

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120**

Alfredo Caraballo
v.
PPL Electric Utilities Corporation

Public Meeting: April 5, 2018
2615246-OSA
Docket No. C-2017-2615246

**JOINT MOTION OF
COMMISSIONER DAVID W. SWEET AND VICE CHAIRMAN ANDREW G. PLACE**

Before the Commission is the Initial Decision (I.D.) of Administrative Law Judge F. Joseph Brady and Exceptions and Replies to the I.D.. In his Complaint, Mr. Caraballo sought a payment arrangement after receiving a termination notice from PPL. The Initial Decision found that Mr. Caraballo's Customer Assistance Program (CAP) arrearage was \$1,571.32 in addition to his pre-program arrearage of \$1,485.68, and that was not eligible for a Commission-ordered payment arrangement. The Initial Decision also noted that Mr. Caraballo had only made a single payment between June 7, 2017 and the hearing date of October 6, 2017, evidence that he had not established good faith efforts to pay his electric bill. Based on payment history and evidence of multiple payment arrangements entered into with PPL on which Mr. Caraballo had defaulted, the Initial Decision concluded that Mr. Caraballo would be unlikely to meet the obligations of a Commission payment arrangement and, thus, declined to grant one.

Mr. Caraballo filed Exceptions on four grounds: (1) he disputes the actual amount of the arrearage because he believes it is based on estimates; (2) he disputes the finding that he has not established good faith in his payments; (3) he disputes that he testified that he could only pay \$100 to \$150 per month total for his electric bill; and (4) he disputes that he would necessarily default on a Commission-ordered payment arrangement. PPL filed Reply Exceptions in which the Company denied the Complainant's claims.

By this Motion, we move that the Exceptions be granted in part and denied in part.

In his first Exception, Mr. Caraballo objects to the amount of his arrearage because he believes that the billing has been based on estimates. However, PPL established that Mr. Caraballo's account is served by an AMI meter that sends actual readings to PPL so that the billing is based on actual usage and not on estimates. Mr. Caraballo did not believe that his meter was equipped with automatic meter reading capability, and accordingly, his personal knowledge that no meter reader came to his house on the date indicated on his billing as an actual reading led him to his conclusion. We move that Exception Number 1 be denied.

The second Exception is to the I.D.'s conclusion that prior to this Complaint, Mr. Caraballo had accrued an outstanding balance of \$7,428.82 after defaulting on multiple payment agreements from PPL and, therefore, Mr. Caraballo had not shown a good faith effort to pay his bills. However, it is important to note that Mr. Caraballo was placed on OnTrack, PPL's

Customer Assistance Program, during the litigation of a prior formal complaint.¹ In that case, his arrearage was \$9,087.07. As he reduced his arrearage from that amount in April 2015 to \$1,571.32 as noted in this case, it appears that his willingness and success in reducing his balance is not in question. Accordingly, his second Exception is granted as he has shown a good faith effort to pay his electric bills.

His third Exception concerns his willingness or ability to sustain a payment arrangement that exceeds \$100 to \$150 per month, including current usage. He claims that those figures represented what he should pay according to Schuylkill Community Action of Pottsville. He offers to pay a greater figure if that is what the Commission considers to be fair.

At his income level, which is less than 150% of the Federal Poverty Income Guidelines, he would be eligible for the longest time allowed by statute to repay his balance, which is 60 months.² His non-CAP arrears divided by 60 payments results in approximately \$25 monthly added to his current usage.³ We move that this Exception also be granted.

The fourth Exception states that he disagrees with the conclusion in the I. D. that he would default on any payment. Although he presents statements regarding his upgrades to his house and actions that should decrease his electric usage to bolster his claims, these are raised for the first time in Exceptions. As they are extra-record statements, they are not appropriate for our consideration. His record of defaulting on the payment arrangement given by the utility is difficult to ignore, and we move that this Exception be denied.

However, the fact that he has paid down his arrearage from \$9,087.07 in 2015 to the present level persuades us that he should be given one more opportunity to pay his non-CAP arrearage.⁴ Mr. Caraballo should be aware that the Commission is bound by law to grant only one payment arrangement per arrearage, which means that he must pay his bills on time, every month, because the Commission is not empowered to give him another payment arrangement on the present arrearage.⁵

THEREFORE,

WE MOVE:

¹ *Alfredo Caraballo v. PPL Electric Utilities Corporation*, Docket No. C-2014-2438373 (Final Order entered April 9, 2015).

² 66 Pa C.S.A. §1405(b)(1).

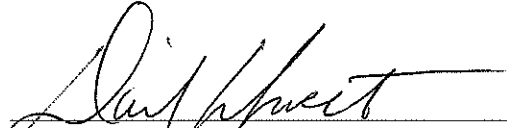
³ The ALJ concluded that the Complainant's monthly household income is \$1,590, \$750 of which is in the form of monthly Supplemental Nutrition Assistance Program (SNAP) benefits (I.D. at 3). The value of food stamps cannot be considered a part of gross monthly income pursuant to Title VII, U.S.C. Chapter 51 Section 2017(b) and as such, was not considered when calculating the appropriate payment arrangement amount.

⁴ *Susan Hewitt v. PECO Energy Company*, Docket No. F-2011-2273271 (Final Order entered September 12, 2013). In *Hewitt*, the Commission confirmed that it does not have authority to issue a payment arrangement for the CAP portion of an arrearage. However, the Commission in *Hewitt* also confirmed that it has the authority to grant a payment arrangement for the non-CAP portion of an arrearage, depending on the customer's payment history and compliance history with company-issued payment arrangements.

⁵ Absent specific circumstances spelled out in the statute. 66 Pa. C.S.A. §1405.

1. That the Exceptions of Alfredo Caraballo are granted in part and denied in part consistent with this Motion.
2. That the Initial Decision of Administrative Law Judge F. Joseph Brady in this matter is reversed, in part.
3. That PPL Electric Utilities Corporation shall bill Alfredo Caraballo by adding 1/60th of his non-CAP arrearage to his monthly bill until the non-CAP arrearage is paid in full.
4. That the Office of Special Assistants prepare an appropriate Order consistent with this Motion.

April 5, 2018
DATE



DAVID W. SWEET
COMMISSIONER



ANDREW G. PLACE
VICE CHAIRMAN