

Paul E. Russell
Associate General Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.4254 Fax 610.774.6726
perussell@pplweb.com



FEDERAL EXPRESS

November 5, 2013

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17120

RECEIVED

NOV - 5 2013

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**RE: Petition of PPL Electric Utilities Corporation for Waiver of
52 Pa. Code § 56.97(a) to Allow Customers to Establish
Payment Agreements Online or Through an Automated
Interactive Voice Response System
Docket No. P-2012-2327036**

Dear Madam Secretary:

On September 28, 2012, PPL Electric Utilities Corporation ("PPL Electric" or the "Company") filed a Petition for Permanent Waiver of 52 Pa. Code § 56.97(a). After reaching an agreement with the Office of Consumer Advocate ("OCA"), PPL Electric amended its request on November 5, 2012 for a temporary waiver of this section. The Company requested this exemption so its residential customers would continue to have the ability to establish payment agreements through its website and interactive voice response system ("IVR").

In an Order entered on January 24, 2013, the Commission approved PPL Electric's request for a temporary waiver of 52 Pa. Code § 56.97(a). The Order is effective December 1, 2012 through December 31, 2016. The Order requires the Company to inform the Commission's Bureau of Consumer Services ("BCS"), the OCA and other interested parties at least 30 days in advance if it intends to implement substantive changes to the website or IVR regarding customers' ability to set up payment agreements.

PPL Electric implemented an enhancement to this program in the fourth quarter of 2012 that is not substantive, but may be of interest to BCS, the OCA and others regarding self-serve payment agreements. During the initial two-year pilot (September 2010 through September 2012), the Company included additional conditions in the program. For example, if customers were within three days of their scheduled termination dates, they could not use the website or IVR to establish payment agreements. These customers had to call PPL Electric to discuss their

overdue bills and to establish payment agreements with a Customer Service Representative ("CSR"). However, customers still had payment options available to them via the website and IVR, including payment of the overdue amount or reporting of a payment up to the date of the scheduled termination. In addition, customers had the opportunity to speak directly with a CSR during normal business hours. The Company had included these and other provisions (e.g., presentation of universal service programs) in its September 28, 2012 petition.

Due to a communications oversight between working groups, PPL Electric did not discuss in its petition a programming enhancement that would allow customers to use its website and IVR to establish payment agreements up to and including the day of service termination. If the information had been available, PPL Electric would have included this enhancement in its petition to the Commission.

This system improvement has several advantages for customers: 1) it gives them the flexibility to establish payment agreements on their own schedule, which may be after normal business hours; 2) it allows them to avoid possible delays in contacting PPL Electric's call centers due to heavy call volume¹; and 3) it helps prevent unnecessary terminations of service. In addition to these benefits, data regarding customer behavior also influenced the decision to allow customers to use the website and IVR to establish payment agreements up to the day of termination.

Approximately 90 percent of residential customers who receive a service termination notice "cure" the issue by making a payment or establishing a payment agreement. Year-to-date through September 30, 2013, PPL Electric has issued 385,644 ten-day shut-off notices; made 330,193 three-day calls; delivered 72,248 three-day notices to customers' premises; issued 102,758 cut orders in the field; and terminated service for non-payment of bills for 35,068 households. The 2013 data reveals the following:

- 17 percent of customers who received a ten-day notice stopped termination of service by making a payment or by establishing a payment agreement;
- 73 percent of customers who received a three-day notice prevented a shut-off by making a payment or by setting up a payment agreement; and
- 10 percent of customers who received both ten-day and three-day notices eventually experienced termination of service.

Moreover, as demonstrated in PPL Electric's two-year pilot and year-to-date in 2013, the use of the website and IVR by customers either to make payments or to establish payment agreements remains robust. Customer benefits continue to include avoiding termination of service; allowing flexibility to complete transactions

¹ Note: Compared with year-to-date results through September 30th, call volume for PPL Electric in 2013 (1.68 million calls) has increased by 8.4 percent over 2012 (1.55 million calls).

outside of normal business hours; preventing further collection actions; and providing automatic referrals to universal service programs, such as Customer Assistance Programs. Improving customer satisfaction, providing online payment option flexibility, managing operational costs, and effectively addressing the increase in call volume are important additional benefits of this program.

If you have questions about the self-serve payment agreement enhancement (i.e., the ability to use the website and IVR up to and including the day of service termination), please do not hesitate to contact me, or Timothy R. Dahl, PPL Electric's Manager-Regulatory Programs & Business Services at (484) 634-3297.

Very truly yours,

A handwritten signature in black ink that reads "Paul E. Russell". The signature is written in a cursive, flowing style with a large initial "P" and "R".

Paul E. Russell

cc: Ms. Tanya McCloskey, Acting Consumer Advocate
Ms. Alexis Bechtel, Bureau of Consumer Services
Mr. Harry Geller, Pennsylvania Utility Law Project

From: (610) 774-4254
 Paul E Russell
 PPL Corporation
 2 N 9th Street

Origin ID: ABEA



Allentown, PA 18101

Ship Date: 05NOV13
 ActWgt: 1.0 LB
 CAD: 104308816/NET3430

Delivery Address Bar Code



Ref # PER 205 734268 000
 Invoice #
 PO #
 Dept #

SHIP TO: (717) 772-7777

BILL SENDER

ROSEMARY CHIAVETTA, SECRETARY
 PA Public Utility Commission
 400 NORTH ST
 COMMONWEALTH KEYSTONE BUILDING
 HARRISBURG, PA 17120

J13201306280326

WED - 06 NOV 10:30A
 PRIORITY OVERNIGHT

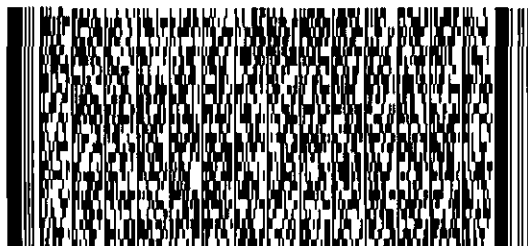
TRK# 7970 8218 5714

0201

17120

PA-US

MDT

EN MDTA

51AG1/05EG/1AGE

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000. e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.