



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

L-00060182

2743

May 13, 2011

The Honorable Silvan B. Lutkewitte, III, Chairman  
Independent Regulatory Review Commission  
14<sup>th</sup> Floor, Harristown II  
333 Market Street  
Harrisburg, PA 17101

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IRRC  
2011 MAY 13 P 3:44pm

**Re: Regulation # 57-265 (IRRC # 2743)  
Pennsylvania Public Utility Commission Standards and Billing  
Practices for Residential Utility Services**

To The Independent Regulatory Review Commission:

By Order entered September 26, 2008, at Docket No. L-00060182, the Pennsylvania Public Utility Commission (PUC) adopted a *Proposed Rulemaking Order* which amends Chapter 56 of the Commission regulations, 52 Pa. Code §§ 56.1, *et seq.* By Order adopted February 24, 2011, and entered March 22, 2011, at the same docket, the PUC adopted the *Final Rulemaking Order*.

The purpose of this *Final Rulemaking Order* is to promulgate regulations to implement Chapter 14 (66 Pa. C.S. §§ 1401-1418, *Responsible Utility Customer Protection*). In particular, Section 6 of Act 201 requires the PUC to amend Chapter 56 to comply with the provisions of Chapter 14 and, if necessary, promulgate other regulations to administer and enforce Chapter 14.

On April 7, 2011, the final-form regulation was delivered to the standing Committees of the Pennsylvania Senate and House of Representatives and the Independent Regulatory Review Commission (IRRC or Commission). The next stage for the regulation with the Regulatory Review Act (ACT) is review and approval at an IRRC meeting. The regulation is scheduled for consideration and action at the May 19, 2011 public meeting.

According to Section 745.2 (a) of the Regulatory Review Act, 71 P. S. § 745.2 (a), the legislative intent of the Act is to encourage the resolution of objections to a regulation and the reaching of a consensus among the Commission, the standing committees, interested parties and the agency. At this final stage in the regulatory review process, we

find that it is necessary to revise the regulation. In order to accomplish this result, it will be necessary to seek disapproval of the regulation.

The PUC submits that the modifications will not improperly enlarge the scope of regulation. The PUC further submits that the final-form regulation may be inconsistent with the intention of the General Assembly in the enactment of Chapter 14. Therefore, pursuant to Section 745.7(a), we request that the Commission disapprove the subject regulation which will then allow this agency to revise the final-form rulemaking consistent with subsection (c). The specific revisions contemplated by this agency will be submitted in the report to the Committees and the Commission, within 40 days of the agency's receipt of the Commission's disapproval order. The matters to be addressed are set forth below:

§ 56.2	Definition of <i>Household Income</i>
§ 56.17	Advance Payments
§ 56.111	General Provision
§ 56.191	Payment and Timing
§ 56.252	Definition of <i>Household Income</i>
§ 56.267	Advance Payments
Annex A	Appendix B

The PUC's report will contain the final-form regulation, the findings of IRRC, and our response and recommendations regarding the revised regulation.

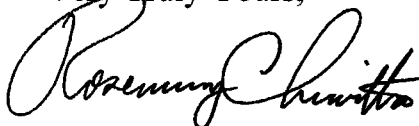
In summary, the definition of "Household income" will be revised to mirror the definition provided in 66 Pa. C. S. § 1403. Additional guidance as to what is not to be included in the definition will be deleted. The section on "Advanced payments" will be revised to restore the traditional prohibition on low-income customers participating in these programs. The section on medical certifications in the Emergency Provisions will be revised to restore the traditional language that allows a medical certificate to be used to restore service. In addition, the section on Payment and Timing will be revised to align it with the revisions to § 56.111, in that medical certificates can be used to restore service that has been terminated.

The revisions to the definition of "Household income" and the restoration of the traditional prohibition on low-income customers participating in advance payment

programs will also be made in subchapters L-V that cover small gas companies, wastewater, steam heat and PFA customers. Finally, Appendix B, the Medical Emergency Notice, attached to Annex A, will be revised to align it with the revisions in § 56.111 and § 56.191 that allow a medical certificate to be used to restore service.

In conclusion, the PUC requests that this Commission issue an order disapproving the subject regulation.

Very Truly Yours,



Rosemary Chiavetta  
Secretary

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