#### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission:

:

v. : Docket No. R-2015-2468981

:

PECO Energy Company –

Electric Division :

# PETITION TO INTERVENE AND ANSWER OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA

Pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission ("PUC" or "Commission"), 52 Pa. Code §§ 5.61-5.76, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA"), through its counsel at the Pennsylvania Utility Law Project, hereby petitions the Pennsylvania Public Utility Commission ("Commission") to intervene in the above-captioned proceeding. In support thereof, CAUSE-PA states as follows:

- 1. On March 27, 2015, PECO Energy Company ("PECO") submitted a rate filing, Tariff Electric Pa. PUC No. 5 ("Tariff No. 5"), which proposes to increase its distribution revenue by approximately \$190.1 million, or 15.6% above existing Distribution revenues. In addition, Tariff No. 5 contains revisions and other modifications to PECO's currently effective tariff.
- 2. For residential customers, PECO proposes to increase revenue by \$98.8 million per year for Rate R Residential Service and by \$26 million for Rate RH Residential Heating Service. These increases include a 68.3% increase in the customer charge from \$7.13 to \$12.00 for both Rate R and RH.

3. PECO also proposes in its filing to establish an arrearage forgiveness program to address arrears accrued by customers enrolled in its tiered discount Customer Assistance Program (CAP).

#### **Petition to Intervene**

- 4. Eligibility to intervene in Commission proceedings is governed by 52 Pa. Code § 5.72, which provides in relevant part that "[a] petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought." 52 Pa. Code § 5.72(a).
- 5. Section 5.72 further provides that the right or interest may be one "which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding." 52 Pa. Code. § 5.72(a)(2).
- 6. Even though Section 5.72 speaks of the rights of a "person" to intervene, the Commonwealth Court has consistently stated that "an association may have standing as a representative of its members ...as long as an organization has at least one member who has or will suffer a direct, immediate, and substantial injury to an interest as a result of the challenged action, [i.e., is aggrieved, the organization] has standing." *Energy Cons. Council of Pa. v. Pa. P.U. C.*, 995 A.2d 465, 476 (Pa. Commw. 2010) (alteration in original) (*citing Tripps Park v. Pa. P.U. C.*, 415 A.2d 967 (Pa. Commw. 1980); *Parents United for Better Schools v. School District of Philadelphia*, 646 A.2d 689 (Pa. Commw. 1994)).

7. CAUSE-PA is an unincorporated association of low-income individuals that advocates on behalf of its members to enable consumers of limited economic means to connect to and maintain affordable water, electric, heating and telecommunication services.

8. CAUSE-PA membership is open to moderate and low- income individuals residing in the Commonwealth of Pennsylvania who are committed to the goal of helping low-income families maintain affordable access to utility services and achieve economic independence.

9. CAUSE-PA is located, c/o the Pennsylvania Legal Aid Network, at 118 Locust Street, Harrisburg, PA 17101.

10. CAUSE-PA has a significant interest in the impact that PECO's proposed rate increase will have on moderate and low income residential customers. These interests are not adequately represented by other participants.

11. Several members of CAUSE-PA are located within PECO's service territory and will be directly affected by the outcome of this proceeding. Particularly, this proceeding will affect the price that CAUSE-PA members pay for electric service, as well as the reliability and quality of that service.

12. At least eight (8) members of CAUSE-PA are customers of PECO and will be directly affected by the outcome of this proceeding.<sup>1</sup>

13. CAUSE-PA has standing to intervene because several of its members have or will suffer a direct, immediate, and substantial injury to an interest as a result of this proceeding. *See Energy Cons. Council of Pa.*, 995 A.2d at 476.

14. CAUSE-PA is represented in this proceeding by:

Harry S. Geller, Esquire Elizabeth R. Marx, Esquire

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<sup>&</sup>lt;sup>1</sup> Carl W. Bailey, Sonia Brookins, Audrey Evans, Robin Evans, Marjorie Jackson, Yvette Long, Marsha Mathis, and Jahala M. McLendon are members of CAUSE-PA and customers of PECO.

**Pennsylvania Utility Law Project** 

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15. Counsel for CAUSE-PA consents to the service of documents by electronic mail to

pulp@palegalaid.net, as provided in 52 Pa. Code § 1.54(b)(3).

Answer

16. CAUSE-PA has preliminarily reviewed PECO's rate filing, and generally objects to

PECO's request for increase on the grounds that the proposed rate increase could result in unjust

and unreasonable rates that would impose severe hardship on low and moderate income residential

customers and consumers.

17. CAUSE-PA also has an express interest in ensuring that PECO's CAP arrearage

forgiveness program is approved, that the relief for low income customers is equitable, and that

the terms of the program will not impose additional hardship on vulnerable customers. PECO's

proposed arrearage forgiveness program is part of a negotiated settlement, to which CAUSE-PA

is a party, to redesign PECO's CAP to produce more affordable bills for CAP participants. To date,

PECO's CAP has consistently produced bills which exceed the Commission's affordability

guidelines. The arrearage forgiveness program is part and parcel to ensuring greater compliance

with Commission affordability guidelines under the new CAP design, as it prevents vestiges of the

unaffordable CAP model from following customers into the newly designed program.

18. Continued delivery of safe, affordable electric service is of critical importance to the

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safety, welfare, and economic stability of all Pennsylvanians - particularly those with limited

financial means. In recognition of this fact, the law requires that utility services be universally

affordable, and that universal service programs be developed, maintained, and appropriately

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funded to ensure such affordability. See 66 Pa. C.S. § 2203(3), (8).

19. CAUSE-PA asserts that these matters, and any future modifications presented by intervening parties, must be thoroughly reviewed to ensure that all customers are able to access safe, affordable utility services within the PECO service territory.

WHEREFORE, CAUSE-PA respectfully requests that the Commission enter an order granting CAUSE-PA full status as an intervener in this proceeding with active party status.

Respectfully submitted,

PENNSYLVANIA UTILITY LAW PROJECT Counsel for CAUSE-PA

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Date: April 9, 2015

## Verification

I, Carl W. Bailey, a member of the Executive Committee of the Coalition for Affordable Utility Services and Energy Efficiency ("CAUSE-PA"), on behalf of CAUSE-PA, hereby state that the facts contained in the foregoing pleading are true and correct to the best of my knowledge, information and belief, that I am duly authorized to make this Verification, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 10 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Carl W. Bailey

On behalf of the Executive Committee of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)

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Date: April 9, 2015

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### **Certificate of Service**

I hereby certify that I have this day served copies of the **Petition to Intervene and** Answer of the Coalition for Affordable Utility Services and Energy Efficiency in **Pennsylvania** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 in the manner and upon the persons listed below.

## VIA FIRST CLASS MAIL

Romulo L. Diaz, Jr., Esq. Jennedy S. Johnson, Prosecutor

Jack R. Garfinkle, Esq. Bureau of Investigation & Enforcement

Pa. Public Utility Commission W. Craig Williams, Esq.

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Respectfully submitted,
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April 9, 2015