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Highlights: PA PUC Public Session of December 1, 2011

Note: Audio from each public meeting is available on the Pennsylvania Public Utility Commission's website for approximately six months. To access the audio stream for this public meeting, please visit <http://www.puc.state.pa.us/general/PMAudio.aspx>. The public meeting calendar and agendas may be viewed at http://www.puc.state.pa.us/general/public_meeting.aspx.

At the December 1, 2011, Public Meeting of the Pennsylvania Public Utility Commission ("Commission"), the Commissioners adopted Staff's recommendations for action by a vote of 5-0 on all items listed on the Main Agenda and Carry-In Agenda, except as reflected herein below under the respective Commission agenda headings. Review of particular items addressed by the Commissioners at this Public Meeting which may be of interest are addressed under the respective Commission agenda headings below. Any relevant motions and statements are attached hereto and to the original of this Session Memo filed in the Public Meeting Agenda and Session Memo binder. The next regular Public Meeting is tentatively scheduled for **December 15 at 10:00 a.m.** The minutes of the Public Meeting of October 28, 2011, were, by a vote of 5-0, approved without modification.

MAIN AGENDA

BUREAU OF TECHNICAL SERVICES & BUREAU OF INVESTIGATION & ENFORCEMENT (Transportation)

- Mercylife Ambulance Inc., 2191735-TAS A-2010-2191735. Application for the right to begin to transport as a common carrier by motor vehicle, persons in paratransit service. RECOMMENDATION: That the Commission adopt the proposed Order approving the application. Vote 5-0.
- Exact Care LLC, 2192196-TAS, A-2010-2192196. Application for the right to begin to transport as a common carrier by motor vehicle, persons in paratransit service. RECOMMENDATION: That the Commission adopt the proposed Order approving the application, as amended. Vote 5-0.
- Kuhn Transportation, LLC, 2258008-TAS, A-2011-2258008. Application for the right to transport as a common carrier by motor vehicle, persons in airport transfer service. RECOMMENDATION: That the Commission adopt the proposed Order approving the application. Vote 5-0.

DIRECTOR OF ADMINISTRATION

- PA Universal Service Fund Administrator, 2272902-BAS. The Commission is seeking to secure an Administrator for the PaUSF for the next contracting period anticipated to be 1/1/12 through 12/31/15, with one optional year (at the Commission's option) through 12/31/16. RECOMMENDATION: That the Commission approve the vendor selected by the Evaluation Committee. The matter has been postponed to the December 15, 2011 Public Meeting.

BUREAU OF AUDITS

- All matters approved as submitted.

OFFICE OF SPECIAL ASSISTANTS

- Kuhn Transportation, LLC, 2223613-OSA, A-2011-2223613, A-6413167. Application filed on 1/12/11. Several Parties, including Global Medical Transportation Services, Inc., filed protests. Except for Global's protest, the protests were withdrawn based on restrictive amendments, and the case was returned to the BTS. On 5/31/11, the Applicant modified its proposed service territory to transportation originating in Carbon, Lehigh, Monroe, Northampton, and Schuylkill Counties. By Order entered 8/1/11, the Commission approved the Application as modified. On 8/4/11, Global filed a Petition for Rescission and Amendment of the Order. No answers to the Petition were filed. By Tentative Order entered 10/14/11, the Commission tentatively denied Global's Petition and provided the Parties with 20 days to file exceptions or to initiate appropriate proceedings. Global filed Exceptions to the Tentative Order on 10/20/11. RECOMMENDATION: That the Commission adopt the proposed Opinion and Order which remands this proceeding to the Office of ALJ. Vote 5-0.

BUREAU OF TECHNICAL UTILITY SERVICES

- UGI Penn Natural Gas Company, 2258221-FUS, S-2011-2258221. Securities Certificate filed on 8/17/11, for approval for the incurrence of indebtedness under a \$125 million financing agreement through and until 10/15/15. UGI Penn Natural agreed on 9/1/11, 10/27/11, and 11/11/11, to voluntarily extend the consideration period until 10/28/11, 11/14/11, and 12/2/11 respectively. RECOMMENDATION: That the Commission adopt the proposed Order that approves the registration of the securities certificate for the incurrence of indebtedness under a \$125 million financing agreement through and until 10/15/15. The matter has been postponed to the January 26, 2012 Public Meeting.
- UGI Utilities, Inc - Gas Division, 2258334-FUS, S-2011-2258334. Securities Certificate filed on 8/17/11, for approval for the incurrence of indebtedness in an amount up to \$400 million under an unsecured, revolving credit agreement through and until 10/31/15. UGI Utilities on 9/1/11, 10/27/11, and 11/11/11, agreed to voluntarily extend the consideration period until 10/28/11, 11/14/11, and 12/2/11, respectively. RECOMMENDATION: That the Commission adopt the proposed Order that approves the registration of the securities certificate for the incurrence of indebtedness in an amount up to \$400 million under an unsecured, revolving credit agreement through and until 10/31/15. The matter has been postponed to the January 26, 2012 Public Meeting.
- UGI Central Penn Gas, Inc., 2258347-FUS, S-2011-2258347. Securities Certificate filed on 8/17/11, for approval for the incurrence of indebtedness under a \$50 million financing agreement through and until 10/15/15. UGI Central Penn Gas agreed on 9/1/11, 10/27/11, and 11/11/11, to voluntarily extend the consideration period until 10/28/11, 11/14/11, and 12/2/11, respectively. RECOMMENDATION: That the Commission adopt the proposed

Order that approves the registration of the securities certificate for the incurrence of indebtedness under a \$50 million financing agreement through and until 10/15/15. The matter has been postponed to the January 26, 2012 Public Meeting.

LAW BUREAU

- Verizon PA and Verizon North, 2271408-LAW, P-2011-2271408. Petitions filed for bona fide retail request deployment extensions of an additional three months for Bloomsburg CSA 1392 and an additional two weeks for Sabinsville CSA 3101 in its petition pursuant to 66 Pa. C.S. § 3014(c)(5). Verizon asserts that the delays are attributable to extreme weather events, specifically Hurricane Irene and Tropical Storm Lee, which have affected its ability to complete construction. RECOMMENDATION: That the Commission adopt the proposed Order granting the petition. Vote 5-0.

OFFICE OF ADMINISTRATIVE LAW JUDGE

- Ethan Clay vs. Duquesne Light Company, 2226084-ALJ, C-2011-2226084. Formal Complaint filed on 2/14/11, alleging improper termination of commercial electric service on 12/20/10 for nonpayment of bill. Duquesne filed its answer on 3/4/11. A hearing was held on 7/19/11. COMMISSION REVIEW: That the Commission adopt Judge Corbett's Initial Decision granting the complaint, in part, to the extent it alleged DLC violated 52 Pa. Code §55.2(b) by failing to serve Complainant's billing address with written notice of a proposed service termination. Motion by Vice Chairman Coleman is attached. The Joint Statement of Commissioners Gardner and Cawley is attached. Vote 4-1, with Commissioner Witmer dissenting.

CARRY-IN AGENDA

OFFICE OF SPECIAL ASSISTANTS

- PPL Electric Utilities, Revised Tariff page filed on 11/3/11, describing its CAP Plus program and setting an implementation date of 12/1/11. On 11/22/11, Lorrie Koons (Complainant) filed a Petition and Complaint for Stay and Modification of PPL's Universal Service Plan. The Complaint seeks, inter alia, a stay of PPL's proposed implementation date of the CAP Plus program. PPL submitted an Answer to the Complaint on 11/29/11, which denied the material allegations of the Complaint. RECOMMENDATION: That the Commission adopt the proposed Opinion and Order which denies the request for stay and refers the Complaint and Answer to the OALJ for such additional proceedings as are appropriate. Commissioner Witmer's Conflicts Statement is attached. Vote 5-0.

LAW BUREAU

- Policy Statement-Utility Svc Outage Public Notification Guidelines, 2065532-LAW, M-2008-2065532. Hurricane Ike swept through PA on 9/14/08, interrupting electric service to over 450,000 customers. On 9/25/08, a Joint Motion of Vice Chairman Christy and Commissioner Pizzigrilli was issued, and an investigation was opened regarding EDCs' service outage responses and restoration practices. In 4/2009, CEEP and the Office of Communications submitted a report entitled, Electric Distribution Company Service Outage Response and Restoration Practices Report which was adopted at Public Meeting of 4/30/09. On the same date, the Commission adopted a Joint Motion of Vice Chairman Christy and Commissioner Pizzigrilli to propose a policy statement regarding service outages. RECOMMENDATION:

That the Commission adopt the Final Policy Statement. The matter has been postponed to the December 15, 2011 Public Meeting.

- Proposed Rulemaking Natural Gas Distribution Business Practices, 2069117-LAW, L-2009-2069117, I-00040103F0002. The Proposed Rulemaking Order set forth business practices and standards for NGDCs and NGSs relating to financial transactions, communications (information and data and exchange) and operational rules for managing gas on a NGDC's system. The Order directed Commission staff to initiate of a stakeholder working group to develop these standards and a model Supplier Coordination Tariff format. The Order set a 45-day comment period and a 15-day reply comment period. The Order was published in the PA Bulletin on 10/17/09 at 39 Pa.B. 6078. The public comment period ended 12/16/09. The expiration date for the rulemaking is 12/16/11. RECOMMENDATION: That the Commission adopt the Order that withdraws the proposed rulemaking. Vice Chairman Coleman's and Commission Witmer's Conflicts Statements are attached. Vote 5-0.

COMMISSIONERS OFFICE

- Consumer Advisory Council, 2244363-CMR. Motion of Chairman Powelson Appointment of Member. Motion by Chairman Powelson is attached.

ANNOUNCEMENTS

- Chairman Powelson recognizes 22 new employees participating in the employee training program.
- John Matchik of FUS is retiring effective December 2, 2011.

NEXT PUBLIC MEETING IS TENTATIVELY SCHEDULED FOR THURSDAY, DECEMBER 15, 2011 AT 10:00 A.M.

* Denotes Order

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

Ethan Clay
v.
Duquesne Light Company

Public Meeting December 1, 2011
2226084-ALJ
Docket No. C-2011-2226084

**MOTION OF
VICE CHAIRMAN JOHN F. COLEMAN, JR.**

Before the Commission for disposition is an Initial Decision (ID) sustaining the above-captioned Formal Complaint, in part, for Respondent's failure to serve a written notice of proposed service termination to Complainant's billing address. The remaining issues raised in the Complaint were denied.

The Complainant is a commercial customer of Duquesne Light Company ("Duquesne"). Tr. 10. The Complainant receives the electric bills for his business at one of his residences. Tr. 14. On December 20, 2010, Duquesne terminated electric service to Complainant's business for non-payment of bills. The past-due amount at the time of termination was \$470.07. Prior to termination, Duquesne made several attempts to provide a 72-hour notice to Complainant. The first attempt was a telephone call on December 6, 2010 at 10:38 a.m. The second attempt was also a telephone call on December 7, 2010 at 10:57 a.m. With each call, there was no answer. With each call, Duquesne used the primary telephone number for the Complainant that was on record with the company.¹ Because Duquesne was unable to reach Complainant by telephone and consistent with the company's practice, Duquesne hand-delivered a 72-hour termination notice to the service location on December 8, 2010. Tr. 34-37, 42-43.

The Complainant does not dispute Duquesne's right to pursue the termination process for non-payment of bills. Instead, the Complainant challenges the manner in which Duquesne pursued that process here. The Complainant alleges that Duquesne should have sent the 72-hour termination notice to his billing address rather than hand-delivering it to the service address.

The ID concludes that the termination notice should have been sent to the billing address and finds that Respondent failed to follow the termination procedure established by regulation. Specifically, the ID relies on Section

¹ The Complainant did not inform Duquesne that he had a new telephone number prior to these attempted telephone contacts. Tr. 23.

55.2(b) of the Commission's regulations,² which it alleges requires a public utility to send a termination notice to a commercial customer's billing address. The ID imposes a \$250 civil penalty and directs Duquesne to credit Complainant's account for the \$50 reconnection fee and \$947 security deposit that was paid to restore service.

Based on the facts of this case, I do not agree that Duquesne violated the Commission's regulations by hand-delivering the termination notice to the service address rather than the billing address. Section 55.2(b) of the Commission's regulations does not require delivery of the 72-hour termination notice to the billing address. Although the Section 55.2(b) form notice includes both the billing address and service address as information to be provided on the notice, Section 55.2(b) does not require delivery of the 72-hour notice to one address or the other (if different). Thus, the Section 55.2(b) form notice is not dispositive of where to send the termination notice. Based on a review the record evidence before us, I believe that Duquesne acted reasonably here and should not be fined. I also do not see any basis to credit the Complainant for the reconnection fee or the security deposit that he paid to restore his electric service following the termination.

The record evidence supports that the Complainant is responsible for his predicament here. The record establishes that Complainant has a poor payment history with Duquesne. Respondent Ex. 1. The record further establishes that between November 2009 and December 2010 (prior to the actual termination), Complainant entered Duquesne's termination process for non-payment seven times and that Complainant received a 72-hour posted notice at the service location on each of the prior termination attempts. Tr. 36-37, 41. Thus, Complainant is well-versed in Duquesne's termination process, including prior experience with Duquesne's practice of delivering the 72-hour termination notice to the service address.


Moreover, the Complainant admits that the 72-hour termination notice was received at the service location. Tr. 12-13. The Complainant also admits that once received, the termination notice was mishandled by him and/or his employees. The Complainant testified that one of his employees placed the notice with other papers and that he did not discover the notice until after service had been terminated. Tr. 12-13. Duquesne should not be held responsible for Complainant's lack of due care regarding the handling of the termination notice once it was received.

² 52 Pa. Code § 55.2(b).

THEREFORE, I move that:

1. The Initial Decision be modified consistent with this Motion.
2. The Commission's Office of Special Assistants draft an Order consistent with this Motion.

DATE: December 1, 2011


JOHN F. COLEMAN, JR.
VICE CHAIRMAN

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

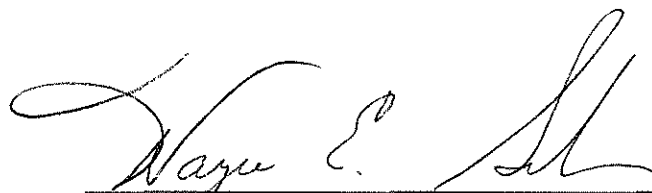
Ethan Clay
v.
Duquesne Light Company

Public Meeting held December 1, 2011
2226084-ALJ
Docket No. C-2011-2226084

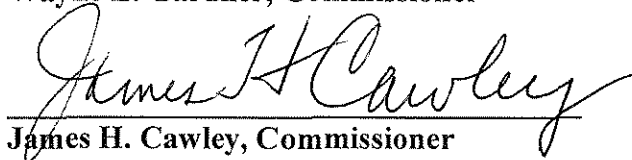
JOINT STATEMENT OF COMMISSIONER WAYNE E. GARDNER
AND COMMISSIONER JAMES H. CAWLEY

Although we are supporting the Vice Chairman's motion in this case, we are troubled that our Regulations do not give clear direction to utilities as to where termination notices must be sent in the cases where the billing and service addresses are different. Rather than stating where termination notices must be sent, section 55.2(b) sets forth a form letter to be used by the utility. That form has a place near the top for the customer's billing address but it also requires that the customer's service address be included in the body of the letter. It is ambiguous as to where the notice is to be sent. We encourage the Commission to consider revising this portion of Chapter 55.

December 1, 2011
Date



Wayne E. Gardner, Commissioner



James H. Cawley, Commissioner

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

PPL Electric Utilities Corporation Public Meeting – December 1, 2011
Universal Service and Energy 2179796 - OSA
Conservation Plan (2011-2013) Docket No. M-2010-2179796

STATEMENT OF
COMMISSIONER PAMELA A. WITMER

Prior to joining my staff, Shelby Linton-Keddie served as counsel to PP&L Industrial Customer Alliance in the above-referenced proceeding. Therefore, to avoid any impropriety arising from her previous employment, I wish to note that I have not been advised by Shelby Linton-Keddie regarding this matter.

DATE: December 1, 2011


PAMELA A. WITMER
COMMISSIONER

PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120

Proposed Rulemaking: Natural Gas
Distribution Company Business
Practices; 52 Pa. Code §§ 62.181-
62.185

Public Meeting December 1, 2011
2069117-LAW
Docket Nos. L-2009-2069117
I-00040103F0002

STATEMENT OF
VICE CHAIRMAN JOHN F. COLEMAN, JR.

Prior to joining my staff, Matthew Totino was employed by a law firm that served as counsel to a party in the above-captioned proceeding. Therefore, to avoid any appearance of impropriety arising from his previous employment, I wish to note that I have not been advised by Matthew Totino regarding this matter.

DATE: December 1, 2011



JOHN F. COLEMAN, JR.
VICE CHAIRMAN

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Pennsylvania Public Utility
Proposed Rulemaking: Natural
Gas Distribution Company
Business Practices

Public Meeting – December 1, 2011
2069117 - LAW
Docket No. L-2009-2069117

STATEMENT OF
COMMISSIONER PAMELA A. WITMER

Prior to joining my staff, Shelby Linton-Keddie served as counsel to Industrial Customer Groups in the above-referenced proceeding. Therefore, to avoid any impropriety arising from her previous employment, I wish to note that I have not been advised by Shelby Linton-Keddie regarding this matter.

DATE: December 1, 2011


PAMELA A. WITMER
COMMISSIONER

PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265

Consumer Advisory Council
Membership

Public Meeting December 1, 2011
2244363-CMR

MOTION OF CHAIRMAN ROBERT F. POWELSON

WHEREAS, the Consumer Advisory Council ("Council") is a viable and effective working organization; and

WHEREAS, the Commission is mandated by regulations to officially appoint and/or ratify members to the Council;

NOW THEREFORE, IT IS RESOLVED THAT the Pennsylvania Public Utility Commission, pursuant to 52 Pa. Code § 91.4(c)(1-3), hereby ratifies and accepts the following appointments to the Council for the term beginning on July 1, 2011, and continuing through June 30, 2013.

Commission-at-Large

Dr. Tina M. Serafini

11/28/11
DATE

Robert F. Powelson
ROBERT F. POWELSON, CHAIRMAN