

**PPL Electric Utilities Corporation**  
**2012 “Prepare Now” Campaign**

In a letter dated November 3, 2011, the Commissioners urged utilities to continue their participation in the annual “Prepare Now” campaign. PPL Electric’s responses to these initiatives and activities appear below.

**Action #1** – Redoubling efforts to link consumers to programs that are available to help them restore and maintain service such as CAP, LIHEAP and utility or local hardship funds.

Response: Regarding CAP, the Company has used automation to double the number of referrals from about 55,000 in 2008 to over an estimated 115,000 by year-end 2011. CAP enrollment has risen from 23,305 in 2008 to 34,798 (as of November 30, 2010) – an increase of 49 percent. Efforts to promote LIHEAP include targeted mailings (138,000 letters), outbound telephone “blaster” campaign (120,000 calls), bill insert, LIHEAP link in PPL Electric’s web site that allows customers to download the LIHEAP application, and referrals from Customer Service Representatives (“CSRs”) who establish payment agreements. PPL Electric will call selected individual customers to help them complete their LIHEAP applications. The Company will also conduct a paid radio campaign to encourage eligible customers to apply for LIHEAP benefits. The CSRs also refer customers to Operation HELP, which is PPL Electric’s hardship fund. Over 4,200 customers receive assistance annually through the hardship fund administered by local social service agencies.

**Action # 2** – Referring low-income customers to CAP when they call to make payment arrangements. We expect the company to do everything possible to get these customers into CAP, especially if it is a termination-related problem.

Response: As noted above, PPL Electric has used automation to significantly increase the number of referrals to CAP. The Company has also integrated CAP into its call-flow process used by the CSRs who handle collection-related calls. A referral to CAP stops all collection activities, including termination of service.

**Action #3** – Giving consideration to significantly increasing corporate donations to utility Hardship Funds and increasing corporate donations to other local programs that assist customers who need help paying their utility bills. In addition, review company procedures to ensure that automatic payments and on-line payments allow for customer contributions to Hardship Funds.

Response: In 2012, PPL Corporation will contribute \$1,000,000 to Operation HELP. Administered by 15 community-based organizations, the program runs year-round and pays any type of home energy bill. Since 2005, PPL Corporation has doubled its contribution to Operation HELP. According to the Commission’s *2010 Report on Universal Service Programs & Collections Performance*, voluntary contributions from PPL Electric’s ratepayers were more than double the amount of the second highest electric utility. Similarly, the Company’s utility and shareholder contributions were nearly double as well. The Company also continues to be very active in promoting the importance of United Way. PPL Corporation and its employees give over \$2 million annually to United Way.

Since 1983, customers have been able to contribute to Operation HELP via their electric bill. PPL Electric encourages monthly donation options of \$1, \$2 or \$5; however, the flexibility of its

billing system allows customers to donate any amount and, if requested, for specific periods of time (e.g., \$20 monthly over the winter). Paperless billing customers can also contribute to Operation HELP.

**Action #4** – Restoring service to low-income customers upon enrollment into the company's Customer Assistance Program (CAP) for the first time.

Response: PPL Electric's continuing practice is to restore service when eligible customers enroll in CAP (known as "OnTrack").

**Action #5** – Limiting the number of terminations of confirmed low-income customers by scaling back the company's termination program as the cold weather approaches. We ask for all utilities to review their termination and reconnection procedures to allow customers, who may appear to be making a good faith effort to pay their bills to keep utility service whenever possible.

Response: As a normal practice in November, PPL Electric does scale back residential service terminations. The Company typically stops residential terminations in mid-November. For both terminations and reconnections, PPL Electric gives special consideration to households containing vulnerable occupants (i.e., young children, elderly and disabled). As part of the Commission's winter survey, PPL Electric works hard to reconnect all residential customers before December 1. From 2007 through 2010, the Company had no residential customers without electric service at the start of winter and is working hard to achieve the same result for the start of this winter. PPL Electric offers reduced payment plans to residential customers in an attempt to reconnect service before the start of cold weather.

**Action #6** – Waiving or reducing security deposits, reconnection fees and late payment charges if they are a barrier to restoration of service or establishing a payment arrangement. Utilities have more discretion in waiving these fees than does the Commission. If a security deposit or reconnection fee is necessary, consider adding it to the customer's bill instead of making it a condition of providing service.

Response: PPL Electric does not charge security deposits for residential customers with household incomes at or below 250 percent of the federal poverty level. The reconnection fee is relatively low (\$15) and the Company will usually waive it under appropriate circumstances. The Company also waives late payment charges for low-income customers on payment agreements and for CAP participants and LIHEAP recipients.

**Action #7** – Accepting any combination of LIHEAP grant, crisis grant, and Hardship Fund grant as sufficient funds to turn on or reconnect service for low-income customers. If a customer payment is also necessary, we encourage you to be as lenient as possible.

Response: PPL Electric typically accepts any combination of LIHEAP grants and an Operation HELP grant either to stop termination or to reconnect service for low-income households. The Company will accept a minimum payment of \$50 reconnect service prior to winter. PPL Electric will also negotiate a lower catch-up amount to reconnect service if the customer has experienced a critical life event (e.g., job loss, death of primary wage earner or unexpected medical problems).

**Action #8** – Exercising more leniency in establishing payment arrangement plans for all customers. Again, utilities have more discretion in making payment arrangements than does the PUC. We ask for more responsiveness to the needs of all customers.

Response: As noted in the response to #7 above, PPL Electric accepts as little as \$50 to reconnect residential service before winter. For defaulted payment agreements, PPL Electric will negotiate to 50 percent of the total catch-up amount or 25 percent if there is a life event affecting the household. The Company encourages low-income customers to enroll in its CAP because of the available benefits (e.g., affordable payment plans, arrearage forgiveness and referrals to free weatherization services).

**Action #9** – Providing information about home heating safety and working to get customers who have been “red tagged” the assistance or information needed to help in obtaining repairs to furnaces or heating systems. Low-income customers may be referred to the LIHEAP crisis program for emergency repairs.

Response: Although “red tagging” is an issue for natural gas utilities, PPL Electric encourages customers to use electricity wisely and safely. The Company is especially concerned about customers who use electric space heaters either because they cannot afford to pay for oil deliveries or their furnaces are inoperable. PPL Electric promotes the availability of LIHEAP through a variety of means because electric space heaters are inappropriate for heating large areas and are costly to use. In addition, space heaters used by CAP participants can result in their removal from the program because they exhaust their CAP credits more quickly.

**Action #10** – Continue to promote the use of budget billing programs and third-party notification forms.

Response: The Company has offered budget billing and third-party notification programs for many years. In addition to offering budget billing when negotiating payment plans, PPL Electric promotes the program annually in a bill insert to all customers. As of October 31, 2011, there were over 225,000 customers enrolled in budget billing (18 percent of all residential customers) and approximately 17,000 customers using third-party notification.

**Action #11** – Providing information to customers on how they can reduce their heating costs through conservation including information on weatherization programs available as well as cost-effective steps they can do themselves.

Response: PPL Electric’s CSRs will continue to refer low-income customers to LIURP (known as “WRAP”). The Company has also promoted WRAP through a bill insert and targeted newspaper advertising. As part of Act 129, the Company has expanded funding for low-income weatherization (Act 129 WRAP). Between the two programs, PPL Electric will expend about \$18 million in 2012 and provide weatherization services to over 7,000 low-income customers. Approximately 70 percent of WRAP recipients also participate in OnTrack. WRAP contactors will continue their efforts to refer customers (especially baseload jobs) to the state Weatherization Assistance Program for additional measures, including furnace repair or replacement.

Through an Act 129 program called E-Power Wise, PPL Electric is using a Conservation Service Provider (“CSP”) to coordinate energy education workshops that provide information and energy saving kits to low-income households. The CSP is working with local community-

based organizations to offer the workshops. As of October 31, 2011, the CSP has completed 278 workshops for approximately 5,100 customers.

PPL Electric's Bill Analyzer allows customers to create a home profile of their energy usage. By using the Bill Analyzer, customers can also request information on how they can save energy, including simple things that they can do. The Company's "e" Power Team consists of skilled energy educators who participate in numerous high-traffic events throughout the service area. "e" Power Team members provide energy conservation tips and ideas, and they can show customers how to use the Energy Analyzer. The Company's web-based Energy Learning Center provides customers with a broad range of information regarding energy usage and conservation suggestions.

November 21, 2011