



Duquesne Light

Our Energy...Your Power

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Senior Counsel

March 2, 2015

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MAR 2 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA OVERNIGHT UNITED PARCEL SERVICE

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, Pennsylvania 17120

**RE: Comments of Duquesne Light Company on the Tentative Order on Act 155 of
2014/Chapter 14 Implementation
Docket No. M-2014-2448824**

Dear Secretary Chiavetta:

On January 15, 2015, the Commission requested comments on the implementation of Act 155/Chapter 14 in its Tentative Order. Duquesne Light's comments regarding the implementation of Act 155 are enclosed for filing and consideration.

If you have any questions regarding the information in this filing, please feel free to contact me.

Respectfully,

Tishekia E. Williams
Senior Counsel, Regulatory

Enclosures

cc: Certificate of Service

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MAR 2 2015

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Chapter 14 Implementation

:

Docket No. M-2014-2448824

COMMENTS OF DUQUESNE LIGHT COMPANY

I. Introduction

On October 22, 2014, Governor Corbett signed into law Act 155 of 2014. Act 155 became effective on December 22, 2014. Act 155 reauthorized Chapter 14 of the Pennsylvania Public Utility Code (66 Pa. C.S. §§ 1401-1419), Responsible Utility Customer Protection, which was scheduled to expire on December 31, 2014. Act 155 amends certain provisions of Chapter 14 and supersedes various regulations found in Chapter 56 (52 Pa. Code § 56). The Pennsylvania Public Utility Commission (“Commission”) has been tasked with making appropriate revisions to Chapter 56 and promulgating new regulations to enforce the revisions to Chapter 14. Accordingly, the Commission issued a Tentative Implementation Order (“Tentative Order”) on January 15, 2015, addressing certain key topics where immediate guidance from the Commission may be necessary and soliciting comments from utilities. The Tentative Order specifically addresses medical certificates and reporting requirements related to accounts with arrearages in excess of \$10,000. The Commission also stated in the Tentative Order that utilities may also address other areas of concern related to the revision of Chapter 14.

Duquesne Light Company (“Duquesne Light” or “Company”) appreciates the opportunity to comment on the issues raised in the Tentative Order and respectfully submits the comments below.

II. Comments

A. Medical Certificates

Section 1403, Definition of *Medical Certificate*

Act 155 defines a “medical certificate” as a “[a] written document, in a form approved by the commission...”¹ The Commission’s existing regulations at 52 Pa. Code. § 56.113 related to medical certifications provides that “[c]ertifications initially may be written or oral, subject to the right of the public utility to verify the certification by calling the physician or nurse practitioner or to require written verification within 7 days.” Duquesne Light supports the existing language in the regulation which provides electric distribution companies (“EDCs”) with the flexibility to initially accept oral medical certifications. To the extent permitted by Chapter 14, Duquesne Light requests that the Commission continue to allow initial oral medical certificates to facilitate access for vulnerable customers.²

Duquesne Light currently permits eligible medical professionals to provide a medical certification via telephone, letter or form provided by the Company. When a medical certification is provided via telephone, the customer’s account is documented with all of the information required under Chapter 14 and applicable regulations. Duquesne Light believes that *this practice is consistent with the new definition of a medical certificate provided by Act 155*, and considers its documentation in the relevant customer account to be a sufficient written document. As the Commission enters the rulemaking process, Duquesne Light respectfully requests that the Commission include a utility’s business records as acceptable for meeting the requirements of a written medical certificate in 52 Pa. Code. § 56.113.

¹ 66 Pa. C.S. § 1403.

² In Duquesne Light’s service territory, the Company has found that some healthcare providers charge customers a fee to complete forms on their behalf. These fees are an added hardship to payment troubled customers

Additionally, Duquesne Light does require written medical certifications from an eligible medical provider under certain circumstances. Although the Duquesne Light will accept any written document consistent with the regulations, it also provides its customers with a specific form upon request. Duquesne Light's medical certificate form meets the requirements of 52 Pa. Code § 56.113. For the Commission's information, Duquesne Light's existing medical certification form is attached as Attachment A. While Duquesne Light does require a written medical certification from an eligible medical professional as verification under certain circumstances, the Company believes that there is little benefit to requiring the customer or eligible medical professional to provide the writing in all circumstances. If the Commission determines that the customer or physician is required to submit a form or letter within seven days, the Company requests the Commission address the Company's obligations if a written medical certificate is not received within 7 days. Namely, Duquesne Light would request clarification as to whether the customer would then be returned to the collection cycle, and whether and how the Company would count (for reporting purposes) the extension provided prior to the receipt of the written verification.

Equitable Payment Requirements

Duquesne Light respectfully requests clarification on the definition of "equitable payment." The Commission's existing regulations state that the ratepayer shall retain a duty to equitably arrange to make payment on all bills whenever service is restored or termination postponed pursuant to a medical certification. 52 Pa. Code §§ 56.114, 56.116. The Commission's regulations also provide that "[i]n instances where a customer has not met the obligation in § 56.116 to equitably make payments on all bills, the number of renewals for the customer's household is limited to two 30-day certifications filed for the same set of arrearages."

52 Pa. Code § 56.114(2). However, “equitable payment” is not defined and has been the source of confusion and multiple interpretations in the past.

In the Tentative Order, the Commission states that consumers have the responsibility to make equitable payment on all current undisputed bills or the budget billing amount. Duquesne Light believes that equitable payment is required for all undisputed bills, not only current undisputed bills.³ In other words, Duquesne Light believes that customers should be limited one medical certification and two renewals. That is, while under the protections of a medical certificate, customers should be required to pay all current undisputed charges and any arrears that existed at the time the medical certification was granted in order to receive an additional medical certification, absent a significant change in circumstances or income.⁴ Duquesne Light does not believe that Chapter 14 was intended to amend the medical certification provisions to provide for payments over an indefinite period of time. Accordingly, Duquesne Light does not understand the equitable payment requirement as applying to current charges only. Duquesne Light respectfully requests that the Commission modify its statement that consumers have the responsibility to make equitable payment on all *current* undisputed bills or the budget billing amount.

Section 1410.1(4): Utility Reporting Requirements re: Medical Certificates

The revisions to Chapter 14 create a new reporting requirement related to medical certificates. Utilities will be required to report the “number of medical certificates and renewals

³ The Commission has previously stated, and the Company agrees, that “The medical emergency provisions are not intended to serve as a means for avoiding utility payments over an indefinite period of time.” See Docket No. L-820073, 13 Pa. Bulletin 1250-1252. See also, *Holly Gray v. Philadelphia Gas Works*, Docket Number F-2013-2344465, Final Order issued October 16, 2013.

⁴ The Company notes that medical certifications are not the only means for a customer to receive payment assistance under the Commission regulations and Company practices. If a customer is unable to pay for services rendered they may be eligible for a payment agreement. Even if the customer has previously defaulted on a payment agreement, he or she may still be eligible for relief if there has been a significant change of circumstances or income.

submitted and accepted in the service territory.”⁵ In the Tentative Order, the Commission proposes that utilities provide the required medical certificate information for the previous 12 months by March 1 of the following year. Duquesne Light recommends that this medical certificate information be submitted in the report required under 52 Pa. Code § 56.231 that is due on April 1 of each year.

Duquesne Light notes that the Commission is requiring information regarding medical certifications “submitted and accepted.” Duquesne Light notes that a medical certificate that is submitted may be invalidated for any number of reasons (e.g., invalid license number, the failure of a doctor to verify medical certificate, fraud, etc.). If the Commission is seeking to gather the number of medical certificates that are not accepted, information related to the why the medical certificates were invalidated may be helpful.

B. High Balance Arrearage Reporting

Section 1401.1(3): Utility Reporting Requirements re: Accounts Exceeding \$10,000 in Arrearages

i. Recommended Exclusions from Reporting

1. Customer Assistance Program (“CAP”) Arrearages

Duquesne Light recommends that certain types of accounts be excluded from the reporting on accounts with balances in excess of ten thousand dollars in arrearages. Duquesne Light understands that EDCs are required to report accounts with arrearages exceeding \$10,000, in large part, to ensure that appropriate collection actions are being taken to avoid higher uncollectible amounts which ultimately increase costs to customers that pay on time and in full.

⁵ 66 Pa. C.S. § 1401.1(4).

Duquesne Light notes that customers that participate in CAP may have frozen arrearages which utilities cannot collect upon based on the terms of their Commission approved CAP programs. Accordingly, Duquesne Light questions whether frozen CAP arrearages should be included in the annual report of accounts with arrearages in excess of ten thousand dollars because those dollars cannot be actively collected on unless the customer defaults from the program.

2. Bankruptcy Arrearages

Likewise, Duquesne Light notes that some payment troubled customers file for bankruptcy which triggered certain federal protections. Like frozen CAP arrears, EDCs are not permitted to freely pursue dollars subject to bankruptcy. The automatic stay in a bankruptcy action prevents a creditor from collecting on the debtor's bankruptcy estate. The Bankruptcy Code provides that the automatic stay prevents "the enforcement, against the debtor or against property of the estate, of a judgment obtained before the commencement of the case under this title."⁶ Additionally, creditors are also prohibited from "any act to collect, assess, or recover a claim against the debtor that arose before the commencement of the case under this title."⁷ As such, Duquesne Light Company is not able to collect on customer accounts that fall under the automatic stay bankruptcy protection and such accounts should be excluded from the reporting *on accounts with arrearages in excess of ten thousand dollars.*

ii. Recommended Addition to Reporting

1. Income Reported by Customers

Duquesne Light recommends that the income reported to Duquesne Light by the customer should be included in the required arrearage reporting. Customers' ability to pay is directly affected by their income and is considered in Duquesne Light's collection efforts.

⁶ 11 U.S. Code 352(a)(2).

⁷ 11 U.S. Code 352(a)(6).

iii. Availability of Standardized Reporting Template

In the Tentative Order, the Commission states that it will provide the reporting template for accounts with arrearages in excess of ten thousand dollars by the end of 2015. Duquesne Light respectfully requests that the arrearage reporting be included in the annual report required under 52 Pa. Code § 56.231 report, which is due on April 1 rather than in a separate report due on March 1. Duquesne Light respectfully requests that the Commission provide the public utilities with the information that it desires to be reported for the accounts with such arrearages by August 1, 2015, in order to all the public utilities sufficient time to confirm that internal systems are technologically able to provide the information and also to ensure that there is sufficient time to gather the requested data. Such a notation would serve to indicate to the Commission that though these accounts do have arrearages in excess of ten thousand dollars, Duquesne Light is actively proceeding through a civil forum to collect the account balances.

III. Conclusion

Duquesne Light appreciates the opportunity to comment on the issues raised in the Tentative Order and respectfully requests that the Commission consider these comments as it formulates a *Final Order* and issue interim guidelines in advance of a rulemaking process.

Respectfully submitted,



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Dated: March 2, 2015



REQUEST FOR MEDICAL CERTIFICATION
Solicitud De Un Certificado Medico

ACCOUNT NUMBER: _____ DATE: _____

CUSTOMER NAME AND SERVICE ADDRESS:

John Q. Customer
100 Main Street
Pittsburgh, PA 15219

TO BE COMPLETED BY CUSTOMER

NAME OF PERSON WITH SERIOUS ILLNESS OR
MEDICAL CONDITION REQUIRING ELECTRIC SERVICE: _____

RELATIONSHIP TO CUSTOMER: _____

STATUS OF ELECTRIC SERVICE: ELECTRIC ON ELECTRIC OFF

TO BE COMPLETED BY LICENSED PHYSICIAN, PHYSICIAN'S ASSISTANT OR NURSE PRACTITIONER

PATIENT'S NAME: _____ DATE OF BIRTH: _____

RELATIONSHIP TO CUSTOMER: _____

NATURE OF ILLNESS: _____

REASON CONTINUATION OF ELECTRIC SERVICE IS REQUIRED TO TREAT THE SERIOUS ILLNESS OR MEDICAL CONDITION:

EXPECTED DURATION OF ILLNESS: _____

SIGNATURE OF LICENSED PHYSICIAN, PHYSICIAN'S ASSISTANT,
OR NURSE PRACTITIONER

LICENSE NUMBER

PRINT NAME

DATE

OFFICE ADDRESS

TELEPHONE NUMBER

RETURN COMPLETED FORM TO:
DUQUESNE LIGHT COMPANY, MEDICAL CERTIFICATE VERIFICATION DEPARTMENT
411 SEVENTH AVENUE 6-1, PITTSBURGH, PA 15219
FAX: 412-393-6042

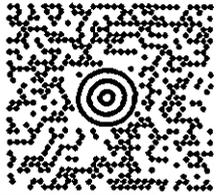
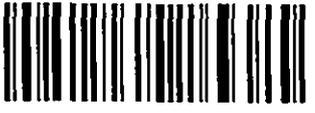
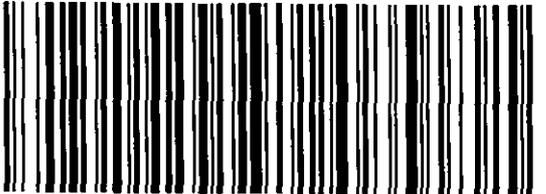
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