

Prepared Testimony of
Robert F. Powelson
Chairman
Pennsylvania Public Utility Commission

before the

Senate of Pennsylvania
Consumer Protection and Professional Licensure Committee

March 18, 2014



Pennsylvania Public Utility Commission
400 North Street
Harrisburg, Pennsylvania 17120
Telephone (717) 787-4301
<http://www.puc.pa.gov>

Good morning Chairman Tomlinson, Chair Boscola, and members of the Senate Consumer Protection and Professional Licensure Committee. Thank you for conducting today's hearing and for taking time to meet with me over the past few weeks. Thank you also for your diligence and hard work on utility issues that affect the lives of consumers every day. I am pleased to say that during my tenure on the Commission, I have enjoyed a very positive working relationship with you and your staff.

I would like to begin by expressing my appreciation to Governor Corbett for nominating me to serve a second five-year term as a Commissioner at the Public Utility Commission (PUC or Commission). I am also grateful to Senate Majority Leader Pileggi, who first presented me with the opportunity to serve on the Public Utility Commission in 2008. I have learned a great deal since that time and I am proud of my track record at the Commission.

As you know, the PUC is charged with balancing the needs of consumers and utilities so that consumers are protected and utilities maintain a reasonable livelihood. Throughout my almost six years as a Commissioner, I have taken this responsibility very seriously, and during this time, the Commission has seen many successes. In particular, the Commission has overseen:

- The successful implementation of Act 11, that, among other things, allows gas, electric, and wastewater utilities to join water companies in implementing a Distribution System Improvement Charge (DSIC), which will help Pennsylvania proactively address its aging utility infrastructure problem;

- The accurate and timely collection and distribution of the Marcellus Shale Impact Fee under Act 13;
- The successful implementation of the first phase of Act 129, under which Pennsylvania reached its goal of reducing electric consumption and peak demand throughout the Commonwealth over the course of five years; and
- The passage of Act 127, which expanded Commission authority to enforce federal pipeline safety laws and requires the Commission to develop and maintain a registry of pipeline operators.

Despite these successes, it is clear to me that our job is never finished. From the ever evolving competitive electricity market in Pennsylvania, to the recent transportation issues involving companies like Uber and Lyft, there are always new and challenging issues for the Commission to address. However, I am confident that the Commission is well-positioned to take on the challenges that confront us. These include:

- Continuing to improve our response to widespread outages caused by severe weather events;
- Further improving and supporting our competitive electric market in ways that will ensure consumers are fully educated and protected, in particular those under variable rate contracts who recently experienced high bills; and
- Continuing to ensure that the pipeline system in Pennsylvania is safe and reliable because pipeline safety is always an issue that is on the forefront of our minds at the Commission.

I would like to stress to the Committee that these issues we face are significant, and the foresight that has been demonstrated by both the Legislature and the Commission is to be commended. Yet there is more work to be done. I ask that you consider these issues and my record as a Commissioner thus far as you look toward my re-nomination.

It has been my honor to serve on the Commission alongside my colleagues: Vice Chairman John F. Coleman, and Commissioners James H. Cawley, Pamela A. Witmer, and Gladys M. Brown. I thank each of them for their example of public service, and I also thank each of the Commission's employees for the work they do every day as we work to meet the challenges before us. It would be a privilege to be able to continue to contribute to the valuable work done by the PUC for the next five years, and I appreciate your consideration of my re-nomination.

Thank you and I look forward to answering any questions.