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Anthony D. Kanagy

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December 15, 2016

### VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North P.O. Box 3265 Harrisburg, PA 17105-3265

Re: PECO Energy Company Pilot Plan for an Advance Payments Program and Petition for Temporary Waiver of the Commission's Regulations With Respect To That Plan Docket No. P-2016-2573023

Dear Secretary Chiavetta:

Enclosed please find the Comments of PPL Electric Utilities Corporation in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Anthony D. Kanagy

ADK/skr Attachment

cc: Certificate of Service

### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

#### VIA E-MAIL & FIRST CLASS MAIL

Ward L. Smith, Esquire Richard G. Webster PECO Energy Company 2301 Market Street, S15 P.O. Box 8699 Philadelphia, PA 19101-8699

Gina L. Miller, Esquire Bureau of Investigation & Enforcement Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor West Harrisburg, PA 17105-3265

Lauren M. Burge, Esquire Harrison W. Breitman, Esquire Office of Consumer Advocate 555 Walnut Street Forum Place, 5<sup>th</sup> Floor Harrisburg, PA 17101-1923

Elizabeth Rose Triscari, Esquire Office of Small Business Advocate 300 North 2<sup>nd</sup> Street, Suite 202 Harrisburg, PA 17101 Patrick M. Cicero, Esquire Joline Price, Esquire Pennsylvania Utility Law Project 118 Locust Street Harrisburg, PA 17101-1414

Daniel Clearfield, Esquire Eckert Seamans Cherin & Mellot, LLC 213 Market Street, 8<sup>th</sup> Floor Harrisburg, PA 17101

Robert W. Ballenger, Esquire Community Legal Services, Inc. 1424 Chestnut Street Philadelphia, PA 19102

Shelby A. Linton-Keddie, Esquire Duquesne Light Company 800 North Third Street, Suite 203 Harrisburg, PA 17102

Date: December 15, 2016

Anthony D. Kanagy

### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PECO Energy Company Pilot Plan for an

Advance Payments Program and Petition for

Docket No. P-2016-2573023

Temporary Waiver of the Commission's

Regulations With Respect To That Plan

## COMMENTS OF PPL ELECTRIC UTILITIES CORPORATION

### I. INTRODUCTION

Pursuant to the Pennsylvania Bulletin Publication Notice of November 12, 2016 in the above-captioned proceeding, PPL Electric Utilities Corporation ("PPL Electric") hereby files Comments in support of PECO Energy Company's ("PECO") Advanced Payments Pilot Program ("Advance Payment Pilot"). PPL Electric is not commenting on the specific aspects of PECO's Advance Payment Pilot, but is submitting these Comments in support of Advance Payment Pilots in general. PPL Electric notes that it is evaluating whether to file its own Advance Payment Pilot. PPL Electric believes that Advance Payment Programs can provide benefits to customers and believes that the Pennsylvania Public Utility Commission ("Commission") should provide electric distribution companies ("EDCs") with flexibility to design different Advance Payment Programs to accommodate each EDC's individual circumstances, to test customers' reactions and experience to different program rules and to allow parties to learn best practices.

### II. COMMENTS

## A. UTILITIES AND CUSTOMERS IN OTHER STATES HAVE EXPERIENCED BENEFITS FROM ADVANCE PAYMENT PROGRAMS.

PECO notes in its filing that a number of Advance Payment Programs have been adopted in other states. PECO explains that the results from these programs have been promising. (PECO Petition, pp. 4-5.)

PPL Electric has also investigated Advance Payment Programs offered by utilities in other states. PPL Electric agrees that these utilities and their customers have experienced benefits from Advance Payment Programs. Customer benefits include more options for paying for electric service, reduced fees, increased control over finances, increased understanding and awareness of energy use, no "surprise" bills, increased customer satisfaction and others. Utility benefits include reduced bad debt, reduced truck rolls and improved call center metrics.

Results from other states have shown a broad range of participants in advance payment programs. The typical split of participants is 60% low-income and 40% non-low-income. Typical participants also include millennials, small commercial customers and college students. A broad range of the population has participated in advance payment programs.

# B. PPL ELECTRIC ENCOURAGES ALLOWING EDCS FLEXIBILITY IN DESIGNING VOLUNTARY ADVANCE PAYMENT PROGRAMS.

PPL Electric encourages the Commission to allow EDCs flexibility in designing Advance Payment Programs to suit each EDC's needs and to test different concepts with customers. This will allow parties the opportunity to learn best practices in designing future programs.

In this regard, PPL Electric notes that the Commission's advance payment regulations were adopted well before EDCs installed smart meter technology. Technological advances warrant flexibility with respect to current regulations because newer technology provides

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customers with greater knowledge of ongoing electric usage and the ability to quickly pay for

more electricity.

III. CONCLUSION

PPL Electric Utilities Corporation appreciates the opportunity to file Comments with respect to PECO Energy Company's Advance Payment Program. Both customers and utilities can benefit from Advance Payment Programs and the Pennsylvania Public Utility Commission

should allow EDCs flexibility in designing Pilot Advance Payment Programs.

Respectfully submitted,

Kimberly A. Klock (Pa. Bar I.D. 89716)

PPL Services Corporation

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Date: December 15, 2016