

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Harrisburg, Pennsylvania 17105-3265**

**Rulemaking Re: Amendment to 52 Pa. Code  
Chapter 53; Paper Billing Fees**

**Public Meeting held October 22, 2015  
2411278-LAW  
Docket No. L-2014-2411278**

**JOINT MOTION OF CHAIRMAN GLADYS M. BROWN AND  
VICE CHAIRMAN JOHN F. COLEMAN, JR.**

This matter addresses our Final Rulemaking in a proceeding that began in 2008 when certain jurisdictional public utilities sought to impose separate charges or fees on consumers who receive a paper bill for their regulated utility service. This final rulemaking expressly prohibits that practice. Staff's recommendation provides considerable detail on the reasons for the prohibition and our general legal authority to take this action.

However, there are additional provisions from the Public Utility Code that apply specifically to jurisdictional telecommunications public utilities that bolster our decision. Those provisions are important because IRRC has asked the Commission what legal authority allows us to prohibit such charges. Moreover, certain telecommunications jurisdictional utilities initially proposed such a charge or fee, and they have been especially opposed to prohibiting it.

We first address Verizon's argument that prohibiting a separate paper billing fee violates the regulatory parity declaration of policy in Chapter 30.<sup>1</sup> We note that Chapter 30 contains several other important declarations of policy that support the prohibition on allowing jurisdictional public utilities, and particularly telephone utilities, to impose such a charge or fee.

Chapter 30 expressly declares that it is the policy of the Commonwealth to maintain universal service at affordable rates<sup>2</sup> and to ensure that such service is available to customers on a nondiscriminatory basis.<sup>3</sup> Separate charges or fees for a paper bill increase costs to consumers, particularly those low-income consumers who already face challenges in maintaining telecommunications service. That challenge is compounded in situations where service is not available on a nondiscriminatory basis to consumers who lack access to broadband Internet service at their homes to receive bills or, if it is available, they cannot afford it.<sup>4</sup>

Chapter 30 is equally clear that the Commission retains jurisdiction over the ordering, installation, suspension, termination and restoration of a telecommunications service, regardless

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<sup>1</sup> 66 Pa. C.S. § 3011(13).

<sup>2</sup> 66 Pa. C.S. § 3011(2). Universal service is part of the Commission's legal mandate. It is required of jurisdictional telecommunications public utilities with Carrier of Last Resort obligations, which includes the provision of retail services to anyone who requests them, rendering various network access functionalities (e.g., ability to make 911/E911 calls).

<sup>3</sup> See 66 Pa. C.S. § 3011(3).

<sup>4</sup> See *infra* notes 9-12; accord, *In re: Lifeline and Link-Up America Reform*, Docket No. 11-42 and *In re: Lifeline*, Docket No. 11-42, *In re: Telecommunications Carriers Eligible For Support*, Docket No. 09-197, and *In re: Connect America Fund*, Docket No. 10-90. See also *In re: Lifeline Support*, Comments of the Pa. PUC (August 31, 2015).

of whether the service is price regulated or competitive.<sup>5</sup> A paper bill often conveys useful information related to the ordering and disconnection, suspension, termination, and restoration of *any* price regulated or competitive service provided by a jurisdictional telephone utility. Thus, receiving a paper bill at no additional charge helps ensure that customers, especially those without Internet access or those who are unable to purchase Internet access, continue to have access to information critical to maintaining uninterrupted telecommunications service in a nondiscriminatory fashion.

We next address the legal authority to prohibit jurisdictional telephone utilities from imposing a separate paper billing fee. For these utilities, Chapter 30 of the Code provides additional authority to address paper billing fees. As previously mentioned, the Commission retains jurisdiction over the ordering, installation, suspension, termination and restoration of a telecommunications service,<sup>6</sup> regardless of whether the service is price regulated or competitive. Billing is not a separate, stand-alone service, and the right to receive a bill and to know the amount owed for services rendered is a prerequisite to avoiding suspension/termination of service and, if need be, to reconnecting service. Given the relationship of billing to the ordering, installation, etc., of service that are elements within our regulatory purview, we believe the Commission maintains appropriate jurisdiction over whether customers should pay a separate paper billing fee.

The Commission also retains authority under Chapter 30 to establish additional requirements necessary to protect customers.<sup>7</sup> As previously discussed, we view the prohibition of a separate paper billing fee as necessary to protect customers and ensure that service is available on a nondiscriminatory basis, especially for those without Internet access or who are unable to purchase Internet access.

The facts in the record support this conclusion. For example, 28% of Pennsylvanians are aged 65 or older.<sup>8</sup> Moreover, 50% of elderly Americans lack a computer or have consistent broadband access while 25% of Americans lack consistent internet access.<sup>9</sup> Finally, a 2014 record survey by the U.S. Postal Service shows that over 80% of Americans oppose receiving a bill for utility service in electronic format only and over 90% prefer to receive their utility bill by mail, clearly including those who have internet access or can afford to buy it.<sup>10</sup> A mandatory fee for all classes of consumers directly impacts universal service for those without Internet access or an ability to buy internet service even if it is available. It also overlooks the overwhelming public opposition to mandatory electronic billing, including members of the public who have Internet access.

The Commission concludes that these specific provisions applicable to jurisdictional telecommunications public utilities and Sections 501, 1301, 1501, 1509, collectively, provide the

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<sup>5</sup> See 66 Pa. C.S. § 3019(b)(2).

<sup>6</sup> 66 Pa. C.S. § 3019(b)(2). We note that the Commission has similar authority over the ordering, installation, etc., of electric, gas, water/wastewater service, and steam heat service under Chapter 14 of the Code and Chapter 56 of the Commission's regulations.

<sup>7</sup> 66 Pa. C.S. § 3019(b)(3).

<sup>8</sup> Comments of the Public Utility Consumer Advisory Counsel, pp. 1-3.

<sup>9</sup> Comments of the Consumers For Paper Options, pp. 1-3.

<sup>10</sup> *Id.* at notes 1 and 2.

Commission with authority to prohibit a separate paper billing fee because billing is an integral part of utility service, not a separate service. That prohibition must be considered in conjunction with the impact on universal service set out in the *Investigation Order* and the responses to IRRC's questions that are contained in the final rulemaking order being adopted today, especially for that considerable percentage of consumers who lack the internet service needed to get one or who do not use the Internet in the first place.<sup>11</sup> The Commission's legal and policy conclusions that charging for a paper bill is unreasonable and inadequate service, given the impact on consumers, including those without Internet access or who are unable to purchase Internet access, is more than supported by these additional provisions addressing universal, adequate, and reliable service.

**THEREFORE, WE MOVE THAT:**

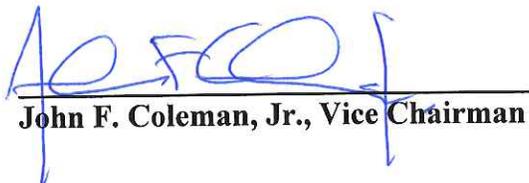
1. The staff recommendation be amended to include the above-referenced legal and policy reasons prohibiting all jurisdictional public utilities, including telecommunications public utilities, from imposing a paper billing fee; and
2. The Law Bureau prepare an Opinion and Order consistent with this Motion.

**October 22, 2015**

**Date**



**Gladys M. Brown, Chairman**



**John F. Coleman, Jr., Vice Chairman**

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<sup>11</sup> Comments of the Office of Consumer Advocate; Comments of the Consumers For Paper Options, and Comments of the Public Utility Commission Consumer Advisory Council.