

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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February 4, 2016

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

Re: Petition of PPL Electric Utilities Corporation
For Approval to use the Remote Switch Service in its
Meters for Involuntary Service Termination
Docket No. P-2016-2524581

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Answer, Notice of Intervention, and Public Statement in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

/s/ Christy M. Appleby
Christy M. Appleby
Assistant Consumer Advocate
PA Attorney I.D. # 85824

Attachment

cc: Office of Administrative Law Judge
Certificate of Service

216754

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation :
For Approval To Use The Remote Service Switch : Docket No. P-2016-2524581
In Its Meters For Involuntary Service Termination :

ANSWER
OF THE
OFFICE OF CONSUMER ADVOCATE

I. INTRODUCTION

On January 15, 2016, PPL Electric Utilities Corporation (PPL or Company) filed its Petition for Approval to Use the Remote Service Switch in its Meters for Involuntary Service Termination (Petition). The Company states that its Petition is being filed pursuant to the Pennsylvania Public Utility Commission's September 3, 2015 Order in which it approved PPL's proposal to install Radio Frequency (RF) mesh smart meters throughout the Company's service territory by 2019. Petition at 1; Petition of PPL Electric Utilities for Approval of its Smart Meter Technology Procurement and Installation Plan, Docket No. M-2014-2430781, (Order entered September 3, 2015) (2015 Smart Meter Order). The new RF mesh smart meters will provide the Company with the functionality to remotely terminate service to customers. In the 2015 Smart Meter Order, the Commission required the Company to seek stakeholder input and to file for Commission approval prior to utilizing the remote disconnect feature of the smart meters for involuntary service disconnections. 2015 Smart Meter Order at 69.¹ The Office of Consumer

¹¹ On October 28, 2015, the Company held a stakeholder meeting with interested parties, including the OCA, to discuss its proposed use of the of remote service disconnection program for involuntary termination. After the stakeholder meeting, PPL states that it requested feedback from participants regarding the Company's proposal but

Advocate (OCA) respectfully submits that, if the Commission approves the Company's Petition, additional protections should be required consistent with other major EDCs' use of the remote disconnect feature for involuntary termination.

In the instant Petition, PPL proposes to begin utilizing the remote switch for involuntary service termination on April 1, 2017. Petition at ¶ 12, Appendix A. PPL states that both the Company and customers will benefit from the use of the remote involuntary service termination function but provides no specific quantification of the benefit. Petition at ¶ 19. Under the PPL's proposal, the Company states that it will continue to follow all statutory and regulatory requirements for termination of service. *Id.* at ¶ 12. PPL states that the Company will continue to attempt to make personal contact with the customer both on the telephone and at the premises before involuntarily terminating service. *Id.* at ¶¶ 13, 14. The Company also states that the remote functionality will provide for faster reconnection and lower reconnection costs. *Id.* at ¶¶ 23, 25. The Company, however, does not propose to lower reconnection fees as part of this Petition.

The use of the remote service disconnection functionality presents potential health and safety risks to consumers, in particular to elderly, infirm, or low-income customers, due to ease of termination from off-site locations. The OCA submits that any approval of the involuntary remote service termination functionality should specifically require that the Company adhere to the requirements of Chapters 14 and 56 of the Public Utility Code. Moreover, the involuntary remote service termination functionality should only be utilized with appropriate additional consumer protections as discussed below. The OCA also submits that any cost savings and

the Company did not receive additional feedback. Petition at ¶ 11. The OCA notes that it did provide feedback on the proposal at the stakeholder meeting.

benefits must be quantified and passed on to ratepayers through the smart meter surcharge and lower reconnection fees immediately upon implementation of the remote functionality.

II. ANSWER

In its Petition, PPL proposes to utilize the remote connection/disconnection functionality of its smart meters for involuntary service terminations beginning April 1, 2017. Petition at Appendix A.² PPL states that it will “continue to follow all statutory and regulatory requirements for termination of service.” Petition at ¶ 12. Importantly, PPL states that it will attempt to make personal contact on the telephone and at the premises before involuntarily terminating service with the remote functionality. Petition at ¶¶ 13, 14.

The OCA submits that involuntarily terminating customers with remote switching should only be used with extreme caution, in compliance with all requirements of Chapters 14 and 56, and with appropriate additional consumer protections including those outlined below. The additional consumer protections discussed below are utilized by other EDCs and provide important protections for the use of this new functionality. The use of involuntary remote disconnection in a cold weather state like Pennsylvania – where electricity is often necessary for home heating—can cause health and safety issues especially for at-risk customers like the elderly, infirm and poor. Moreover, use of involuntary remote disconnection can create a health and safety risk at other times of the year as electricity is needed for the refrigerator, light, air conditioning, and other medical reasons.

Both PECO Energy Company (PECO) and Duquesne Light Company (Duquesne) have implemented the use of the remote service termination functionality with their smart meters for

² The OCA notes that PPL will be deploying its smart meters through 2019, so not all customers will have a smart meter at the time that the Company proposes to begin its remote service disconnection program for involuntary termination. In the Petition, the Company does not address customers without a smart meter.

voluntary and involuntary terminations, but both companies provide additional levels of consumer protections beyond those offered by PPL. See, Petition of PECO Energy Company for Approval of its Smart Meter Technology Procurement and Installation Plan, Docket No. M-2009-2123944 (Order entered May 6, 2010)(PECO Order); Petition of Duquesne Light Company for Approval of its Final Smart Meter Procurement and Installation Plan, Docket No. M-2009-2123948 (Order entered May 6, 2013)(Duquesne Order). The OCA submits that PPL should implement similar consumer protections prior to implementing a remote service disconnection program for involuntary termination.

A. Termination Process

Involuntary remote service disconnection, without sufficient consumer protection protocols, has the potential to put customers at risk. In its Petition, PPL states that customers will receive the same notices under the remote termination service process as the Company uses under the current service disconnection process. Petition at ¶ 15. The Company states that it will continue to include a step to send a “qualified representative” to attempt to make personal contact at the premises prior to terminating service. Id. PPL describes its current involuntary termination service process as:

- a) Customer Service (CSS) determines that customer account is delinquent
- b) Notification letter sent to customer (10 day notice)
- c) Automated phone calls are made 3 days prior to scheduled day for cut, one call before 5:00 PM, and one call the next business day after 5:00 PM; if no phone contact is possible, a 3 day notice via a door hanger is left at the premise
- d) If Protection From Abuse (“PFA”) noted on account, a 48 hour notice is left at the premise after the 3 day phone contact
- e) Qualified PPL Electric representative receives cut order in Mobile Operation Management (MOM) unit on day of scheduled cut. The MOM unit is a Toughbook laptop computer allowing field personnel to load data and manage their daily work activities.
- f) A truck is rolled to visit premise

- g) Qualified PPL Electric representative attempts to make contact with customer (knock on door)
- h) Qualified PPL Electric representative pulls the meter and applies boots to the load side
- i) Qualified PPL Electric representative leaves a door hanger (termination notice)
- j) Qualified PPL Electric representative completes order in MOM unit
- k) CSS is updated to show account is 'Cut-Out Non-Pay' after the system verification received
- l) Service termination process is complete.

Petition at ¶ 13. For the remote service termination process, PPL identifies the following changes to the following steps of the current service termination procedures, with the changes outlined in bold:

- h) Qualified PPL Electric representative completes order in MOM unit **(meter is not removed and no boots are applied)**
- i) Qualified PPL Electric representative leaves a door hanger (termination notice)
- j) Order completion in MOM unit sends command to CSS to open remote switch**
- k) Switch order is sent to the Smart Meter Head End (HE) system to open the remote switch**
- l) CSS is updated to show account is 'AMI Blocked' after the switch verification received from the HE system**
- m) Service termination process is complete

Petition at ¶ 14.³

In its Petition, PPL argues that there is and should be no difference in the current process and the proposed remote disconnection process to the customer. *Id.* at ¶ 12. The OCA submits, however, that the ease and speed with which remote disconnects can occur raises the potential for substantially different outcomes. Remote disconnection provides a substantially easier and faster process for termination. With that easier process for termination, the OCA submits that there is also increased risk for customers. The OCA submits that additional clarifications and protections are needed prior to implementation of these procedures.

³ The OCA notes that the Company has not identified any changes to the process in steps (a) through (g) of the current process.

In the Petition, PPL states that a “qualified representative” will attempt to make personal contact and will knock at the door. Petition at ¶ 13. The OCA agrees that it is important to maintain this step for involuntary remote service disconnection, and PPL should be required to continue to do so. PPL’s Petition, however, does not specifically identify what would constitute a “qualified representative” or what efforts would be made to ensure that contact is made with the customer or a responsible adult. The OCA submits that the “qualified representative” should be fully trained to direct vulnerable and low-income customers to a hotline where they can receive information on all of PPL’s Universal Service and Energy Conservation programs and related payment information and should commit to make personal contact with the customer or a responsible adult occupant of the premise prior to the termination. See e.g., Duquesne Order at 7-8; PECO Order at 12. The OCA also submits that the PPL representative also should be trained to stop the remote disconnection if the customer can show confirmation of payment through either an authorized agent or automated payment systems.

If personal contact is not made, the OCA submits that the qualified representative should leave a notice conspicuously at the residence that provides how the customer can reconnect service and also includes the number of a hotline where low-income and vulnerable customers can receive information on PPL’s Universal Service and Energy Conservation programs and related payment information. See e.g., Duquesne Order at 8; PECO Order at 12. The OCA submits that this will ensure that disconnected eligible customers immediately have access to potential resources that would allow them to restore service as quickly as possible.

B. Reconnection Process

The OCA submits that the remote service functionality should also make the reconnection process easier to access and less expensive for disconnected consumers. In its Petition, PPL describes the current reconnection process as follows:

- a) Customer satisfies reconnect conditions
- b) Customer is reminded to turn main breaker off
- c) Reconnect scheduled for next business day by CSS
- d) Qualified PPL Electric representative receives reconnect order
- e) A truck is rolled to visit premise
- f) Qualified PPL Electric representative knocks on door to inform customer PPL Electric is on site
- g) Qualified PPL Electric representative pulls meter, removes boots, and then reinstalls meter
- h) Qualified PPL Electric representative completes order in MOM unit
- i) CSS updated to show meter status is 'ON' after the system

Petition at 17. For remote reconnections, PPL proposes modifications to the following steps to its process, with the changes outlined in bold:

- c) **CSS creates and sends a reconnect command to the Head End (HE) system for service reconnection within 24 hours**
- d) **The Head End (HE) system sends command to close the remote switch (NO truck roll required)**
- e) **CSS updates the meter to 'ON' after the HE system sends the switch verification**
- f) Reconnect process is complete

Petition at ¶ 18.

PPL states that its directions to customers will not change regarding customers being told to turn the main breaker off. However, there is a difference in the process because the PPL Electric representative will no longer be on-site when the service is restored to ensure that the customer has turned off the main breaker or to check for any other additional safety related issues. The OCA submits that additional steps should be considered to the reconnection process to ensure that the customer has turned off the main breaker prior to restoration of service from a

remote location. In particular, an elderly customer or a customer with a disability may be limited in their ability to turn off the main breaker or to take the necessary safety precautions without assistance from a Company representative. To better ensure safety, further information may need to be gathered at the time the customer is informed to turn off the main breaker to be sure that this safety precaution is understood and can be implemented.⁴

PPL also states that the Company and customers will experience reduced costs for service reconnection by using the remote service switch because the Company will no longer be required to send a service technician and truck to the customers' premises to restore service. *Id.* at ¶ 25. PPL, however, does not include a specific proposal to reduce the reconnection fee for customers in its Petition. The OCA submits that the Commission should specifically direct PPL to charge a reduced restoration fee for the reconnection of service if the remote process is utilized.

The Company also proposes to expand its call center reconnection hours beyond the current hours of 8:00 a.m. to 7:00 p.m. when it uses the remote switch to reconnect service. *Id.* at ¶ 24. The Company does not specifically identify what additional days or hours will be provided for service restoration. The OCA submits that PPL should be required to provide the specific additional hours and days of service prior to approval of a remote involuntary service termination program.

C. Benefits and Savings

PPL argues that the remote service termination and reconnection function will provide substantial savings and benefits for the Company and its customers. Petition at ¶ 19. The Company states that the Company will no longer have to remove the meter and install boots which will be safer for employees and which will eliminate the issue of customers refusing to

⁴ To the extent that the Company has been using the remote service functionality on a voluntary basis, the OCA submits that similar safety procedures should be implemented.

allow access to the meter and the tampering with service disconnection in an effort to restore service. Petition at ¶¶ 20-21. PPL has not specifically identified in its Petition that any cost savings will be calculated and flowed through to ratepayers through the smart meter surcharge.

The OCA submits that any cost savings must be quantified and flowed through to ratepayers through the smart meter surcharge pursuant to the requirements of the 2015 Smart Meter Order. See, 2015 Smart Meter Order at 45-47. As discussed above, disconnected customers should also be provided the benefit of lower costs through a reduced restoration fee for the reconnection of service and require the Company to identify all cost savings to be reflected in its smart meter surcharge.

III. CONCLUSION

WHEREFORE, the Office of Consumer Advocate respectfully requests that the Commission specifically require PPL to adhere to the requirements of Chapters 14 and 56 for any involuntary remote service termination plan. The OCA also requests that additional consumer protections as identified should be implemented prior to the approval of PPL's proposed remote involuntary service termination plan. Finally, any cost savings and benefits of the program must be flowed through to ratepayers through PPL's smart meter surcharge.

Respectfully Submitted,

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DATE: February 4, 2016
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CERTIFICATE OF SERVICE

Petition of PPL Electric Utilities Corporation :
For Approval to use the Remote Switch Service : Docket No. P-2016-2524581
In its Meters for Involuntary Service :
Termination :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Answer, Notice of Intervention and Public Statement, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 4th day of February 2016.

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