

PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265

Sue Christmas

Public Meeting held January 10, 2013

v.

2273245-ALJ

PECO Energy Company

Docket No. F-2011-2273245

MOTION OF COMMISSIONER WAYNE E. GARDNER

Before the Commission for disposition is an Initial Decision (“ID”) sustaining, in part, the above Formal Complaint filed against PECO Energy Company (“PECO” or “Company”). Ms. Christmas alleged that her service was terminated because PECO failed to adhere to the terms of a Commission-issued payment arrangement. Ms. Christmas also alleged that PECO’s bills were confusing. As relief Ms. Christmas requested a refund of reconnection charges and restoration of her front yard.

Payment Arrangement & Billing Dispute

In response to an Informal Complaint and request for a payment arrangement, on December 8, 2008, the Commission’s Bureau of Consumer Services (“BCS”) granted Ms. Christmas a payment arrangement. PECO Exhibit 9. Pursuant to the terms of the arrangement, beginning with a January 2009 due date, Ms. Christmas was required to pay a special budget amount of \$96.00 per month, which consisted of regular budget billing of \$26 per month, plus \$70 per month towards her arrearages. *Id.* The BCS decision reminded Ms. Christmas that she **must** continue to pay current, non-disputed charges prior to the commencement of the payment arrangement.¹ *Id.* PECO had previously issued Ms. Christmas a current bill in November with a due date of December 17, 2008. PECO Exhibit 1. Because Ms. Christmas did not pay this bill, PECO deemed Ms. Christmas to be in default of the Commission-issued payment arrangement on December 22, 2008, even though the first payment for the payment arrangement was not due for another month. Tr. 52, PECO Exhibit 1. PECO pointed to the language of the BCS decision as supportive of its practice of making a Commission-issued PAR dependent upon the payment of current charges. Tr. 51-52.

The ALJ determined that PECO provided unreasonable service to Ms. Christmas because the Company conditioned a payment arrangement upon the payment of current charges. The ALJ’s assessment of a civil penalty of \$1,000 was based, in part, upon this finding. ID 20.

I do not agree with the finding in the ID that PECO should be fined for deeming Ms. Christmas in default of the payment arrangement before the first due date of the agreement. A utility may terminate service when a customer fails to pay the undisputed portion of a bill that is not subject to a Commission-issued payment arrangement. 66 Pa. C.S. § 1405(f). This does not

¹ The BCS decision reads in pertinent part: “By Law you must pay any current bills due before this payment arrangement starts.” PECO Exhibit 9.

mean that a utility can deem a customer in default of a Commission-issued payment arrangement when a customer fails to pay the undisputed portion a bill that is rendered before the first billing period under which the arrangement is in effect. PECO's actions were improper but they were not unreasonable and do not warrant a fine.

Regarding the ALJ's determination that PECO's billing format was difficult to follow, a similar issue was addressed in *Laura Maisch v. PECO*, Docket No. C-2009-2118649 (Order entered May 26, 2011). Pursuant to that Order, PECO worked with BCS to develop a billing format which complies with the Commission's "plain language" policy statement on billing. PECO implemented its billing changes in January of 2012 which is after the billing period Ms. Christmas contests. The Commission should not fine PECO at this time since it has worked with BCS to improve the clarity of its bills.

Termination of Service

Ms. Christmas also alleged that PECO did not ask for access to its meter prior to termination of her service, and she disputes the reconnection of service charge in the amount of \$1,650. Tr. 25. PECO did request access to Ms. Christmas' meter. Between April 6, 2010, and November 10, 2010, PECO issued four 10-day termination notices, each followed by 72-hour notices. Tr. 58-60, PECO Exhibit 2. The first two termination notices, dated April 6, 2010 and June 1, 2010, respectively, were not carried out because Ms. Christmas refused PECO's employees access to the meter located inside her residence. Tr. 58-59, PECO Exhibit 2. The third termination notice was not carried out because Ms. Christmas submitted a medical certificate. On November 10, 2010, PECO terminated electric service to the service address due to nonpayment of a past due balance of \$6,002.55. Tr. 60, PECO Exhibit 2. In order to terminate service, PECO had to dig underground and install a splice box in Ms. Christmas' yard. This also ensured that any future terminations of service could be completed without having to excavate. Tr. 62, PECO Exhibit 2.

The ALJ determined that PECO failed to provide adequate service because PECO did not contact Ms. Christmas to request access to the meter. ID 22. The ALJ assessed a civil penalty of \$500 and required the Company to refund \$1,575, which represents the difference between the underground reconnection charge of \$1,650 and the charge of \$75 for reconnection at the meter. ID 23-24.

I do not agree with the findings in the ID that PECO failed to provide Ms. Christmas with reasonable service. The evidence shows that PECO made multiple attempts to contact Ms. Christmas. Tr. 86. In addition, Ms. Christmas received a number of 10-day termination notices which clearly stated that there was a potential charge of \$1,650 associated with underground reconnection. Tr. 92-93. Despite this knowledge, Ms. Christmas did not make PECO's facilities available to the Company. It is not appropriate to assess a civil penalty of \$500 or require reimbursement of \$1,575 where PECO complied with both Commission regulations regarding termination and its Commission-approved tariff for underground reconnection of service. Utilities have an obligation to ratepayers to prevent the accumulation of large arrearages for which the utility may never receive payment. As such, PECO took appropriate action to terminate service.

Yard Restoration

Finally, I note that Ms. Christmas claims that PECO did not restore her yard after the Company installed the shut-off switch. Although there is insufficient evidence on the record to make a determination regarding yard restoration in this case, I note that reasonable service requires restoration of a customer's property to a condition similar to that which the property was in before the utility engaged in the earth disturbing activity.

THEREFORE, I move that:

1. The Initial Decision be modified, consistent with this Motion.
2. The Office of Special Assistants prepare an Opinion and Order consistent with this Motion.

January 10, 2013

DATE

A handwritten signature in black ink, appearing to read "Wayne E. Gardner", written over a horizontal line.

Wayne E. Gardner, Commissioner