four separate numbers, as proposed in the Tentative Order: (1) the number of initial medical certificates submitted; (2) the number of initial medical certificates accepted; (3) the number of renewals submitted; and (4) the number of renewals accepted. Of course, Section 1401.1(4) could also be read to require (1) the number of medical certificates and renewals that have been submitted; and (2) the number of medical certificates and renewals that have been accepted. NFG believes this last approach is reasonable.

The first interpretation, a single number, would not provide significant detail on a utility’s role in overseeing medical certificates. However, the interpretation proposed in the Tentative Order may require too much information. Utilities would need to independently track which certificates should be considered initial certificates and which should be considered renewal certificates. If this information has not been tracked previously, then the first reporting

year would require a great deal of time and effort to determine whether a medical certificate is a renewal. Yet, the information provided would not have much value. An understanding of the percentage of medical certificates and renewals that have been (1) submitted and (2) accepted provides some insight into a utility's role in administering and accepting certificates. Whether a certificate is new or a renewal has less to do with a utility's administration of its obligations and more to do with a customer's illness or condition (and whether it is ongoing). Thus, the additional effort and expense to independently, and possibly retroactively, track renewals would not provide a reciprocal benefit.

NFG would propose that public utilities should report the number of medical certificates *and* renewals that have been (1) submitted; and (2) accepted in the previous 12 months. Such a reading is reasonable and eliminates unnecessary expense. If, however, the Commission believes initial medical certificates and renewals should be tracked and reported separately, NFG would propose the first reporting year not require renewals to be separately reported. For the first year, all medical certificates would be reported as initial certificates. This would prevent utilities from expending resources to retroactively determine if a certificate is a renewal. In subsequent years, with knowledge of the new requirements, utilities could track renewals going forward and report them separately.

CONCLUSION

NFG respectfully requests that the Commission consider these comments in developing any Final Order prior to the rulemaking process.

Respectfully submitted,



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