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INDEPENDENT REGULATORY
REVIEW COMMISSION

VIA UPS EXPRESS MAIL

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor North
Harrisburg, Pennsylvania 17105

Re: Proposed Rulemaking on Universal Service and Energy
Conservation Reporting Requirements and Customer
Assistance Programs, PUC Docket No. L-00070186

Dear Secretary McNulty:

Enclosed with this letter for filing are an original and fifteen copies of the brief Comments of T. W. Phillips Gas and Oil Co. ("T. W. Phillips") in connection with the Proposed Rulemaking adopted on August 30, 2007 at the above-referenced Docket. Please note that a diskette, which contains T. W. Phillips' Comments in an electronic format, will be sent by express mail on Monday, April 21st.

Copies of this cover letter and the enclosed Comments are also being sent via email to Patricia Krise Burket, Michael Smith and Cyndi Page, in accordance with the directions set forth in the Commission's Proposed Rulemaking Order.

Very truly yours,

T. W. PHILLIPS GAS AND OIL CO.

Jay W. Dawson
Vice President – Legal
and Secretary

JWD/bjr

Enclosures

cc: Robert M. Hovanec
Andrew P. Wachter
Eileen Kudlock
Bryan Colbert

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Proposed Rulemaking on Universal)	
Service and Energy Conservation)	
Reporting Requirements and)	Docket No. L-00070186
Customer Assistance Programs)	

COMMENTS OF T. W. PHILLIPS GAS AND OIL CO.

T. W. Phillips Gas and Oil Co. ("T. W. Phillips"), a Pennsylvania gas distribution company based in Butler, Pennsylvania, hereby submits its Comments on the above-referenced Proposed Rulemaking as follows.

Given T. W. Phillips' status as a gas distribution company which serves fewer than 100,000 residential accounts (52 Pa. Code § 62.7), its Comments are focused on proposed Chapter 76 - Customer Assistance Programs. T. W. Phillips offers eligible low-income residential customers on its system the opportunity to participate in the Energy Help Fund ("EHF") program, which offers significantly discounted rates for current residential service and rewards EHF participants who make timely payments each month with monthly credits against their existing account arrearages. These credits can amount to up to \$600 over a period of 36 months.

Proposed Section 76.5 contains a list of acts and/or omissions which could result in a customer's removal from a Customer Assistance Program ("CAP"), such as T. W. Phillips' EHF program. T. W. Phillips is concerned that needy EHF customers, otherwise in compliance with program rules, not be subject to removal for failures over which they have no control.

Specifically, T. W. Phillips would propose that the following provision be added to the end of Section 76.5(a) as proposed:

' , except to the extent that such failures to comply are due to reasons beyond the CAP customer's control.'

Furthermore, T. W. Phillips proposes the addition of the following provision to Section 76.5(a)(5):

' ,except in cases where a CAP customer is a tenant and such failure is caused by a lack of cooperation on the part of the customer's landlord and outside the customer's control.'

T. W. Phillips also considers it important to have sufficient operational flexibility built into CAP programs, to enable distribution company representatives to work with CAP customers who have demonstrated, by their actions, a good faith intent to comply with CAP program requirements, but encounter difficult circumstances which may temporarily affect their ability to comply strictly with program rules.

In this regard, T. W. Phillips would propose that Section 76.5(b) be amended to permit distribution companies to exercise the reasonable flexibility required to help customers in need, who have made a good faith effort to make timely payments, by allowing such customers to miss one payment or make a late payment without being dismissed from the program, particularly where the missed or late payment is the direct result of a legitimate problem, temporary in nature, and not likely to cause further missed payments.

Finally, T. W. Phillips recognizes and wholeheartedly supports as one of the objectives of proposed Chapter 76, to control the costs of CAP programs, particularly to the extent that such costs are borne by members of a residential customer class who, by reason of income, do not even qualify for any of the benefits of CAP programs.

In keeping with some of its Comments made in response to the Commission's proposed Policy Statement on Customer Assistance Programs at Docket No. M-00072036 (the "Proposed Policy Statement"), T. W. Phillips urges the Commission to

apply the same philosophy in its consideration of those aspects of the Proposed Policy Statement which would seek to implement such measures as the elimination of CAP program enrollment ceilings or the imposition of percentage of income methods of determining CAP program monthly payment amounts. From T. W. Phillips' perspective, such measures run directly counter to the cost control philosophy being espoused by the Proposed Rulemaking captioned above.

T. W. Phillips appreciates the opportunity to present its comments on this Proposed Rulemaking and requests due consideration of its recommendations.

Respectfully submitted by,

Jay W. Dawson
Vice President - Legal
T. W. PHILLIPS GAS AND OIL CO.
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Butler, Pennsylvania 16001
(724) 287-2751 (Ext. 224)

Date: April 18, 2008