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December 8, 2016

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Secretary Rosemary Chiavetta
Pennsylvania PUC
Commonwealth Keystone Building - 2nd Floor
400 North Street
Harrisburg PA 17120

PA P.U.C.
SECRETARY'S BUREAU

Dear Secretary Chiavetta,

As Neighborhood Energy Centers (NECs), we write to oppose PECO Energy Company's Proposal to offer residential customers Prepaid Electric Service, currently pending at PUC Docket No. P-2016-2573023. NECs provide a variety of social services, including serving as intake sites in Philadelphia for conservation and home repair programs, running weatherization workshops, and working with households to prevent utility emergencies by accessing grants and payment agreements. Last year (2015-2016), we collectively served over 8000 Philadelphia households – all of those households were moderate or low income, with the vast majority being extremely low income, and the majority of the households we served were racial and ethnic minorities.

We understand that all households need to pay toward their electric bills. However, for the households we serve, PECO's Proposal is a dangerous and unnecessary way to collect those payments, and will create a second tier of electric service. In addition to the reasons outlined below, we support the comments submitted by the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) and by the Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia (TURN et al.).

In particular, we are concerned by the lack of community engagement by PECO on this proposal, given its potentially devastating and destabilizing impact on the neighborhoods and households we serve. We encourage the Commission and PECO to engage the communities in PECO's service territory and hear from resident voices prior to any approval or implementation of this pilot.

PECO's Prepaid Proposal creates a second tier of electric service for vulnerable households

Although PECO purports that its' prepay service is designed to give households more options, it would in actuality create two tiers of service: one for those who can afford to post-pay and a second class service for vulnerable households. This second class of electric service is specifically designed to appeal to households who have trouble paying their utility bills, and have previously been shut off for nonpayment. And yet, PECO's proposal eliminates almost all consumer protections for those households, including protection from termination in the wintertime and availability of payment agreements to restore service, and does not provide any actual benefit to struggling households. Rather, households prepaying for their electricity would

likely experience frequent interruptions in electric service, threatening both the health and safety of the household.

The clients we see every day would be devastated by such a proposal. Pennsylvania law recognizes that electric service is essential to the health and well-being of residents, to public safety and to orderly economic development, and that electric service should be available to all customers on reasonable terms and conditions. While PECO suggests that it will exclude the poorest households, those under 150% of the Federal Poverty Level, PECO provides no information in its proposal about how it will verify income to protect those families. Furthermore, many households with incomes above 150% of the Federal Poverty Level struggle to adequately meet their basic needs. For these households, PECO's proposal is incredibly harmful and provides no benefits.

Prepaid Electricity is Costly

A prepaid electricity model requires customers to pay money in advance of using electricity. As the household consumes electricity, that account balance would decline until the household either runs out of credits or reloads the account with more money. This depletion of funds would be considered a request to discontinue service, rather than a termination. These households would not be entitled to any written notice of termination, nor would they be entitled to protection from termination during the cold winter months. Without a notice of termination, households are unlikely to be eligible for Hardship Funds or LIHEAP Crisis assistance. In addition, households making multiple payments a month would incur transaction fees for each payment – increasing the cost to the household of electric service.

PECO's Prepay Electricity Pilot is Harmful and Unnecessary

A prepaid electricity pilot such as the one proposed by PECO does nothing to address the unaffordability of electric service for households struggling to make ends meet. PECO and the PUC should instead focus their energy on true solutions to this affordability crisis: strengthening utility assistance programs, reining in increases in rates, and increasing efforts towards conservation education and weatherization.

A household's health, safety and welfare should not be the subject of experimentation by an electric utility. At the very least, the PUC should have hearings on PECO's petition, including public input hearings so that the PUC can hear directly from potentially affected customers. Most importantly, the PUC must require PECO to show that such a proposal is in the public interest. By sacrificing critical consumer protections, including all those protections afforded under current law for post-pay customers, we submit that PECO's Proposal is contrary to the public interest.

Sincerely,

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On Behalf of the Neighborhood Energy Centers

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Rian Franks Rian Franks Dixon House 12/8/2016

Wenzetta L Bostic - Southwest CDC. 12/8/2016

Eileen A. Jones, Eileen A. Jones Germantown Ave. Crisis Ministry 12/8/2016

Charles Lanier, Mounting Park CRC/NSC

BJ McDuffie BJ McDuffie, United Communities 12/8/16

Ken Yang, Ken Yang, Greater Phila. Asian Soc. Svc. Ctr, 12/8/16

Anthony J. Davila, HACE CDC, 12/8/16

Joanna Rosario, Joanna Rosario, Congreso 12-8-16

Travis Sellers, Nicetown CDC 12/8/16

Claudine Cooper CLAUDINE COOPER WE NEVER SAY NEVER

Adrienne Hughes Adrienne Hughes WE NEVER SAY NEVER.

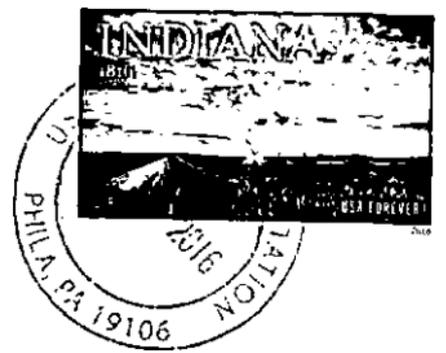
Ronda Wilson Ronda Wilson Achievability 12/8/16

Samuel Lester COURAGEOUS BELIEVER CENTER IN THE PARK 12/8/16

Samuel Lester SAKINAH LESTER 12-8-16
NKCDC silester@nkcdc.org

cc: Ward L. Smith, Esquire, PECO Energy Company

Neighborhood Energy Centers
106 W. Clearfield St.
Philadelphia, PA 19133



Secretary
Pennsylvania PUC
Commonwealth Keystone Building - 2nd Floor
400 North Street
Harrisburg PA 17120

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