

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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August 5, 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 Statement in Support of Joint Petition for Settlement 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: Honorable Dennis J. Buckley, ALJ  
Certificate of Service

224616

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

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STATEMENT OF THE  
OFFICE OF CONSUMER ADVOCATE  
IN SUPPORT OF SETTLEMENT

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The Office of Consumer Advocate (OCA), one of the signatory parties to the Joint Petition for Approval of Settlement (Settlement), finds the terms and conditions of the Settlement to be in the public interest for the following reasons:

**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) beginning April 1, 2017. In its Petition, PPL stated that the Company filed its Petition 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 (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 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. On October 28, 2015, PPL held a stakeholder meeting with interested parties, including the OCA, to discuss its use of the remote service disconnection program for involuntary termination. Settlement at ¶ 3.

On February 4, 2016, the OCA filed its Answer, Notice of Intervention and Public Statement to the Company's Petition. On February 11, 2016, the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA) filed a Petition to Intervene. On March 7, 2016, the Office of Small Business Advocate (OSBA) filed a Public Statement, Verification, and Notice of Intervention.

The Petition was assigned to the Office of Administrative Law Judge and was further assigned to Administrative Law Judge Dennis J. Buckley for investigation and the scheduling of hearings. Prior to the issuance of a Prehearing Conference Notice, the parties informed ALJ Buckley that a settlement in principle had been reached.

In its Answer in this proceeding, the OCA identified concerns with the Company's proposal to begin utilizing the remote switch for involuntary service termination on April 1, 2017. OCA Answer at 3-9. The OCA stated that the use of the remote service disconnection functionality has the potential to present 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 recommended 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 OCA recommended specific consumer protections that should be implemented prior to use of the remote service termination functionality. Finally, the OCA recommended that any cost savings and benefits be quantified and be passed on to

ratepayers through the smart meter surcharge and lower reconnection fees immediately upon implementation of the remote functionality.

The OCA actively participated in settlement discussions with the Company and the parties, leading to its participation in this Settlement. The Settlement addresses the issues identified in the OCA's Answer in this proceeding including a specific requirement to adhere to Chapter 14 and Chapter 56 when the new remote termination functionality is used; additional consumer protections on the day of termination; reduced reconnection fees; and the flow-through of any net cost savings and net benefits in the Company's smart meter surcharge. The OCA submits that the Settlement is in the public interest and the interest of residential consumers for the reasons set forth below.

## **II. Settlement**

The OCA submits that the Settlement addresses many of the issues raised by the OCA's Answer in this proceeding. The Settlement is in the public interest because it will provide necessary additional consumer protections, will track the impact and speed of reconnections for customers, will provide for reduced reconnection fees beginning April 1, 2017, and will flow-through any cost benefits or savings of the remote service termination functionality in the smart meter surcharge.

The terms of the Settlement provide that the Company shall comply with all provisions of Chapter 14 of the Public Utility Code (Responsible Utility Consumer Protection) and Chapter 56 (Standards and Billing Practices for Residential Utility Service) of the Commission's regulations regarding the use of the remote connect and disconnect functionality of the RF mesh meters. Settlement at ¶ 12. This Settlement term is in response to the OCA's Answer which sought assurance that the procedures mandated by Chapter 14 and Chapter 56, in particular the

requirement for an attempt to make personal contact with the customer at the time of termination, would not be eroded by use of the remote disconnect feature with the smart meter. The OCA submits that this Settlement term will assure that important consumer protections regarding termination of essential utility services will be maintained as PPL confirms that it will comply with all provisions of Chapter 14 and Chapter 56 when using the remote disconnect feature.

The Settlement also provides for necessary clarifications of the Company's Petition and for specific consumer protections to be provided on the day of termination.<sup>1</sup> In its Petition, the Company stated that there should be no difference in the current disconnection process and the proposed disconnection process to the customer. Petition at ¶ 12. The OCA was concerned, however, that the ease and speed with which remote disconnects can occur raises the potential for substantially different outcomes. With that faster and easier process for termination, the OCA submits that there is also increased risk for customers, in particular elderly, vulnerable or low-income customers.

In its Answer, the OCA stated that as currently occurs, a PPL representative should attempt to make personal contact with the customer or a responsible adult occupant of the premise prior to the termination by remote disconnection technology. OCA Answer at 6. Under the Settlement, the Company will send an appropriately trained field representative to the customer's premises on the day that termination is scheduled to occur. The field representative will use reasonable efforts to make personal contact with a responsible adult occupant of the premises prior to termination. Settlement at ¶ 13.

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<sup>1</sup> The OCA notes that 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 voluntary and involuntary service terminations, and both companies provide some of the same consumer protections identified in this Settlement. See, Petition of PECO Energy Company for Approval of its Smart Meter Technology Procurement and Installation Plan, Docket No. M-2009-2123944, Order (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 (May 6, 2013)(Duquesne Order).

The Settlement also includes necessary clarifications regarding the training for field representatives. Settlement at ¶¶ 14-16. The Company's Petition referred to the use of "qualified representative" to make contact with a customer on the day of termination. Petition at ¶ 13. In its Answer, the OCA requested additional clarification regarding what constituted a "qualified representative" and whether that "qualified representative" would be fully trained to direct vulnerable and low-income customers to be able to receive information about PPL's Universal Service and Energy Conservation programs. OCA Answer at 6. The Settlement clarifies the term "qualified representative" and provides that the field representative will have training to include "medical certificate procedures; relevant complaint procedures; general familiarity with Protection from Abuse ("PFA") Orders; and how to refer customers to PPL Electric's universal service programs." Settlement at ¶ 14. The field service representative will also be trained to refrain from terminating service:

if the field representative becomes aware of a personal safety condition that warrants delay in service termination, including if the field representative is informed that the occupant is seriously ill or affected with a medical condition which will be aggravated by cessation of service and that a medical certificate will be procured pursuant to 52 Pa. Code § 56.112.

Settlement at ¶ 16. The field representative will also be trained to direct the low-income and vulnerable customers to the Company's phone number to reach PPL staff regarding information on all PPL's universal service programs and related payment information. Id. The OCA submits that these clarifications will ensure that the field representative is appropriately trained to understand situations where termination should not occur and to direct customers to appropriate Company resources regarding universal service programs and related payment information.

The OCA also identified a concern with the Company's procedures if personal contact with the customer is not made. OCA Answer at 6-7. The OCA recommended that if the field

representative is unable to make personal contact prior to termination, the field representative should leave a notice informing the customer that service has been terminated; how service can be reconnected; and include a number where low-income and vulnerable customers can receive information about PPL's universal service programs and related payment information. OCA Answer at 6. The Settlement includes this language, and PPL will also provide customers with information about the universal service programs and related payment information. Settlement at ¶ 15. The OCA submits that this will ensure that disconnected eligible customers have better access to potential resources that would allow them to restore service as quickly as possible.

The OCA submits that the remote service functionality should also make the reconnection process easier to access, including expanded hours for service reconnection, and lower cost for reconnection. See, OCA Answer at 7-8. The Settlement provides that customers who have been terminated will be restored "as quickly as possible" and will pay reduced reconnection fees. Settlement at ¶¶ 17-18. Upon confirmation that the payment has been made, PPL agrees that it will reconnect the customer using the remote switch "as quickly as possible." Settlement at ¶ 17. PPL will also ensure that its hours for disconnection and reconnection are consistent with the Public Utility Code, the Commission's regulations and Commission directives and will provide expanded hours for reconnection of service from 7:00 a.m. to 10:00 p.m. seven days a week. Settlement at ¶ 18. The reconnection fee will be a reduced restoration fee of \$14.00 for residential, small commercial and industrial customers with an RF meter with remote switch. Settlement at ¶ 19, App. A, B. <sup>2</sup>

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<sup>2</sup> The Company's tariff provides that the reconnection fee is \$30, or \$50 if "done during other than the normal working hours of the physical forces reconnecting the service." PPL Electric Utilities Corporation Tariff, Supplement No. 194, Electric Pa. P.U.C. No. 201, Thirteenth Revised Page No. 14A (Effective January 1, 2016).

Under the Settlement, the Company will track the impact of remote service termination on customers. The Company will provide at its annual smart meter stakeholder meetings the following information:

- a. The number of remote disconnects for all customers;
- b. The number of remote reconnects for all customers; and
- c. The average time it took to process a reconnection using the remote switch for all customers from the time that the customer met all requirements for reconnection (when the Company's IT system is able to automatically determine this metric, which is currently estimated to be in July 2017).

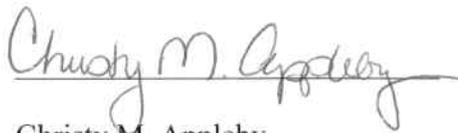
Settlement at ¶ 20. The OCA submits that this information will provide valuable information regarding the impact of the remote service termination function on customers and the speed with which customers are able to restore service.

Finally, the Company's Petition did not provide for a mechanism to flow-through the savings and benefits of the remote service termination functionality for its customers. OCA Answer at 8-9. In its Petition, the Company stated that the remote service termination and reconnection function would provide substantial savings and benefits for the Company and its customers. Petition at ¶ 19. Under the Settlement, the Company will track and flow through the Company's customer meter surcharge, the net cost savings from the use of the remote service connection/disconnection functionality pursuant to the requirements of the Commission's 2015 Smart Meter Order. Settlement at ¶ 21. The OCA submits that the tracking mechanism will ensure that any cost savings and benefits are quantified and flowed through to ratepayers through the smart meter surcharge.

### III. Conclusion

The OCA submits that the Settlement addresses many of the issues identified in the OCA's Answer and provides a reasonable resolution to this matter. For the foregoing reasons, the Office of Consumer Advocate submits that the Settlement is in the public interest.

Respectfully Submitted,



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DATE: August 5, 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 Statement in Support of Joint Petition for Settlement, 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 5<sup>th</sup> day of August 2016.

SERVICE BY E-MAIL and FIRST CLASS MAIL

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