

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17105-3265**

**Billie Jo Knapp**

**v.**

**Pennsylvania Electric Company**

**PUBLIC MEETING: October 27, 2016**

**2511723-OSA**

**Docket No. C-2015-2511723**

**STATEMENT OF VICE CHAIRMAN ANDREW G. PLACE**

Before us for consideration are the Exceptions of the Complainant, Billie Jo Knapp, to the Initial Decision issued on April 7, 2016 in the above docket. On October 30, 2015, Ms. Knapp filed a Formal Complaint against Pennsylvania Electric Company (Penelec or Company) requesting an affordable payment arrangement because she receives only \$725 per month from her disability benefits. She also has requested to be placed in the Company's Customer Assistance Program (CAP) and has asked that her service not be terminated while an affordable payment plan is determined.

Penelec admitted that the Complainant was sent a termination notice for the past due amount of \$716.43 but the Company stated that it did not intend to terminate service to Ms. Knapp because of the filing of the Complaint. Penelec indicated that a payment arrangement was granted by the Commission but defaulted due to nonpayment. Also, the Company asserted that Ms. Knapp was previously on the CAP but was removed due to her failure to recertify her eligibility. Further, Penelec indicated that the Complainant would need to pay her entire outstanding balance because she already received the one-time benefit of arrearage deferral and was provided verification of income eligibility.

In addition, there are other cases before us today, such as Rago v. Philadelphia Gas Works and Matthew and Traci Kolar v. West Penn Power Company, that draw attention to the hardship and dire circumstances faced by far too many of our fellow citizens who have profound difficulties paying for basic utility services. The struggle to maintain essential utility services in people's lives impacts the fundamental needs of families to stay in their homes, to work, to go to school and to participate in their communities throughout the Commonwealth. In addition, the lack of utility service may well lead to unsafe living conditions.

I do not draw attention to these cases before us today to imply a lack of concern or effort on the part of these utilities. In fact there is much to commend in the substantive efforts made by regulated utilities and social service organizations, through statutory and voluntary programs, to provide assistance to low-income and payment troubled customers. I am also keenly attentive to the obligatory reciprocity for utilities to render service and for customers to provide payment. However, to further the public interest as we are mandated to do, more should be done to permit Pennsylvanians to maintain essential utility services. In particular, I believe that the large lump sum payments required to reconnect essential utility services are all too often out of reach for many low-income, payment troubled Pennsylvanians. I remain concerned that we are relegating residents to a permanent inability to access essential utility services.

These all too common cases must compel all of us to further address the arrearage and payment challenges of utility customers and to contribute to the maintenance of essential utility services. Although it may require regulatory and statutory change, I suggest that it is likely that there are novel policies that would further assist in mitigating these challenges. For example, the Commission's Energy Burden guidelines, which are used to determine what a low-income customer can afford, are antiquated, unsupported by sufficient analysis and fail to account for regional climatic heterogeneity. They simply need updating. Also, greater education and coordination efforts among all parties can also assist in alleviating much of the existing hardship. Some education and coordination steps are taking place but more can be done.

If further solutions can be crafted to more thoroughly address disconnection of essential utility services for low income and payment troubled customers, substantive benefits accrue not only to the affected customers, but also to utilities, ratepayers, and communities throughout the Commonwealth.

**DATED:** October 27, 2016

  
\_\_\_\_\_  
**Andrew G. Place, Vice Chairman**