

COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION

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Pennsylvania Public Utility Commission : Docket Nos.
versus Pennsylvania Power & Light Company : R-943271
 Investigation into a proposed \$261,000,000 : R-943271C0001
 annual rate increase. : through
 : R-943271C0130
 Public Input Hearing :
 :
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Pages 341 through 387

Municipal Building
340 North Washington Street
Scranton, Pennsylvania

Tuesday, April 4, 1995

Met, pursuant to notice, at 1:30 p.m.

BEFORE:

ROBERT CHRISTIANSON, Administrative Law Judge

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APPEARANCES: (Continued)

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FORM 2

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FORM 2

1 ADMINISTRATIVE LAW JUDGE CHRISTIANSON: I am
2 Administrative Law Judge Robert Christianson.

3 We are here this afternoon in Scranton for, I guess
4 it is our sixth public input hearing concerning the PP&L
5 general increase. We have, perhaps, right at the beginning,
6 upwards of 30 people here and a few coming in late.

7 I, myself, road through a thunderstorm coming from
8 Wilkes-Barre earlier, and I believe there was some
9 sleet coming down on my way, and we are going to be going
10 there for another input hearing tonight. In any case, we
11 are here to gather some information from the public
12 concerning this rate filing.

13 We have a couple of people up here who I would like
14 to mention, and we have from the audience some people from
15 the Commission; but the reason we are here is to get from
16 you folks your comments and input on the proposed rate
17 increase.

18 There are a couple comments I have. I went
19 to Lancaster, and one person there spoke in favor of the
20 rate increase. He is a business man, I guess, who felt that
21 the increase was proper, but that is unusual that we get
22 comments of that nature at these hearings.

23 It is not unusual where we get at these sessions
24 service complaints. If you have service complaints, there
25 are PP&L representatives here, and you can speak to them on

1 the record or privately about the details of your problems.

2 One thing I want to emphasize is that we are
3 requesting you to sign the information sheet. If you want
4 to have your statement on the record and be evidence in
5 the case, you will have to take the oath, and then your
6 statement becomes evidence. If you watch the O.J. Simpson
7 trial, you can understand that possibly. If you simply make
8 a statement or one of these lawyers makes a statement, it is
9 a statement of record, but it is not evidence in the case
10 which the Commission will consider in making its decision;
11 but if you testify under oath, that will be evidence just as
12 it would be evidence if you came and testified in Harrisburg.

13 I will say very briefly that the attorneys for PP&L
14 at this time are working entirely on this case. The
15 Trial Staff, which is a separate arm of the Public Utility
16 Commission, has three or four lawyers on the case. These
17 lawyers are also working on other cases as well, for Trial
18 Staff.

19 I spoke with Mr. Russell, who is the company attorney
20 down in Harrisburg, and he mentioned the interrogatories,
21 which are when lawyers write to each other asking for
22 information, and most of the information comes from the
23 company, but they go through a lot of issues.

24 One of the issues involved in the overall increase
25 is how you spread out the increase, and how the residential

1 rates will be structured, and there is a lot of controversy
2 about the customer charge and the decision the company made
3 based upon how the increase will be structured, and I expect
4 to hear some testimony along that line today.

5 We are all here from Harrisburg. You can speak to
6 the issues, and if we have time, we will try to
7 respond in more detail. I have people here to help me. In
8 the back is Verna Edmonds, who is our consumer outreach
9 specialist. She is seated in the back and has a lot of
10 literature, handouts. I picked up a piece myself and
11 looked at it.

12 In the audience we also have at least three people
13 that I have seen - Bob Rosenthal, Leonard Payton, and Bob
14 Carren, who work for Commissioners. They are here to help
15 you with any questions you have. They are back there. We
16 have three people. I am glad that you are here.

17 The Commissioners each have five assistants, I guess
18 it is. They tend to be one lawyer and at least one
19 technical person. The technical persons are people who are
20 used because they know a lot of the details, and I know that
21 Bob Rosenthal is one. He has been here a long time; longer
22 than I have. I have been with the Commission about 20 years.
23 He is a technical expert.

24 The Commissioners have to either reach an agreement
25 or they vote. Some votes are three-to-two. Usually they

1 reach a consensus, but sometimes there are issues that
2 the Commissioners cannot quite agree to. They try to hammer
3 out an agreement or at least an understanding of
4 each other's position. Commissioners are allowed to make a
5 position statement at a public meeting.

6 To my right is the main lawyer from the company, Paul
7 Russell, who would like to make a statement.

8 MR. RUSSELL: Thank you, Judge.

9 I just wanted to thank everybody for coming out for
10 the public input hearing. We view public input hearings as
11 a very important part of the ratemaking process. This is an
12 opportunity for individual customers to have their opinions
13 made a part of the record so Judge Christianson and the
14 Commissioners can consider those statements in making their
15 decision.

16 We have a number of people from PP&L here today.
17 What we like to do at public input hearings is have people
18 personally available to discuss individual problems with
19 you either at the break or after the hearing is over. We
20 can talk about individual concerns with the rate filing,
21 rate problems that you have with your own bills, or with any
22 service problems.

23 The team, straight in back from me is one of our
24 customer service representatives, and John McKinney is over
25 to my left. He is our Vice President of Customer Services;

1 and there are a few other people in the room with PP&L who
2 will all be available throughout the day, and stay as late
3 as you want to discuss anything you want to discuss.

4 Thank you.

5 JUDGE CHRISTIANSON: Thank you.

6 Just remember that we are looking for your statements
7 here.

8 I have two points. One, speak from your own
9 perspective, rather than what somebody else told you. We
10 want people's factual circumstances, rather than theoretical
11 arguments or broad arguments. Also, we want you to be sworn
12 in, if you want your statement to be evidence.

13 If you have written statements, in formal hearings we
14 have two copies for the court reporter and one for each
15 lawyer present, and in some cases we have more than a
16 dozen lawyers. If you have those copies, that is fine. If
17 you do not have those, do not worry about it. We do not
18 have to have copies, just as long as the statement is spoken
19 or one copy is provided.

20 You may also be subject to cross-examination. I
21 would call it friendly cross-examination. One of the
22 lawyers up here or I might ask you a question to bring out a
23 point or emphasize something. Do not be afraid to answer
24 the questions.

25 Trial Staff did not get here yet. They are involved

1 with the Commission, but they are an independent commission.
2 There are a lot of experts on their payroll and they handle
3 these cases, but they also acquire outside people.

4 The Consumer Advocate tends to hire people on the
5 outside if they do not have technical experts on their
6 staff.

7 The Trial Staff is made up of a dozen lawyers or so,
8 and they handle several cases at one time.

9 To my immediate left is Karen Oill Moury, who is one
10 of the four lawyers in the Office of Small Business
11 Advocacy, which is a newer office set up because the
12 legislature seemed to think-- and I agree with them-- that
13 small business tends to be unrepresented at rate cases. The
14 Small Business Advocate is a part of these cases, and we are
15 particularly interested in hearing from business people, and
16 we seem to be getting more and more small business people
17 out for these hearings.

18 I know Miss Moury wants to make a statement.

19 MS. MOURY: Thank you, Your Honor.

20 As the Judge indicated, I am here representing the
21 Office of Small Business Advocate and I am anxious to hear
22 from any of you who are here today for a small business, if
23 you are, and if you can tell us something about the nature
24 of your business, the size, your consumption, what rate
25 schedule you are on, that will help us represent at the

1 board hearing your views on the proposed rate increase.

2 JUDGE CHRISTIANSON: Thank you.

3 Again, an attorney from the Trial Staff usually
4 attends these public hearings as well. They have three
5 attorneys on this case. For some reason there is no one here
6 yet from their office.

7 Mary Kenney is here for the Consumer
8 Advocate, and she has a few words.

9 MS. KENNY: Thank you, Your Honor.

10 Good afternoon. We really appreciate your coming
11 out, and I see some familiar faces from prior public input
12 hearings that we held in the Scranton area, and I appreciate
13 you coming out to let us know the impact of the PP&L rate
14 increase on your lives. We really would appreciate your
15 giving sworn testimony, as the Judge said, so we can use
16 your testimony as part of the record in this proceeding.

17 We are currently investigating the financial
18 and economic aspects of this case, but the one thing that
19 we need testimony on is how the increase will impact on
20 individual consumers' lives.

21 So, we appreciate you coming out today. I am working
22 with Cicine Brignola, who is one of the three attorneys in
23 our office working on the case. She is in the front row,
24 and she will be here as well. We look forward to speaking
25 with you during the break of after the hearing.

1 address for the record.

2 MS. ZADRUSKY: My name is Matilda Zadrusky, and I
3 am from 121 Masters Street, which is the east end of town.

4 I am going to leave all the statistics to the other
5 people who are more knowledgeable than I am; but I would
6 like to tell you that I do not have much regard for the
7 electric company or any of the utilities, and I don't
8 believe that they care too much about their customers.

9 As I have read through the paper here for many years, I have
10 picked up certain things that I think prove that the company
11 does not care what the average person thinks or how we feel
12 about them.

13 The first thing I have here is from March. There was
14 an article in the paper about headlines stating that the
15 PUC approves decrease in the PP&L service rate. And I
16 thought, oh goody, we have not had that in a while. So I
17 read the article and I find that we are going to have a
18 decrease of 23 cents on our bills. Well, I had a bad night.
19 I couldn't decide if I should have a big party or if I
20 should have my neighbor for dinner.

21 More than 2 days later, I find that PP&L is giving
22 \$300,000 to help low income families. Well, I thought,
23 well, isn't that kind. But then I get my telephone bill,
24 and they are asking for the bill payers to pay for somebody
25 else's bill, that they can't pay it. We are scrounging to

1 pay for our own bills; so, I thought, well, that does not
2 seem to be too great either.

3 Then, I looked in the paper the other day, and it
4 says that PP&L are increasing their base rates. So, when I
5 read that, I find that I really cannot afford it. I am one
6 of these people who-- I make \$500 a month. You see, I am
7 stuck with the water company too.

8 Anyway, so I thought, well, what are they going to
9 use it for? I do not mind rate increases if they are going
10 to be fair, but not to repair all of these nuclear plants
11 that we did not want in the beginning; and they promised us
12 all of our electric rates would be much better, that they
13 should have been better. Next I find that they have already
14 repaired some of them and they are supposed to last for
15 many more years and they are taking over part and are
16 building new ones. Therefore, they are getting rid of the
17 waste, and here we didn't even ask them for it. If I
18 remember correctly, we should be all fighting this. This is
19 not what we wanted. We were perfectly satisfied.

20 Then I think, if I remember, it said in another
21 article that because of all the pollution and things, the
22 electric company used to trim the trees right up to the
23 line. Now, they are cutting them down, because they do not
24 want to pay for that anymore.

25 Then I read that they are asking for more on their

1 base rate, and I read where the money is going to go, and I
2 find that one of the things the money is going to be used
3 for is to increase the retirement insurance, health
4 insurance for the retirees, their retirees. Well, I
5 am sure that the people they are using are not getting a
6 paltry sum. They are getting a good rate. More than my
7 family ever earned, and they should have been pretty well
8 prepared for their retirement, and I have to pay for my
9 health insurance after I quit working; and when my family
10 quit working, we had to pay for our own insurance. So,
11 I am scrounging and paying for someone else's health benefit
12 when they retire.

13 That is just a few of the things that I just cannot
14 understand. I wonder if they are spending too much money on
15 things they are planning for in the future. Up in the
16 east end section there were several headlines about, I
17 think it was 10 or 20 homes there were built on the
18 mountain top, and that they were putting all these large
19 powerlines up there. Then they were going to go past my
20 neighborhood, which we protested. They came down to about,
21 I would say, lower but still near the top of the hill, and
22 they were going to put up more high-power lines. Are they
23 all necessary? Those are costly things. Are they
24 necessary?

25 When I went to do some repairs on my house, I had

1 to save for a long, long time before I could do it. I
2 can't go to my neighbor and ask them to please put a roof
3 on my house. I cannot go ask for anybody. I have to save
4 whatever I can in order to do my own repairs. I can't
5 go to my neighbors and ask for help. And here, a big
6 company like the electric company, when they plan on adding
7 things like high-power lines, they should plan to have
8 people who are going to use them to pay for them, not a
9 person who is already scrounging.

10 So, that is my complaint for today. I am sorry to be
11 boring, but this is my opinion.

12 (Applause)

13 JUDGE CHRISTIANSON: Thank you, ma'am.

14 Next is Richard Volz.

15 Whereupon,

16 RICHARD VOLZ

17 having been duly sworn, testified as follows:

18 JUDGE CHRISTIANSON: Would you give us your name and
19 hometown.

20 MR. VOLZ: My name is Richard Volz, from Honesdale,
21 outside of the city. My mailing address is Jermyn.

22 I recently built a house for my handicapped daughter,
23 and I checked out with PP&L and decided to use ceramic
24 heat because they promised discounted rates if you use the
25 evening rate, the nighttime rates, in order to charge

1 ceramic heat systems. That means you use off-peak power to
2 charge up for the next day.

3 Well, I need to draw attention to your information,
4 the information I received from PP&L, which is dated March
5 27, stating that they want to allocate costs fairly on all
6 classes of customers. Now, I would like to know why PP&L
7 advised people to make substantial investments in ceramic
8 heat systems to use off-peak rate discounts to store
9 electric for the next day and play by the rules, and now, if
10 you check very carefully, those people will pay three times
11 the amount of an increase as the normal PP&L electric heat
12 user; and I have the statements from PP&L to back that up.

13 JUDGE CHRISTIANSON: Just briefly, this has come up
14 before, this substantial increase, and PP&L may want to
15 make a statement on it now or later; but, when it was
16 mentioned down in Harrisburg, one of the persons responsible
17 from PP&L for putting out that handout was present, and he
18 received it, and he is also a storage heat customer. He
19 said that when he first got that letter, he did not
20 understand it either. It is difficult to understand.
21 I do not know if PP&L wants to speak to that now or make a
22 statement later.

23 Go ahead and make your statement, but we will respond
24 to that. The increase you noted in your testimony, you may
25 be interpreting it as a bigger increase than it is because

1 it is computed on the energy clause and the base rate, and I
2 think PP&L maybe sent out another explanation.

3 MR. VOLZ: The way I interpret it-- I hope
4 I interpreted it wrong. I am just going by the numbers.

5 JUDGE CHRISTIANSON: Go ahead and make your
6 statement, but I think you may be slightly surprised.

7 MR. VOLZ: I hope I am, believe me, because I am
8 thinking of using it in my own home, in addition to the
9 home I built, and if PP&L is going to use that kind of
10 tactics to bring the ceramic people up to the other rate,
11 there is no reason to ever use ceramic heat, by the way I
12 understand it. That is all I have to say. I just wanted to
13 point that out.

14 JUDGE CHRISTIANSON: Let me address your statement
15 to clarify what the story is. Basically, you store
16 electricity to use during the day. You put heat in a
17 reservoir, essentially. Is that right?

18 MR. VOLZ: That is right. There is a heating unit
19 like an old type radiator that basically stores it up in
20 ceramic bricks that is charged between 5 p.m. and 7 a.m.
21 They charge up with heat for the entire next day so you do
22 not use heat the next day. You use the heat, but you do not
23 use power.

24 JUDGE CHRISTIANSON: You store up the power.

25 MR. VOLZ: That is right.

1 JUDGE CHRISTIANSON: I understand that there are a few
2 thousand of these customers. It is more than the star rate.
3 It is the rate that is used, but you have to stick your
4 investment in the plant, in the system.

5 PP&L, I think, will be making a statement about this
6 because of the complexity involved in the rate change.

7 Do you want to make a statement on that?

8 MR. RUSSELL: Yes. Thank you.

9 I would like to take a minute to try to clarify how
10 to compare present rates against proposed rates,
11 particularly under the RTS rate, which is the rate that the
12 March 27 letter you referred to addresses.

13 Really, the starting point is, if you look at your
14 bill, there are two major components on it - the base rate,
15 and then there is the ECR. There are two other components
16 called the state tax adjustment surcharge and the special
17 base rate credit adjustment. They are not the main causes of
18 the difficulty with payer rates.

19 The letter that was sent out went into some detail
20 about the change in the base rate part of your bill, the
21 monthly charge, the demand charge, and the cost per kilowatt
22 hour, but when you compare or try to calculate the
23 percentage increase in your total bill, you really need to
24 include the ECR and the other two clauses. If you include
25 all of that, the base rates and ECR, the tax adjustment

1 surcharge, and the special base rate credit adjustment, you
2 get closer to the 16 percent cited in the letter than you
3 would get if you just look at the change in the base rates.

4 The other thing you have to be careful with when you
5 compare rates between the current rates and proposed rates,
6 in this filing, sort of a normal part of a filing like this,
7 we are proposing that our ECR cost rate be rolled into the
8 base rate. That is the term that is used. What it means is
9 that those costs we are covering now through the energy cost
10 rate will be covered through the base rates, and at the end
11 of the case, the energy cost rate will be zero. It will
12 still be on the bill, but it will be zero.

13 So, when you are trying to compare present rates
14 against proposed rates after the rate case, you should not
15 add in there an ECR to the pending proposed rates because
16 that is already in the proposed base rate. It has been
17 rolled in and at that point the ECR would be zero.

18 Now, if you do the math under those changes, it will
19 come out in the 16 percent neighborhood for the RTS rate,
20 which is in line with the 15.3 percent overall RS.

21 MR. VOLZ: Can I go on?

22 JUDGE CHRISTIANSON: Yes. Go ahead.

23 MR. VOLZ: I will be brief; but, basically, I have
24 two sheets from PP&L that I don't have to do any math from,
25 and I have written down a few of the kilowatt usages between

1 the RS rate, which is the standard residential rate, and the
2 RTS, which is the ceramic.

3 A person using 3,000 kilowatts, the increase will be
4 over double. For a customer using 5,000 kilowatts, the
5 increase will be approximately triple.

6 JUDGE CHRISTIANSON: You mean triple the increase of
7 the regular residential rate?

8 MR. VOLZ: Triple the increase of the regular
9 residential rate.

10 JUDGE CHRISTIANSON: Again, we will accept that
11 as a statement. I cannot respond immediately, but PP&L is
12 here. Maybe PP&L will respond.

13 MR. VOLZ: I did not do any math. These are from
14 PP&L.

15 JUDGE CHRISTIANSON: Now, that one section, if a
16 customer started heating with electric long ago, like
17 30 years ago, and he calculated that the increase over
18 that period, through the decades, I think he would get a
19 number of around 700 percent because he had the varying
20 factors of the electric heat. I just wanted to say that that
21 is not totally accurate, but your point is well taken; and
22 again, PP&L would be happy to respond to you on that
23 individually, or to anybody else, on that particular rate.

24 One minor point I want to bring up related to this--
25 it came up again last night-- the ECR rate is required to be

1 modified every year by the Commission. So, PP&L is not
2 trying to be cute on that. It is required to be done every
3 year.

4 The next person who signed on the list is Gene Molino.
5 Whereupon,

6 GENE MOLINO

7 having been duly sworn, testified as follows:

8 JUDGE CHRISTIANSON: Would you mention your name
9 and organization.

10 MR. MOLINO: My name is Gene Molino, 1613 Farr
11 Street. I represent the Tripp Park Civic Association and
12 also the Counsel of Scranton Neighborhood, which includes
13 the people of the city of Scranton.

14 Honorable Judge, and members of the PUC staff, and
15 other dignitaries here, as Chairman of the Tripp
16 Park Civic Association, I submit the following testimony:

17 I have reviewed PP&L's Supplement No. 50 of the
18 electric tariff No. 200. There are many objections to the
19 rate request. PP&L boasts that they have not had an
20 increase in rates for the past 10 years. However, in May,
21 1985, this company filed for a \$330 million request, but was
22 awarded \$120,766,000 after the PUC investigation hearings.
23 This still is considered by me a hefty increase that
24 1,063,272 residential customers have to pay to cover this
25 rate increase. It is a matter of record.

1 The people here in Scranton, Pennsylvania and the
2 surrounding municipalities cannot afford rate increases, due
3 to their low incomes. One-fourth of the city of Scranton's
4 population are senior citizens, and, in fact, of the latest
5 statistics that were just out, northeastern Pennsylvania has
6 the largest senior citizen ratio than any part of the
7 country. That is alarming.

8 The remainder of the people are on low earnings
9 that averages approximately \$12,000 a year. The people with
10 businesses are struggling with high taxes here in the area
11 which is causing a population loss in this area, that is
12 revealed in the 1990 census, and loss of businesses, also.

13 I will list some of the objections for you, Your
14 Honor. PP&L proposed to increase the base energy cost rate
15 from 7.44 mils per kilowatt hour to 17.813 mils per kilowatt
16 hours and roll it in the base rate. This we object to be
17 unreasonable. Why hide it in the base rate? We would like
18 to see the charges separated.

19 We also object to an increase in the surcharge from
20 .20 to .049, which is also unreasonable.

21 PP&L's request for proposed increases in base rates
22 contains a claim for return on common equity associated with
23 the Susquehanna Steam Electric Station No. 2. This unit
24 does and may constitute physical and economic excess
25 capacity. This excess generating power has been sold to the

1 grid electric companies and not used in the area for the
2 residential consumer. This was proven in the previous rate
3 case back in 1985 that I participated in, and this cost was
4 not included after the investigation.

5 PP&L's request for costs related to future
6 decommissioning for their fossil fuel and nuclear plants
7 should also be denied. They should be put aside and not
8 ask the consumer to subsidize it.

9 Another comment is that one of the problems we are
10 having, as I said, we have a lot of senior citizens and a
11 lot of them do not drive. You want to go pay your electric
12 bill, you either mail it, which costs another 32 cents, and
13 postal rates are starting to go up higher, or you have to
14 get a car and get somebody to take you and drive all around
15 town to find a substation where you can pay, and in my area,
16 there is only two of them on the west side of the river.
17 You either go over to Walsh's Drug Store, or you go across
18 town. Now, this is not right. They should be able to have
19 more substations around so that the people can go and pay
20 their bill.

21 PP&L has more power plants than it needs. This was
22 published back in 1980 by the Lancaster News Company. Let me
23 cover some of the items here.

24 PP&L says it needs these extra plants, but it admits
25 it already has so much capacity that it is able to sell

1 about one-third of its electric power to neighboring
2 utilities, which we don't object to. You can sell electric,
3 but do not allow me to subsidize it. Two more huge units
4 went on line in the '80s. Unit 2 was one of them.

5 The sale of large amounts of power to other systems
6 had another impact - it has helped to increase the fuel
7 adjustment charge for PP&L customers. Here again we are
8 paying.

9 Last September the 30th, 1980, PP&L had a generating
10 capacity of six and a half million kilowatts, but its
11 maximum peak was 4.5 million kilowatts. PP&L admitted that
12 the steady rise of the fuel adjustment charge in November of
13 that year at a record of \$10.59 per kilowatt hour was due,
14 in part, to the power sales to other utilities. There lies
15 the rub.

16 One kilowatt of electricity from an oil fire plant
17 costs roughly twice as much as one from a coal plant. Why
18 are we building these other type plants when it is going to
19 cost us more money all around? It is silly.

20 We were lead to believe that nuclear power was going
21 to lower the rates. It didn't. In fact, it doubled them,
22 and even better. So where are we going? Besides having the
23 problems with the waste from nuclear plants, where do you
24 put it? This is something that has to be considered.

25 Thank you for allowing me to come here and testify

1 before you, and I want to mention also, PP&L's customer
2 information sheet, where they point out that the consumer
3 using 500 kilowatt hours or less is the consumer that is
4 going to be paying the large rate increase of 20.7. This
5 is what we are objecting to. There is no equality here.
6 The ratio is wrong.

7 Thank you.

8 (Applause.)

9 JUDGE CHRISTIANSON: Thank you.

10 Next we have Claude Saraceno.

11 Whereupon,

12 CLAUDE SARACENO

13 having been duly sworn, testified as follows:

14 JUDGE CHRISTIANSON: Would you state your name
15 and organization.

16 A My name is Claude Saraceno, from Old Forge,
17 Pennsylvania, the senior citizen capital of the United
18 States. I am here to address the panel as a private home
19 owner.

20 We changed from coal to electric back in '64, the
21 latter part of '64; and we chose electric because of what we
22 perceived. We did perceive that it would be the better
23 thing to do. Well, of course, gas is more dangerous
24 than electricity and oil is dirty. They told us that
25 electricity is going to be cheaper, that it should not be

1 more expensive. Because of this new power technology that
2 we are having with nuclear power plants, you are probably
3 going to have electricity so cheap that you will almost
4 not have to pay to use it. Of course, that is an
5 exaggeration; but, anyway, I want to review my cost
6 evaluation since '64, and I have here each and every bill,
7 electric bill, from that date until today. All right, I
8 will say from December of 1964. My figures, I want to go
9 over them.

10 We will skip the 3 months of '64 and go to '65. In
11 1965, with an RH 56 residential rating, the cost was \$834.
12 Total kilowatts used-- listen to this-- 66,112 kilowatts.
13 Keep that in mind.

14 The next few years move along fairly well - '66,
15 \$771; '67, \$790; '68, \$680; '69, \$778; 1970, \$721.

16 Now we are going to get to a change - a surcharge.
17 What is that?

18 So we go to 1971. The surcharge went up to \$995.
19 In '72, \$986; '73, \$986; '74, \$977. That was another
20 crucial year, if you remember.

21 1975, we have a fuel charge added on. That was a
22 biggy. So it jumped in 1976 to \$1,529. In '74 in was \$977;
23 in '76 it's \$1,529.

24 In '77 it was \$1,888. In '78 it was \$1,961 in 1979,
25 \$1,866.

1 In 1980, we add an energy charge. So, we come to
2 1981, the first full year of the charge, it's \$2,295.

3 Let's go back a little bit. I gave you the
4 kilowatt hours in 1965, which was 66,000-plus. In 1981, we
5 decreased our kilowatt power usage to 54,155 and yet there
6 is an increase of almost \$50 a month. That is \$600, which
7 is almost the cost for electric from the first year we put
8 it in.

9 I would like now to go to another crucial point.
10 In 1982 we went up to \$2,480; '83, \$2,524; '84, \$2,920; '85,
11 \$3,190; 1986, \$3,218; 1987, \$3,470; 1988, \$3,762; 1989,
12 \$3,237; 1990, \$3,037; 1991, \$3,235; 1992, \$3,413; 1993,
13 \$3,622; 1994, \$3,641.

14 Now, let's take a look at kilowatts. Now we are down
15 to 49,774 kilowatts per year. That is a big drop from the
16 first year of 66,172. If you know percentages, that is
17 over 20 percent. If you figure out the original cost of
18 \$834 in '65 versus 1994, \$3,641, that is a little bit over
19 a 400 percent increase right there.

20 The rub here from what I can see here is back in '81,
21 or somewhere around there, they changed our base rate from
22 RS. So, on that basis, you can see that the average
23 percentage for the amount of increase in the advertisement
24 in the paper is not correct.

25 For instance, in this increase, they are going to go

1 for a person using 33,000 kilowatts a month. We are way up
2 above 33,000. There is no indication of what the increase
3 will be for us. And then they always say-- Here it is. The
4 average rate per kilowatt hour is 23 cents higher in 1993
5 than in '85. Now, I used '85. Let's go back.

6 Remember, the energy charge in '81, in '83, so I go
7 back to '81, and that figure is incorrect, and that is
8 misleading, and I do not think that should be put in the
9 paper.

10 So I request that there be no further increase in
11 electric costs until it is further checked out to determine
12 the actual cost of what it should be for all peoples.

13 Also, to put a little more thought in mind, we are
14 all here present customers, and we don't understand what
15 the owners are going to get in raises from this cost
16 increase. What have the stockholders received over the
17 years? Is it 9 percent, 20 percent, 50 percent? I know I
18 am a retired state employee, and I know I get an
19 increase every 5 years, and it's 5 percent; so, I get an
20 increase of 1 percent. Social Security, we know what that
21 is - only 3 percent. So, that is unfair, in my opinion.

22 Thank you, very much.

23 (Applause.)

24 JUDGE CHRISTIANSON: The company's costs have
25 increased over the years, depending on inflation and

1 other factors. Maybe we can figure out at another point
2 what their return on equity has been over the years

3 The next on the list is Ross Nigrelli.

4 Whereupon,

5 ROSS W. NIGRELLI

6 having been duly sworn, testified as follows:

7 JUDGE CHRISTIANSON: Would you state your name and
8 address for the court reporter.

9 MR. NIGRELLI: Ross Nigrelli. I am from 1508 Luzerne
10 Street in the city of Scranton.

11 Number one, I am here and I am against the rate
12 increase.

13 Number two, United States Senator Rich Santorium said
14 yesterday the same thing that Mr. Molino said - Northeastern
15 Pennsylvania has the largest population of senior citizens,
16 and I am one of them and live on a fixed income.

17 You are going to take probably \$180 a year from me.
18 Lackawanna County just put a dollar and a quarter on my
19 telephone per month. Where do these people think we are
20 going to get the money? That is what I would like to know.

21 As far as this having to do with the rate increases,
22 PP&L, I was away for a couple of months, and just the other
23 day, my neighbor called me where I was, because, first, for
24 security reasons, called me and said, Mr. Nigrelli, PP&L put
25 a notice on your door for \$9.81 and they are going to turn

1 it over to a collection agency.

2 I tried to call them on the telephone, and the person
3 I talked to on the telephone was useless. I got in my car
4 and went over to one of the power plants, and it was like
5 being in jail. I went over there to talk to a person
6 about why they were going to jeopardize my credit rating
7 and put my power off for just over \$9. I have been living
8 at my house since December 4, 1952, and I always pay my
9 bills. If they would check their records, they will see
10 that I am a hundred percent right, and I resent them turning
11 that over-- or, they were going to turn that over-- to a
12 collection agency. They did not send me a bill. They said
13 they sent me a bill.

14 I talked to the postmaster at the post office, and he
15 said that it is just going back to PP&L. Why didn't they do
16 anything about that? They got it back. Number one, they
17 had the wrong address on the bill. The only thing I am
18 sorry about is I left the house in a hurry today, and I
19 forgot to bring it. But I will get a copy.

20 Why should I have to take that aggravation? And why
21 would they ruin my credit? I'm 80 years old. I can't take
22 all of that crap from PP&L. I always paid my bills. I
23 never complained. And my credit is A1.

24 That is all I can say, and thank you; and I want
25 to talk to whoever is here from the company when this

1 meeting is over.

2 JUDGE CHRISTIANSON: Fine. There is someone here
3 that you can talk to.

4 MR. NIGRELLI: Fine. Thank you, very much.

5 (Applause.)

6 MR. NIGRELLI: Also, PP&L, are they too cheap to put
7 other paying stations in? Why do they not put a place in
8 that is centrally located for everyone in Kizer? I have a
9 friend who has been trying to get one in. So, you can take
10 it for what it is worth.

11 JUDGE CHRISTIANSON: He is asking for additional
12 paying stations, rather than commenting on the increase
13 there. I guess some people pay them by automatic check-offs
14 by the bank, but they are still paying for the local pay
15 station, as I call them, where local people can pay
16 their bills. He is seconding Mr. Molino's statement.

17 Next we have Sr. Mary Rose Mitchell
18 Whereupon,

19 SR. MARY ROSE MITCHELL
20 having been duly sworn, testified as follows:

21 JUDGE CHRISTIANSON: You may proceed.

22 SR. MITCHELL: My name is Sr. Mary Rose Mitchell. I
23 am from Pleasant Mountain, and I am representing the
24 Department of Aging from Honesdale, Pennsylvania.

25 First of all, we object to the fact that we did not

1 know about this meeting until Friday's newspaper, which gave
2 no time for transportation to be arranged for people to come
3 here or for people to get their thoughts together on what
4 they would like to say.

5 I would like to say that we have one case in
6 particular where an elderly couple goes to bed every night
7 at 5:30 and gets up at 9:30 in the morning so they are not
8 using their electric heat or their electric power in order
9 to pay their bills. This \$10 would take money away from
10 their food.

11 We have other people who turn off all their lights in
12 the house so that they are not going to be charged for extra
13 electricity. This is going to take away from food money for
14 many eligible people, and we object to this very much.

15 Thank you, sir.

16 (Applause.)

17 JUDGE CHRISTIANSON: If necessary, you can send in a
18 letter with substantive or more detail if you would like to.

19 SR. MITCHELL: Thank you.

20 JUDGE CHRISTIANSON: We do want to hear the details.
21 The public input hearings are arranged at prehearing
22 conferences and there is a tight time frame. The notice is
23 not always what we would like to have, but it takes time,
24 and we usually do not have as much time as we would like to
25 get, and I apologize if you did not have enough time.

1 SR. MITCHELL: Thank you.

2 JUDGE CHRISTIANSON: Next we have Catherine Quin.

3 Whereupon,

4 CATHERINE QUIN

5 having been duly sworn, testified as follows:

6 JUDGE CHRISTIANSON: You can proceed. Give your name
7 and address for the record.

8 MS. QUIN: Catherine Quin; 1207 East Street,
9 Honesdale.

10 I am speaking today not just for myself. I am also a
11 member of a committee in a Catholic church that is concerned
12 with social conditions of people and social injustice. My
13 opposition to this proposed rate increase by PP&L, I have
14 five points to make.

15 One, notice for this important hearing that can
16 impact so many people was carried in Friday's paper. I do
17 not believe that the TV or radio carried anything about it
18 until Monday, yesterday, April 3rd; a very unfair notice if
19 public opinion is really what this Commission wants.

20 Two, \$261 million is a huge increase. Is this
21 because of the loss of putting the second nuclear generator
22 on line? Weren't we told several years ago that the costs
23 would be lower with nuclear energy?

24 The increase would be feasible if all the generators
25 were powered by oil and there was an oil crisis like that

1 that affected us about 15, 20 years ago; but isn't the
2 management responsible, and shouldn't the stockholders be
3 absorbing most of the costs?

4 How is the company run? Is it lean and mean, like
5 companies in the world of competition must be?

6 Three, be energy efficient. I have a neighbor who is
7 89 years old. Her small home is heated by electric heat.
8 She cooks only minimally. She keeps covered and lays in a
9 little recliner, wrapped in a blanket, while she watches TV,
10 but she is constantly aware of the potential cost of
11 electricity. Now she, and many like her, regardless of
12 their efforts, will be socked with the largest increase
13 ever if this is allowed by this Commission.

14 One thing that the notice did not say is that anyone,
15 500 kilowatt users or less, will be increased by this 20.7
16 percent. I think, Your Honor, it is even more than that,
17 according to statements made earlier.

18 Homes with children will only make it by a slight
19 margin while the working poor will be socked. This is the
20 real reverse Robin Hood idea. Is it still another sign of
21 the greedy '90s?

22 Four, I guess I can understand the need for a lower
23 percentage of increase for industrial customers. We do need
24 to attract industry and jobs into our area, but the
25 disparity between commercial customers and residential

1 customers is unfair.

2 Commercial, I think of large asphalt parking lots
3 with lights and empty stores that are now being erected for
4 K Mart or to be used by Wal Marts. Not only are they wiping
5 out smaller businesses, but now they are being subsidized by
6 bigger rate increases extracted from customers of smaller
7 established businesses. I think of huge cargo ships and
8 advertising costs. Are they more needy than the average
9 residential customer? They should share whatever the
10 Commission deems reasonable for the entire rate equally with
11 the residential area users.

12 Five, I am here today also because of the personal
13 reason I object to the increase because of my cost of living
14 as a retired person, an increase of \$10 a month. My husband
15 and I are retired and my bills show that we are in the
16 55,000 status. We have had costs increase since our
17 retirement and our income decreased because my husband can
18 no longer supplement our income with part-time work.

19 But this is not my major concern. Rather, it is the
20 social injustice issue, and rather than picking up the
21 pieces of things gone wrong, like homelessness, houses
22 without heat in the winter, and fires from candles when the
23 electric is turned off, and all the myriad of social
24 problems we try to fix, I would rather tax it at the source
25 with a large electric users' increase, rather than the folks

1 who are the small electric users. It is not fair. Thank
2 you.

3 (Applause.)

4 JUDGE CHRISTIANSON: Next is John Cawley.
5 Whereupon,

6 JOHN CAWLEY

7 having been duly sworn, testified as follows:

8 JUDGE CHRISTIANSON: I am John Cawley.

9 I have the pleasure of working here in this fine
10 building that you are in and want to welcome you to Scranton
11 and our city hall. I am before you to plead for your
12 consideration of the resident and taxpayers of the city.

13 As you may be aware, the city of Scranton is a
14 distressed city under the Municipalities Financial Recovery
15 Act. As found in all the consultants' reports, the city must
16 find a way to reverse the flight to the suburbs and yet
17 continue to offer pleasant living conditions within the
18 city. Our citizens' tax burden is a prime reason for the
19 declining number of residents.

20 When you consider the increase that is before you,
21 please keep in mind that the residential ratepayers are
22 being championed by the Office of Consumer Advocate.
23 The small commercial companies have their defense by the
24 Small Business Advocate, and PP&L's large industrial users
25 have their own legal staffs and budgets to protect their

1 interests. One of the new areas that PP&L can still whack
2 are the cities and municipalities that are too enmeshed in
3 their budget shortfalls to be able to defend themselves
4 adequately in your arena. I am therefore asking that you
5 give special attention to the effect the proposed rate
6 increase has on the city of Scranton.

7 I will provide copies of PP&L's own figures on
8 the effect of the proposed rate increase to the city of
9 Scranton. For our streetlighting, this amounts to base rate
10 increases of 18%, 20%, 33%, 70%, and 24% respectively for
11 our five streetlighting accounts. Although you may read
12 the press notices from PP&L that claim increases in
13 their general service class average increase of 3.87%
14 may sound modest, I assure you that the proposed
15 increase for the city of Scranton is anything but modest.

16 Our citizens who are already overburdened cannot
17 afford increases to their taxes. The proposed increase will
18 increase the cost of the city's streetlights from \$821,000
19 to \$978,000, or \$157,000 just for streetlights.

20 A mil of city property tax is equal to \$100,424
21 on land or \$288,384 on improvements. This means that
22 the proposed increase would be one and a half mils of
23 tax on land and over half a mil on improvements. The city
24 cannot absorb this increase and cannot afford to increase
25 taxes on the already overburdened homeowner.

1 In your judicial review of this rate case,
2 please temper the rate design strategems with compassion and
3 understanding for the burdens of local government. Please
4 do not seriously entertain a base rate increase of 18, 20,
5 24, 33, or 70 percent.

6 Scranton has worked with PP&L and added lights on a
7 regular basis in all neighborhoods. These lights help
8 make Scranton a safer city by discouraging crime and
9 improving the driving and walking conditions. We don't
10 want to have to consider moratoriums on new street
11 lights, but on the other hand, we do want to be prudent
12 with taxpayer funds. In short, we can't afford this size of
13 an increase.

14 We have not raised taxes since 1990. We are trying
15 to make Scranton an attractive place to live in the city.
16 We are trying everything possible to make this city viable.
17 We just cannot afford it. The biggest concern, I guess, is
18 the residential and the small commercial businesses in town
19 are going to get hit with a double hit. I mean, they are
20 going to get hit directly with the increase from PP&L and
21 get hit sooner or later in their tax bills from these
22 increases. So, it is a compound hit. I hope you are
23 compassionate.

24 Thank you.

25 (Applause.)

1 JUDGE CHRISTIANSON: Thank you. Street lighting
2 rates had been litigated already. I am sure the company is
3 aware of the problem. Perhaps the company could speak to
4 this. This is the same experience that we have had with
5 water rates with a watermain break. There is supposed to be
6 no change in the extremes, and this might come to play in
7 the streetlight rates, but your plea is certainly taken to
8 heart.

9 MR. CAWLEY: Thank you.

10 JUDGE CHRISTIANSON: Thank you. The
11 increase may not be as much as it appears for
12 individuals. Again, there are people here that you can
13 feel free to speak to, and we will be off the record for
14 about 10, 15 minutes.

15 (Recess.)

16 JUDGE CHRISTIANSON: We will go back on the record
17 again.

18 Next on the list is Erik Warholak, from State
19 Representative Frank Serafini's office.

20 Would you like to make a sworn statement?

21 MR. WARHOLAK: Yes.

22 Whereupon,

23 ERIK WARHOLAK

24 having been duly sworn, testified as follows:

25 JUDGE CHRISTIANSON: State your name and address.

1 MR. WARHOLAK: Eric Warholak, from the office of
2 State Representative Frank Serafini, 919 South Main Street,
3 Old Forge, 114th legislative district, Lackawanna County.

4 JUDGE CHRISTIANSON: Thank you.

5 MR. WARHOLAK: "I wish to go on record as vigorously
6 opposing PP&L's proposed \$261 million rate increase.

7 "My opposition to this outrageous request is based on
8 two issues: The undeserving nature of the rate increase
9 itself, as well as the disproportionate percentage of
10 the increment which would fall squarely on the shoulders of
11 the small household ratepayer.

12 "In a recent informational bulletin contained with
13 the utility's billings mailed to customers, PP&L endeavored
14 to, "set the record straight" by noting its proposed 20
15 percent rate increase is not for all customers.

16 "How true but ironic that statement is. If you
17 examine the utility's proposal, it is the small residential
18 user consuming less than 500 kilowatt hours per month who
19 will be burdened with the lion's share of the rate hike to
20 the tune of over 20 percent. Large consumers of PP&L's
21 product will have to pay only 6.9 percent of the proposed
22 increase.

23 "Who is the small, residential user in PP&L's service
24 area? As a state representative, I am well qualified to
25 answer that question. Many of the residential users in my

1 district are retired and on a fixed income. The remainder
2 of the population, those still gainfully employed, are by
3 and large of a moderate to middle income. I am shocked to
4 find the utility so insensitive as to place the heaviest
5 burden on those kinds of customers.

6 "PP&L says it needs the extra money for
7 expenditures it will incur to decommission
8 Susquehanna Nuclear Power Plant No. 2. Again, there is an
9 irony here.

10 "The nuclear power station at Berwick for
11 years generated excess electricity which was sold
12 for profit to other utilities in the power grid on the
13 eastern seaboard. What did PP&L do with this money? In
14 whose pockets did those profits end up? Surely not those of
15 the ratepayers who must have very deep pockets in the minds
16 of the proponents of this rate increase.

17 "In concluding, I wish to remind the
18 commission that in 1985 PP&L was awarded a \$120
19 million rate increase. If this company's expenses
20 have so dramatically risen over the last 10 years that it
21 has to come back to the well, then what PP&L really needs is
22 instruction in sound business management, not another rate
23 increase."

24 Signed, "Frank A Serafini".

25 Thank You.

1 (Applause.)

2 JUDGE CHRISTIANSON: Thank you, sir.

3 Next is Peter J Wadika.

4 Whereupon,

5 PETER J. WADIKA

6 having been duly sworn, testified as follows:

7 JUDGE CHRISTIANSON: Mention your name and address.

8 MR. WADIKA: My name is Peter J. Wadika. I live in
9 Scranton.

10 Honorable Sir, and Members of this panel, I am a
11 member of the Citizens Concerned About Gaus's and Teslas.
12 We will accept everything that Gene Malino had offered today
13 in the form of testimony, because he has been up on this for
14 many years. However, I would like to address the panel,
15 Your Honor, that we have a rate situation when it comes to
16 the use of electricity.

17 Your Honor, electricity, as we know, is a form of
18 energy that no one in the world can change and no one can
19 explain it. No one knows where it comes from and no one
20 knows where it goes. We do know that the world that we
21 are on, that this planet has a north pole and a south pole,
22 and it has a negative pole and a positive pole that makes
23 it rotate around, and there is an automatic magnetic
24 field felt all over the world; but when it comes to
25 rate increases, it simply means that the power manufacturer

1 needs more money to produce more electricity, and the
2 more electricity the power manufacturer produces, the more
3 voltage that is required. The more voltage that is required
4 means that should be more pressure on a conductor.

5 The more pressure that is on a conductor
6 simply means that there is more electric in the fields.
7 These fields are measured in gaus's. The magnetic fields in
8 these machines that we go into today to examine our physical
9 body heat are not measured in gaus's, they are measured in
10 Teslas.

11 A Teslas is named after a gentleman who was the
12 inventor of alternating current. His name was Nicholas
13 Tesla, and he sold all of his holdings to Mr. George
14 Westinghouse, for the record. Thomas Edison, of course,
15 believed in direct current instead of alternating current,
16 and his company still bears his name - Edison Electric
17 Company, or General Electric.

18 But, gentlemen, if you give an increase in power, the
19 only increase will be in voltage. The voltage will increase
20 the pressure, and that will increase the gaus's. The gaus's
21 will effect the population, and it has been proven by
22 experts throughout the world that magnetic fields cause
23 cancer, and I would ask that you don't approve this
24 increase. Thank you.

25 (Applause.)

1 MR. WADIKA: I would also like to state that I heard
2 on the radio that the mayor, I believe his mother passed
3 away today; and that is probably why he is not here.

4 JUDGE CHRISTIANSON: Thank you.

5 The next name is Nancy Kay Holmes.

6 Whereupon,

7 NANCY KAY HOLMES
8 having been duly sworn, testified as follows:

9 MS. HOLMES: Thank you, Judge Christianson, ladies
10 and gentlemen.

11 "I would like to take this opportunity to welcome you
12 to Scranton, to our historically noteworthy Municipal
13 Building, and to this Council Chamber, where, for over one
14 hundred (100) years, the laws of this City have been
15 executed.

16 "My name is Nancy Kay Holmes. I am a member of
17 Council and speak on behalf of our Council, which requested
18 this rate hearing. We are very pleased that you are here to
19 take testimony and to listen to the concerns of our people.

20 "As I am sure that you are aware, Scranton
21 is officially designated by the Commonwealth of
22 Pennsylvania, under Act 47, as a 'financially distressed'
23 city. At the present time, for the Calendar year 1995, we
24 have budgeted funds of \$875,000 for street lighting and
25 \$260,000 for building lighting, as payments to the

1 Pennsylvania Power & Light Company. A requested rate hike
2 for commercial use of 11.7% would raise those figures to an
3 estimated \$1,200,000, causing undue hardships on our
4 taxpayers who, of course, are also ratepayers.

5 "An approximate 1/5 residential rate hike would
6 create great hardships for our citizens, many of whom are
7 elderly and living on fixed incomes. As you may be aware,
8 Scranton has the oldest population, on average, of any city
9 in the United States, as attested to by the 1990 Census.
10 Our population of those living at or below the property
11 level are, also, above the national average. It would be
12 very difficult for our population to budget needed monies
13 for electric service. Obviously, electricity is not a
14 luxury item; it is a basic necessity of life. A public
15 utility like PP&L is a monopoly. We cannot choose to
16 purchase service from another vendor at another price.

17 "We are in agreement with Consumer Advocate
18 Irwin Popowsky's quoted statements that a 13 % return to
19 PP&L stockholders is excessive. Please take into
20 consideration the present bank interest rate on long-term
21 investments.

22 "We are all also in agreement with a ten (10)-year
23 old ruling of the Public Utility Commission that the
24 consumer should not have to pay for excessive
25 electricity generated by the second nuclear power plant,

1 Susquehanna, at Berwick.

2 "Scranton City Council urges that you take all
3 the testimony into consideration and deny PP&L's request in
4 its entirety".

5 I would like noted for the record that I am speaking
6 here today with the permission of the Scranton High School
7 principal, Al Karam-- I teach at Scranton high school-- and
8 that the one class period which I am missing is a
9 non-teaching, or preparation, period.

10 I would also like to add that my situation, being
11 that I have asked permission to leave my place of employment
12 early, is one that may have created the particular group you
13 have here, where there are very few people able to speak
14 today who are working, that being because of the
15 1:30 starting time; and I believe if you would look at the
16 original letter that city counsel sent, we not only asked
17 that the Public Utility Commission hold a rate hearing
18 here in the city, but we specifically asked that it be held
19 at a time and place that was convenient for the majority of
20 the people here.

21 I understand that you have a very tight schedule to
22 follow, but I am very sad that could not have happened,
23 because I think you would hear from another element of our
24 population, those people who are the wage earners who are
25 paying 3.4 percent of their income to the city to start

1 with, to the school district; people who are paying taxes
2 that, as John Cawley told you, are regressive to the point
3 where we are losing business and our population to the
4 suburbs.

5 The Scranton population in 1940 was 140,404. In the
6 1990 census, it went to somewhere around 80,000.

7 Also, it should be noted that about 24 percent of all
8 of the land in the city of Scranton is taken up by
9 non-profits, whether they are hospitals, colleges,
10 universities, churches, schools-- wonderful institution,
11 and we are lucky that we have them, but we have a very
12 diminished urban tax base for some reasons that I have
13 brought up.

14 The city cannot afford the distressed status any way
15 whatsoever, and it would be heart braking actually to make
16 our people even begin to think about a 21 percent rate hike
17 in electricity, and seriously, I believe, could affect their
18 health, safety, and welfare. That is something that
19 obviously no one would want to see happen.

20 Again, thank you for coming to Scranton. We hope
21 that you will take the words of some of these people here
22 into consideration and that you get out of here before the
23 storms arrive.

24 (Appause.)

25 JUDGE CHRISTIANSON: I had a little sleet on the

1 windshield, but we are glad we are here. We seem to have
2 run out of names on the list, and we are done with our
3 formal session, unless there are questions.

4 Does anybody else want to speak for the record?

5 (No response.)

6 JUDGE CHRISTIANSON: Now at this point we can speak
7 off the record if anyone wants to speak to one of our
8 representatives or PP&L's representatives. At this point we
9 will be off the record.

10 (Whereupon, at 3:40 p.m. the hearing was
11 concluded.)

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C E R T I F I C A T E

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I hereby certify, as the stenographic reporter, that
the foregoing proceedings were taken stenographically by me,
and thereafter reduced to typewriting by me or under my
direction; and that this transcript is a true and accurate
record to the best of my ability.

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COMMONWEALTH REPORTING COMPANY, INC.

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BY: Tom A. Stewart
TOM A. STEWART

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FORM 2