

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

Kisha Dorsey
v.
Philadelphia Gas Works

Public Meeting held October 31, 2013
2313679-ALJ
Docket No. F-2012-2313679

STATEMENT OF COMMISSIONER GLADYS M. BROWN

I understand that the Commission must be judicious in exercising its very limited discretion to grant payment arrangements under Chapter 14. I agree that in this case, the record does not reflect a good faith effort on the part of the customer to pay her utility bills.

That being said, PGW and our other utilities have much more flexibility under Chapter 14 than the Commission does when it comes to granting payment arrangements. In the spirit of our Prepare Now initiative, I ask our utilities to do their utmost to educate consumers, especially those on limited and fixed incomes, about programs to help heat their homes or pay their energy bills such as Customer Assistance Programs (CAPs) and Low Income Usage Reduction Programs (LIURP), the federal Low Income Home Energy Assistance Program (LIHEAP), and budget billing.

On October 15, 2013, the Commission kicked off our Prepare Now campaign by asking our utilities to consider the following actions as we head into the winter heating season. I wish to draw attention to the suggested practices which could be used by our utilities to ensure that payment challenged customers are able to maintain their utility service:

- Improve 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.
- Refer low-income consumers to CAP when they call to make payment arrangements. We expect our utilities to do everything possible to get eligible consumers into CAP, especially if a termination-related problem exists.
- Increase corporate donations to utility Hardship Funds and other local programs that assist consumers who need help paying their utility bills.
- Review company procedures to ensure that automatic payments and online payments allow for consumer contributions to Hardship Funds.
- Limit the number of terminations of confirmed low-income consumers by scaling back the company's termination program as the cold weather approaches. This includes reviewing termination and reconnection procedures to allow consumers who are making a good faith effort to pay their bills to keep utility service whenever possible.
- Waive or reduce security deposits, reconnection fees and late payment charges if they are a barrier to restoration of service or establishing a payment arrangement. As previously noted, 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 consumer's bill instead of making it an initial condition of providing service.

- Accept any combination of LIHEAP grant, crisis grant, and Hardship Fund grant as sufficient funds to initiate or reconnect service for low-income consumers. If a consumer payment is also necessary, we encourage you to be as lenient as possible.8.) Exercise leniency when establishing payment arrangement plans for all consumers. Again, utilities have more discretion in making payment arrangements than does the Commission. When assessing whether to grant a payment arrangement, please consider:
 - Changes in circumstances such as lost or reduced income,
 - Extended illness of the ratepayer or a household member, or
 - Increased household size and accompanying expenses.
- Provide customers with information about home heating safety and work to get consumers who have been “red tagged” the assistance or information needed to help in obtaining repairs to furnaces or heating systems. Refer low-income consumers to the LIHEAP crisis program for emergency repairs.
- Promote the use of budget billing programs and third-party notification forms.
- Provide information to consumers regarding how they can reduce their heating costs through conservation including information on weatherization programs as well as cost-effective steps they can do themselves.

October 31, 2013
Date


Gladys M. Brown, Commissioner