

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

**Gerald Murphy**

**Public Meeting held September 2, 2010**  
**2095550-ALJ**

v.

**Docket No. C-2009-2095550**

**PPL Electric Utilities Corporation**

**DISSENTING STATEMENT OF VICE CHAIRMAN TYRONE J. CHRISTY**

This proceeding involves a Formal Complaint filed by Gerald Murphy, a small business customer who operates a window company located on a leased property. In the Complaint, Mr. Murphy averred that PPL Electric Utilities Corporation (“Respondent”) was charging him incorrectly or, alternatively, that the Respondent could have left the service in the landlord’s name, therefore allowing Mr. Murphy to pay a lower rate.

In her Initial Decision, issued December 18, 2009, the Administrative Law Judge (“ALJ”) dismissed Mr. Murphy’s Complaint. The majority today is affirming the ALJ’s determination. I must respectfully disagree with the majority as I believe that the Respondent’s actions amounted to unreasonable service in this particular case.

Mr. Murphy originally received service under his landlord’s name and paid for single phase service at the GS-1 rate, although the building was wired for three phase service. This was a historical situation, and at the time of the hearing all of the other tenants in the building were grandfathered under the GS-1 rate. On November 5, 2008, Mr. Murphy decided to change service from his landlord’s name into his own name. The timing of his decision was unfortunate because it corresponded with the Respondent’s recent change to its tariff to require new customers receiving three phase service to be charged according to Rate Schedule GS-3, a rate that is three to five times greater than the GS-1 rate that Mr. Murphy had been paying when he received service under his landlord’s name.<sup>1</sup>

When Mr. Murphy’s wife contacted the Respondent on November 5, 2008 to have service placed in Mr. Murphy’s name, Respondent’s customer service representative stated that a deposit of \$216 was required, and this deposit amount was equal to two months of service charges.<sup>2</sup> This price quote was consistent with the monthly GS-1 rate that Mr. Murphy had been paying. The Respondent did not mention anything about the possibility of Mr. Murphy being charged at the higher GS-3 rate. Nevertheless, Mr. Murphy received a bill from the Respondent for the month of November in the amount of \$536.58, which included the \$216 deposit and \$320.58 for usage. After receiving this

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<sup>1</sup> Respondent’s tariff provides, “Effective January 1, 2008, new General Service customers receiving three phase service will be served under Rate Schedule GS-3.” NT 35, Exh. PPL-5.

<sup>2</sup> NT 8, 11, Exh. PPL-2. PPL’s Exhibit 2 consists of records that indicate Mrs. Murphy made a service request on November 5, 2008, and the \$216 security deposit was discussed during the phone conversation between her and the Respondent’s customer service representative.

high bill, Mr. Murphy contacted the Respondent, and the Respondent explained that Mr. Murphy was being charged for three phase service. Mr. Murphy asked if he could change service back into his landlord's name, and the Respondent said they could not honor his request because it was contrary to the Respondent's tariff.<sup>3</sup>

The Respondent explained that it was adjusting to the new policy in its tariff and was not yet engaged in its current practice of informing new customers about the higher rate for three phase service. Nevertheless, my concern in this case is even more significant than Respondent's failure to inform the Murphys of the higher GS-3 rate under which they would be charged. I am troubled by the fact that Respondent represented a significantly lower rate to the Murphys than the rate at which they were actually charged and failed to provide Mr. Murphy with any recourse to correct the problem. This misrepresentation, albeit unintentional, constitutes unreasonable service. In fact, it is this misrepresentation of the service rate that distinguishes this case from other cases in which the Respondent failed to discuss which rate schedule would be applied.<sup>4</sup>

Mr. Murphy was justified in trusting the Respondent and relying on the Respondent's representation regarding the rate he would be charged, and he had no reason to believe he would be charged at the higher GS-3 rate based on the information the Respondent's customer service representative provided. Mr. Murphy also exercised due diligence by asking the other tenants in the building and the landlord about the average bills they incurred. The information they provided – that the bills were approximately \$100 a month<sup>5</sup> – was consistent with the information provided by the Respondent.

A better result could have been achieved in this proceeding if the Respondent would have allowed Mr. Murphy to nullify the request for a service change as Mr. Murphy requested. In her Initial Decision, the ALJ indicated that if the Murphys were permitted to cancel their request for a service change, she did not believe this would be a violation of the Respondent's tariff.<sup>6</sup> This solution effectively would have returned Mr. Murphy to the position he was in prior to making the service request. Because the landlord is not a new customer, Mr. Murphy could have continued to pay the landlord for service at the GS-1 rate. In my mind, this course of action would have been a reasonable resolution of the issues in this proceeding.

9-2-10  
DATE

  
TYRONE J. CHRISTY, VICE CHAIRMAN

<sup>3</sup> NT 12.

<sup>4</sup> See *Melissa I. Dangler, Hair It Is v. PPL Electric Utilities Corp.*, Docket No. C-2009-2088065 (Order entered September 24, 2009).

<sup>5</sup> NT 7.

<sup>6</sup> NT 32, 50.