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April 21, 2015

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

RE: Castaneira v. PPL Electric Utilities Corporation
Docket No. F-2014-2404158

Dear Ms. Chiavetta:

Enclosed for eFiling in the above-captioned matter is the Brief on behalf of Respondent, PPL Electric Utilities Corporation.

Please note that this filing was eFiled with the Commission on the date indicated above.

Very truly yours,

KIMBERLY G. KRUPKA

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Enclosure
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cc: Ann & Ian Castaneira (w/encl.)
Edward Lanza, Esquire (w/encl.) via email only
Administrative Law Judge Susan Colwell (w/encl.) via email only
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ANN CASTANEIRA,

Complainant,

vs.

PPL ELECTRIC UTILITIES CORPORATION,

Respondent.

COMPLAINT DOCKET

NO. F-2014-2404158

BRIEF OF RESPONDENT, PPL ELECTRIC UTILITIES CORPORATION

I. CONCISE STATEMENT OF THE CASE

The Complainant, Ann Castaneira, a PPL Electric rate payer receiving service at 320 Rosedale Avenue, Highspire, Pennsylvania, 17034, filed a Complaint on or about January 28, 2014 against PPL Electric alleging “we have a file with over one and one-half inches of documentation as this has been going on for a number of years.” In the requested relief, the Complainant requested accurate billing, a refund of billing over-charges, and an investigation of process. This was the only information provided in Complainant’s Complaint.

PPL Electric filed an Answer on or about February 25, 2014, denying any and all allegations of improper billing. This case was originally signed to Judge Melillo with an initial hearing scheduled to commence on April 14, 2014. However, that Hearing was continued and the case was reassigned to ALJ Colwell. An Initial Hearing was then held on September 4, 2014. At the end of the Hearing, Complainant expressed a concern about the ability to offer the testimony of an expert witness. The record was held open and an opportunity was provided for Complainant to engage an expert. Complainant thereafter advised Administrative Law Judge Colwell that he had engaged an expert, and a subsequent Hearing was scheduled and held on

February 24, 2015. At the conclusion of the Hearing, Administrative Law Judge Colwell requested the parties to provide Briefs.

II. SUMMARY OF THE ARGUMENT

Complainant has asserted a Complaint against Respondent, PPL Electric, that PPL Electric has undersized the transformer servicing his property. Complainant further contends that this undersized transformer has caused an increase in his electric bills. After installing two (2) volt meters on different dates and performing two (2) in-home field investigations, PPL Electric confirmed the proper size transformer, the propriety of the meter, and that there are no service issues. Moreover, once Complainant replaced his water heater in March 2014, his bills dropped to less than 50%. It is clear that Complainant's high bills were related to a faulty electric hot water heater.

III. ARGUMENT

Complainant, Ann Castaneira and her husband, Ian Castaneira, live in an old farm home which they have remodeled. The home contains a pool and hot tub (NT. 10) as well as two (2) hot water heaters (NT 13) which were recently changed to gas in March 2014. (NT 14). Unfortunately, several items in the home have experienced malfunctions. Specifically, Mr. Castaneira testified that the pool was shut down during a period of time he was unable to obtain filters for it. (NT 15). As will be discussed further in the Brief, additional devices within the home were also found to be in disrepair at the time of an in-person field investigation. Most significantly were two (2) electric hot water heaters.

Complainant asserts in her complaint that she is being over-charged for electric consumption. In asserting this complaint, Complainant is not arguing that the meter is

improperly recording electric consumption. (NT 233). Rather Complainant is arguing that power is supplied by an undersized transformer which overall increases the voltage, and then kilowatt, usage. In support of these allegations, Complainant offered the testimony of herself, Ian Castaneira, as well as a good friend and expert, Dabis Camero.

As is well recognized by the Commission, the parties seeking affirmative relief from the Commission bear the burden of proof. 66 Pa. C.S. §332(a). Moreover, as a matter of law, it is the burden on the Complainant to show that the utility is responsible for the problem described in the Complaint of the Complainant. Patterson v. Bell Telephone Company of Pa., 72 Pa. PUC 196 (1990). The burden is that of the preponderance of the evidence standard. Samuel J. Lansberry, Inc. v. Pa. Public Utility Commission, 578 A.2d. 600 (1990) *allocator denied*, 602 A.2d 863 (1992). Finally, any finding of fact necessary to support the decision of the ALJ must be based upon **substantial evidence** of record. Mill v. Pa. Public Utility Commission, 447 A.2d 1100 (Pa. Cmmw.1982) (emphasis added). It cannot just be an assumption of an individual. In contending that PPL Electric has provided improper service to Complainant, Complainant has not provided any substantial evidence to support the allegation.

The testimony of Mr. and Mrs. Castaneira does not meet the Complainant's burden of proof. Although Mr. and Mrs. Castaneira contend that the transformer on their property blew on multiple occasions and therefore is inadequate, this is simply not supported by any evidence. Neither Mr. Castaneira nor Ms. Castaneira were able to provide the date on which the transformers blew and/or were replaced. Rather, PPL Electric confirmed that the meter at their property was replaced on February 5, 2014. (NT 122). While Mr. Castaneira experienced other outages over the years, an outage is not equivalent to a transformer issue. Moreover, line work

by PPL is not the same as a transformer issue. (NT. 122-123). Accordingly, there is simply no evidence of repeated issues with the transformer servicing Mr. and Mrs. Castaneira.

When the testimony of Mr. and Mrs. Castaneira is reviewed in its entirety, it confirms that the Castaneira household has high consumption of electric, likely due to faulty household equipment. It also indicates that the Castaneiras have experienced infrequent outages, often due to storm-related issues. Moreover, while there has been one (1) replacement of a transformer in February 2014, when a 10 KV transformer was replaced with a 15 KV transformer. However, there is no indication at all that at any time the power supplied was inadequate.

In an attempt to meet the burden of proof, Complainants offered the testimony of Dabis Camero. Although Mr. Camero is an electrical engineer, he has never indicated that he is a licensed professional engineer which would enable him to testify as an expert. Mr. Camero, by his own admission, is very good friends with the Complainant's family and seeks to assist them in this matter. (NT 235). However, his training and experience simply do not qualify him to offer any opinions as to whether or not the transformer is the adequate size in this case. Mr. Camero has never performed any tests on residential electric meters. (NT 234). His expert testimony is based upon an understanding that the transformer servicing the Castaneira household has blown on four (4) occasions. However, Mr. Camero is unaware of any dates when such events happened, and relied solely on conversations with Complainants that within the past ten (10) years, PPL has had trucks come out to the community to work on lines. (NT 251-253). The entire basis for his conclusion simply is inaccurate. There is no evidence at all concerning repeated transformer issues.

Mr. Camero has testified that in his opinion the high bills are due to motors within the home running hot and needing more current. (NT 253). However, when questioned, he was

unable to state what motors were in the home. He simply stated that there was a water pump and refrigerator motor. (NT 254-255). He did not perform an in-home inspection, and was unable to identify even one (1) motor within the home that he felt to be running hot based upon his personal experience.

Unfortunately, Mr. Camero's testimony was not credible. When offering an expert opinion, one of the most important elements of that opinion is the information relied upon by the expert. When Mr. Camero was questioned as to what information he reviewed prior to providing his opinion, he was unable to cite to this information. Specifically, he was questioned:

- Q: So when you made that statement this morning, you're referring to a water pump and a motor on the refrigerator, correct?
- A: That's correct.
- Q: And what are you basing your testimony—strike that. What knowledge do you have that those motors were hot or operating hot?
- A: I have the answer of the readings from PP&L.
- Q: And what readings are those, sir?
- A: I am accustomed to the house and his property and his house.
- Q: Okay, but what specific readings did you look at which made you think to yourself that those motors were running hot?
- A: The readings showed the power consumption per device, if I recall correctly.
- Q: Is it your testimony that you reviewed power consumption numbers by device or by motor for the motors inside the Castaneira home?

At that point in time, Mr. Castaneira realized that the information that Mr. Camero indicated he had reviewed, in fact, never existed. Accordingly, Mr. Castaneira objected to the question and told his witness "hold on. Hold on Dabis." Mr. Castaneira then proceeded to inform everyone at the Hearing that PPL never provided that information and it was not reviewed. However, up until this prompt by Complainant, Mr. Camero was about to testify that he relied on information that did not exist. (NT 254-257).

Mr. Camero's testimony should be rejected as not credible. He testified that he relied upon reports that he received from the Complainant (NT 261). Complainant himself then said he did not have such reports. (NT 262). He provided general testimony stating that he relied upon various documents, but when PPL Electric tried to cross-examine his conclusions, Mr. Camero indicated that he did not have those documents available to him. (NT 259). Mr. Camero further confirmed that while he bases his conclusions on the manner in which the motors within Complainant's home works, he is not familiar with those devices. (NT 264).

Mr. Camero then attempted to rely upon what he indicated was a basic understanding of electricity to testify that the high usage is due to low voltage. He testified that during times of low voltage, higher current is required, resulting in higher consumption of electric. However, this theory proved false when questioned as to in-rush current. As stated by Mr. Camero, in-rush current is the current that is demanded for a transient period in a very short interval of time. (NT 284). Accordingly, any increase in current (or usage) would only exist during that in-rush. When questioned how long these in-rushes last that would cause the increased usage, Mr. Camero responded:

A: Not exactly - - I'm not going to put exactly 70 percent, but I saw 18 KVA consumption for a substantial period of time?

Q: What period of time?

A: It would be in the hands of Ian [Complainant] right now.

Q: So you don't know what period of time, correct?

...

A. I don't recall exactly the paper but - -

...

I saw it. (NT 286).

The reality is that there were very few spikes in the range testified to by Mr. Camero. In general, the demand for Complainant's home was well below 10 KW. As part of Complainant's Exhibit F, Complainant provided the Hourly Energy Graphs for his usage which show KW as

registered by the meters (Mr. Castaneira has agreed that he does not dispute the accuracy of the meters). Exhibit F includes approximately 7 reports when demand exceeded 15 KW. These are for 1/09/11, 1/11/11, 1/12/11, 1/13/11 and 1/14/11. However, all of these occurrences are for extremely brief, transient time periods. Complainant's Exhibit I then further identifies five (5) days, namely 2/25/14, 3/01/14, 3/04/14, 3/05/14 and 3/13/14. These spikes again are very transient. Moreover, one cannot identify what is causing this spike, if it might be a broken piece of equipment starting up, or even a sudden usage of multiple motors within the home. However, it is clear this usage is momentary usage and is on very few occasions. Mr. Camero has been unable to identify any pattern of usage which would indicate that the transformers are improperly sized for providing electric service.

However, while it is contended that the burden has never shifted to PPL Electric to provide any evidence that the service is appropriate, PPL Electric did so. PPL Electric presented the testimony of Michael Hadginske, the Customer Support Engineer for the Harrisburg Region. (NT 102). Mr. Hadginske holds a Bachelor's of Science in Electrical Engineering. (NT 102). He actually met with Complainants on several occasions. (NT 103). He testified that in February 2014, PPL replaced the transformer after it failed, either due to ice or a tree falling on it during a winter storm. (NT 105) At this time, the transformer was changed from 10 KVA to a 15 KVA. (NT 106). Mr. Hadginske reviewed the usage of the two (2) homes connected to this transformer and found the 15 KVA to be completely adequate. (NT 106). Moreover, he explained that even if a larger transformer was needed, which is denied, it would not affect the Complainant's bill. (NT 106). Mr. Hadginske confirmed that even with a larger transformer, the same amount of electricity is used by a device within the home. (NT 1035). Watts is voltage plus current. If you start a motor with a higher voltage, the current is going to be less, and in the

end, you have the same KWH usage. (NT 135). While a higher voltage line may eliminate momentary dimming of lights when multiple devices using motors (such as air conditioner, hot tub and washer, are all turned on at the same time, the amount of usage will not change) (NT 135).

PPL Electric has taken exceptional efforts to assist the Castaneiras. Volt meters were installed in 2011 and 2013. (NT 110). The results of the volt monitoring were produced in PPL Hearing Exhibits 10A, 10B, 11A and 11D. Mr. Hadginske provide a full review of these reports and specifically noted there was something within the home causing inrush current at the time in which the volt meter was reporting 130 amps. (NT 114). Based on his experiences with other customers, Mr. Hadginske has opined that this was likely caused by a malfunctioning air conditioner or electric water heater. (NT 114-115). Moreover, he confirmed that based on the size of the Castaneira house, and with the amount of devices contained within it, the spike seen on the voltage maps are consistent with other homes. (NT 136).

In addition to installing a volt meter, PPL Electric also performed testing of the meter and confirmed accuracy. (NT 117-118, PPL Hearing Exhibit No. 6). The meter is working at an accuracy of 99.9%. No one has disputed this.

The high bills of the Castaneira's home can be related to faulty equipment within the home at differing periods of time. By way of example, Mr. Castaneira admitted to an air conditioner not working because it lacked Freon. Moreover, the cyclical use of power is consistent with devices in the home. As explained by Mr. Hadginske, devices such as heat pumps, pool pumps, hot tubs, refrigerators and freezers all cycle on and off automatically without the customer necessarily being aware. (NT 146).

PPL Electric also assisted Mr. Castaneira by performing an in-home analysis by Doug Matter. Mr. Matter is a High Bill Investigator with PPL Electric with 35 years of experience. (NT 149). Although Mr. Matter performed two (2) High Bill Investigations, the most recent one was in February 2014. At that time, Mr. Matter formed amp probing of the heat pump, and determined that it had an 88 amp draw, or a 10 K draw, which is indicating it was running within auxiliary mode. In addition, there was a 50 amp draw, or a 6 K draw, from the hot tub. The hot tub was discovered to have an outside, uninsulated pump. At that time, Mr. Castaneira indicated it was in disrepair, however, it was still working and drawing usage. (NT 153). Moreover, while Mr. Matter was at the home, **the water heater tripped the breaker on its own.** (NT 154). It is presumed that there was a malfunction somewhere in the water heater elements. (NT 154). Moreover, four (4) space heaters were noted. (NT 154). In addition, a dehumidifier was actually running frozen, 24-7 and pulling 7 amps. (NT 156).

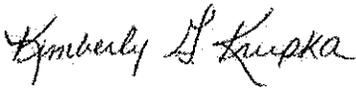
The usage within the Castaneira home is based upon the items within the home, not the size of the transformer. One indication is the electric hot water heater. As testified to by Complainant, they converted their two (2) 50 gallon electric hot water heaters to one (1) 75 gallon gas hot water heater in March 2014, as set forth in Complainant's Exhibit I. Complainant contends this replacement did not alter the bills, but in fact, it did. PPL Hearing Exhibit 1 is the Account Activity Statement which shows a marked decrease once the electric hot water heaters were removed. By way of example, the usage represented in the April 30, 2014 bill for thirty (30) days was 2,220 kWh. The same bill in the prior year, issued April 30, 2013 for 33 days, was 4,300 kWh. Likewise, the May 30, 2014 bill was for 1,108 kWh, while the May 30, 2013 bill was for 3,593 kWh. The June 30, 2014 bill was for 1,969 kWh, while the June 28, 2013 bill was for 1,024 kWh. Finally, the July 30, 2014 bill was for 2,925 kWh, while the July 31, 2013

bill was for 4,893 kWh. Clearly, after the electric hot water heater was changed on March 5, 2014, Complainant's bills decreased by more than 50%. Accordingly, the evidence is pretty clear that the usage was high prior to March 2014 due to the electric hot water heaters. This was completely unrelated to the size of any transformer. Complainant has failed to meet its burden of proof.

IV. CONCLUSION

Complainant has asserted a claim for High Billing based upon an assertion of improper transformer size. However, after PPL has installed two (2) volt meters and performed two (2) High Bill Investigations, it is clear that the cause of Complainant's high bills was a malfunctioning hot water heater. Once the electric hot water heaters were replaced with a gas hot water heater, the bills more than decreased in half. According, the Complaint of Ann Castaneira should be dismissed.

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CERTIFICATE OF SERVICE

This is to certify that the Brief on behalf of PPL ELECTRIC UTILITIES CORPORATION was mailed to counsel/complainant of record, on behalf of Respondents by first class United States mail, postage on this the 21st day of April, 2015.

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