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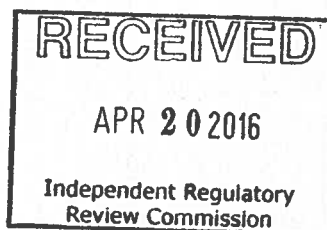
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April 19, 2017

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265



Re: Notice of Proposed Rulemaking, Standards and Billing Practices for Residential Public Utility Services, Docket No. L-2015-2508421

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Comments of NRG Energy, Inc. to Notice of Proposed Rulemaking with regard to the above-referenced matter. Courtesy copies are being provided by electronic mail as noted below.

Sincerely,

A handwritten signature in cursive script that reads "Karen".

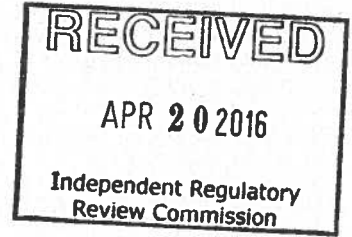
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KOM/lww  
Enclosure

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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION



Notice of Proposed Rulemaking, :  
Standards and Billing Practices for : Docket No. L-2015-2508421  
Residential Public Utility Service :

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COMMENTS OF NRG ENERGY, INC.  
TO NOTICE OF PROPOSED RULEMAKING

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Pursuant to the Notice of Proposed Rulemaking published by the Pennsylvania Public Utility Commission (“Commission”) in the *Pennsylvania Bulletin* on February 18, 2017,<sup>1</sup> NRG Energy, Inc. (“NRG”) offers these Comments.

**I. INTRODUCTION**

Consistent with the Petition for Implementation of Electric Generation Supplier Consolidated Billing (“SCB Petition”) filed by NRG on December 8, 2016, which is currently pending before the Commission,<sup>2</sup> NRG’s proposed revisions are primarily aimed at accommodating and facilitating the implementation of supplier consolidated billing (“SCB”). Under SCB, customers participating in Pennsylvania’s retail electric market would have the option of receiving a consolidated bill from their electric generation supplier (“EGS”), containing all of the EGS charges, along with the tariffed delivery charges of the electric distribution company (“EDC”). Through a direct billing relationship between EGSs and customers – a relationship that only the EDCs currently enjoy in their monopoly status as the sole consolidated billing entities –

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<sup>1</sup> 47 Pa.B. 965.

<sup>2</sup> *Petition of NRG Energy, Inc. for Implementation of Electric Generation Supplier Consolidated Billing*, Docket No. P-2016-2579249 (SCB Petition filed December 8, 2016). NRG also filed SCB Reply Comments on February 22, 2017 in that proceeding, which further form the basis for many of the proposals set forth herein.

EGSs would have the opportunity to forge long-term relationships with their supply customers, leading to the introduction of a wide array of innovative product and service offerings tailored to meet the unique needs of those customers.

While NRG believes that the Commission may direct the implementation of SCB as an option that is available to EGSs and their customers without first adopting regulations,<sup>3</sup> NRG urges the Commission to take advantage of this Chapter 56 rulemaking proceeding to establish a clear set of rules governing SCB so that no doubts exist about the enforceability of requirements to EGSs and EDCs. Through the addition of the new subchapter proposed by NRG, the Commission would be establishing the availability of SCB to EGSs, which meet numerous stringent financial and technical requirements, and outlining the obligations of EGSs and EDCs in the SCB environment. Additionally, as the current provisions of Chapter 56 set forth the rules applicable to deposits, payment arrangements, termination, reconnection and disputes, they can be easily tailored for use in the SCB context by simply adding the phrase “or billing entity” in situations that currently assume that the public utility will serve as the only consolidated billing entity. Also, defining “public utility services” as those services that are rendered only by public utilities, while characterizing “basic services” more broadly to encompass an EDC’s delivery services and default services, as well as EGS and natural gas supplier (“NGS”) (“collectively referred to as “energy suppliers”) commodity services, provides a clearer distinction between public utilities and competitive energy suppliers and the services they furnish to the public.

NRG further believes that it is necessary for the Commission to clarify the applicability of various Chapter 56 provisions to energy suppliers. While NRG recognizes that the Commission

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<sup>3</sup> See NRG SCB Reply Comments at pages 39-42 (noting that interim guidelines and trading agreements can be used pending the promulgation of regulations).

currently requires EGSs and NGSs to comply with Chapter 56, as applicable,<sup>4</sup> the vast majority of the provisions of Chapter 56 relate to deposits, bills, termination, payment arrangements and reconnection, which are not applicable to entities that are not rendering bills or making decisions to terminate accounts. In the course of identifying the provisions of Chapter 56 with which billing entities (other than public utilities) would need to comply, NRG determined that clarity around the applicability of Chapter 56 rules would likely facilitate regulatory compliance by energy suppliers.

## **II. BACKGROUND**

On December 22, 2014, Act 155 of 2014 went into effect, reauthorizing and amending Chapter 14 of the Public Utility Code (“Code”),<sup>5</sup> which is intended to protect responsible bill paying customers from rate increases attributable to the uncollectible accounts of customers. Chapter 14 provides public utilities with collection mechanisms and procedures to promote timelier collections, while protecting vulnerable customers by ensuring that public utility service remains available to all customers on reasonable terms and conditions.

On July 21, 2016, the Commission adopted a proposed rulemaking order to amend Chapter 56 standards and billing practices for residential public utility service to comply with the amended provisions of Code Chapter 14. The Notice of Proposed Rulemaking was published in the *Pennsylvania Bulletin* on February 18, 2017, inviting the filing of comments by interested parties within 60 days. NRG submits these Comments in response to that Notice.

## **III. COMMENTS**

As one of the country’s largest power generation and retail electricity supply businesses, NRG owns and operates approximately 50,000 megawatts of generating capacity and its retail

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<sup>4</sup> See, e.g., *Request of Reliant Energy Northeast, LLC d/b/a/ Reliant Energy for Approval to Amend its Electric Generation Supplier License as a Retail Electric Power Supplier*, Docket No. A-2010-2192350 (Order entered May 19, 2011).

<sup>5</sup> 66 Pa.C.S. §§ 1401-1419 (hereinafter referred to as “Chapter 14”).

businesses serve nearly three million customers across more than a dozen states. NRG's retail companies have more than 25 years combined experience with retail energy competition and customer service.

NRG's northeast retail business is headquartered in Philadelphia, Pennsylvania. The Company has four licensed retail companies that are actively serving electric residential, commercial, industrial and institutional customers across Pennsylvania - NRG Home and NRG Business,<sup>6</sup> Green Mountain Energy Company,<sup>7</sup> Energy Plus Holdings LLC,<sup>8</sup> and Cirro Energy,<sup>9</sup> These NRG retail companies offer customers a range of products including 100% renewable, cash back rewards and loyalty points. NRG affiliates also operate in Pennsylvania as licensed natural gas suppliers, including NRG Home<sup>10</sup> and Green Mountain Energy Company.<sup>11</sup>

NRG's Comments fall into three categories: 1) a new proposed subchapter within Chapter 56 that will accommodate SCB, consistent with its SCB Petition filed on December 8, 2016, which is currently pending before the Commission; 2) proposed revisions throughout Chapter 56 to establish the obligations of these newly-formed billing entities, including EGSs in the SCB role, and EDCs interacting with such billing entities; and 3) proposed revisions throughout Chapter 56 to clarify the applicability of various provisions to EGSs and NGSs.

NRG's proposed new subchapter to establish the availability of SCB in the electric industry is attached as Appendix A. The changes suggested by NRG to existing Chapter 56 revisions to

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<sup>6</sup> Docket No. A-2010-2192350.

<sup>7</sup> Docket No. A-2011-2229050.

<sup>8</sup> Docket No. A-2009-2139745.

<sup>9</sup> Docket No. A-2011-2262337.

<sup>10</sup> Docket No. A-2015-2478293.

<sup>11</sup> Docket No. A-2017-2583732.

accommodate the entry of billing entities and to clarify energy supplier obligations are set forth in Appendix B and are shown in redlining that incorporates the Commission's proposed changes to existing regulations that were published in the *Pennsylvania Bulletin*. NRG's proposals are discussed in more detail below.

A. Availability of SCB – New Subchapter

1. Rationale for Proposed New Subchapter

As NRG explained in its SCB Petition filed on December 8, 2016 and in its Reply Comments filed as part of that proceeding on February 22, 2017, the implementation of SCB would enable EGSs to directly bill their supply customers for generation supply services and additional value-added products or services they provide, along with the tariffed delivery charges of the EDC. If implemented, SCB would allow customers to continue receiving one electric bill for all electric services, while affording them the option to receive that one bill from their selected EGS. Among the choices that should be available to customers participating in a robust competitive market is the option to receive a consolidated electric bill from the entity that provides their electric supply services – just as they receive bills for any other product or service that they purchase from any other merchant, that include both the merchandise and delivery charges.

Enabling EGSs to directly bill their customers would facilitate the forging of long-term relationships and provide a level of certainty that promotes investment, which in turn enhances consumer access to value-added products and services – a cornerstone of a well-functioning competitive market. The effectiveness of this monthly channel for establishing long-term relationships with customers cannot be overstated. By providing a direct billing relationship between EGSs and their customers, SCB would enable EGSs to establish trust and loyalty with those customers and be perceived as their “energy company.” With these relationships forged,

EGSs would be able to deliver new product offerings that are tailored to meet the unique needs of their customers, including tools that allow them to budget their energy dollars more effectively.

NRG does not propose that EDCs be removed from their role of providing billing, collection and related customer service functions. Rather, NRG proposes only that EGSs be afforded the same opportunity to perform these functions and that SCB be another option that is available to retail customers shopping for electricity in Pennsylvania. Customers who stay with the EDC for default service or who choose EGSs that are not offering SCB would continue to be billed by the EDC for all of their electric-related charges. The availability of SCB, however, would give EGSs the same valuable opportunity that EDCs already have to use the bill to form long-term relationships with their customers and offer innovative products and services that their customers demand. As Chairman Brown and Commissioner Powelson recently observed, “[e]ncouraging this type of investment creates jobs, improves the economy and benefits consumers.”<sup>12</sup> In short, SCB is necessary to unleash the full potential of the competitive market where consumers have access to a diverse array of innovative products and services that are tailored to meet their individual needs.

Although the Commission has frequently implemented retail market enhancements through the issuance of interim guidelines,<sup>13</sup> NRG encourages the Commission to use this Chapter 56 rulemaking proceeding to clearly establish the rules of the road for SCB implementation so as to remove any doubt as to their enforceability. The new proposed subchapter, which is in Appendix A, outlines the requirements that would be applicable to EGSs and EDCs in the SCB context. It consists of four sections, with proposed Section 56.471 establishing the availability of

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<sup>12</sup> *Application of Freed Man Autonomous Vehicles LLC*, Docket No. A-2017-2585722 (Joint Statement dated February 9, 2017).

<sup>13</sup> *See* NRG SCB Reply Comments at pages 40-41.

SCB in the electric industry by proclaiming that EGSs may render a consolidated bill to customers that contain charges for basic services, including the EDC's distribution services and the EGS's commodity services, and any charges for the EGS's nonbasic services. The remaining three sections (Sections 56.472–56.474) propose numerous stringent financial and technical requirements that an EGS would need to fulfill in order to be a billing entity, establish the duties of the EGS in the billing entity role, and outline the duties of EDCs when an EGS in performing consolidated billing functions.

2. Proposed Financial and Technical Standards for Billing Entities

In proposing financial and technical standards for EGSs in the SCB role to meet, proposed Section 56.472 would establish requirements for the posting of security that names the EDC as the beneficiary in the event of non-payment of delivery charges. The amount of the security would be determined upon the basis of two months of distribution charges, using the highest two months in the most recent twelve-month period, which would be reviewed and adjusted quarterly. This proposed security level would adequately protect an EDC in the event of any failure of an EGS offering SCB to timely reimburse the EDC for its delivery charges.

Other proposed requirements in Section 56.472 include the EGS providing an irrevocable stand-by letter of credit payable to the Commission, documenting an ongoing risk management policy and maintaining a local office in Pennsylvania. In addition, NRG's proposed Section 56.472 would require an EGS to demonstrate (through its own operations or those of an affiliate) at least five years of experience (or the equivalent) of serving customers in Pennsylvania and other competitive electricity markets, performing call center/complaint handling functions, and handling billing/credit and collections, along with experience serving at least 25,000 residential electric customers. NRG also proposes that EGSs pay an annual fee of up to \$150,000 to support any additional Commission's monitoring activities that the Commission determines are necessary as a



result of having EGSs in the SCB role. Finally, under proposed Section 56.472, EGSs offering SCB would be required to certify compliance with the applicable requirements of various provisions of the Public Utility Code and the Commission's regulations and to certify that they will successfully complete a mock billing practice for two months with the EDC prior to rendering bills. All of these proposed requirements are designed to ensure that the necessary consumer protections are in place so that the quality of customer service does not decline below current levels.

3. Duties of EGSs in Billing Entity Role

Under Section 56.473, NRG proposes that the Commission impose certain responsibilities on EGSs in the SCB role, by initially declaring that billing entities are responsible for handling billing, collection and complaint handling functions for the customers' basic services. Prior to offering SCB, proposed Section 56.473 would require an EGS to enter into an agreement with the EDC. An important component of this agreement would be an indemnification of the EDC against EGS error during the termination or reconnection process. As a condition of serving as a billing entity, the EGS would be further obligated to comply with the applicable requirements of Chapter 14 of the Public Utility Code, Section 1501 of the Public Utility Code and Chapter 56 of the Commission's regulations. By outlining the duties and establishing a framework for the EGS's obligations in the SCB context, the Commission would ensure a continuation of existing consumer protections.

With respect to the structure of SCB, NRG proposes that the EGS would purchase the full value of the EDC's receivables for public utility services within twenty days after the receipt of the billing data. This proposal would place the risk of uncollectibles solely on the EGS and would ensure that the EDC is fully and timely compensated for its charges.

As further proposed by NRG, the EGS would transmit the request to the EDC to initiate the termination process, verify that the customer's account is eligible for termination for a lawful reason and provide the current amount due to avoid termination. Under proposed Section 56.473, the Commission would require the EGS to interact with the customer in an effort to establish a payment arrangement, collect information necessary for a payment arrangement and to accept payment to avoid termination. Additionally, NRG proposes that the EGS would be obligated to notify the EDC within two hours after a payment is received from the customer, a payment arrangement is established or a dispute is received from the customer, so as to avoid an erroneous termination. Similarly, under NRG's proposal, the EGS would have an obligation to notify the EDC of the receipt of payment after termination and to notify the EDC if a tendered payment is dishonored. As currently occurs with other information that must be exchanged between EDCs and EGSs, electronic data interchange ("EDI") protocols would need to be developed to allow for the electronic sharing of these notifications.<sup>14</sup>

#### 4. Duties of EDCs

In Section 56.474, NRG proposes that the Commission impose a series of obligations on the EDCs whose distribution customers are served by an EGS rendering consolidated bills. Specifically, the EDCs would be obligated to enter into an agreement with the EGS in the billing entity role and would be required to transmit billing data for public utility services to the EGSs. Also, as proposed by NRG, the EDCs would have the responsibility to fulfill the EGS's termination request unless it determines that the termination would violate a provision of Chapter 14 of the

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<sup>14</sup> EDI transactions allow for the transfer and exchange of electronic data relating to customer information between the EDC and EGS computer systems by standard message formatting without the need for human intervention. See *Standards for Electronic Data Transfer and Exchange between Electric Distribution Companies and Electric Generation Suppliers*, Docket No. M-00960890, F.0015 (Order entered October 15, 1999).

Public Utility Code or the customer is enrolled in a customer assistance program, receives LIHEAP subsidies or has been granted a protection from abuse order.

Under proposed Section 56.474, EDCs would continue to provide the required notices of termination to customers. In addition, EDCs would be obligated to cease the termination process upon receipt of information from the EGS indicating that the customer has made a payment, entered into a payment arrangement or filed a dispute. The EDCs would also continue to perform the physical disconnection process and to reconnect service upon receipt of information from the EGS that payment has been received after termination. NRG further proposes that the EDCs would be required to provide information to the EGS that is needed to handle billing inquiries, disputes and complaints.

These proposed responsibilities of EDCs are designed to provide the EGS with the information that is necessary to perform billing and related customer service functions and to ensure compliance with customer protection requirements. Again, the information that would need to be exchanged would occur through the established EDI process, as well as through existing supplier portals and supplier support contacts at the EDCs that are in already in place.

**B. Changes to Existing Provisions of Chapter 56**

Besides adding a new subchapter providing for the availability of SCB and outlining the duties and responsibilities of EGSs and EDCs in the SCB context, NRG also proposes several changes to the existing provisions of Chapter 56. Since these regulations already establish the regulatory framework for the billing and service standards applicable to residential customers, they can be easily tailored to also apply to billing entities that are not public utilities. To that end, NRG proposes to insert billing entities, EGSs and NGSs to Section 56.1(b) to make it clear that, as noted throughout Section 56, various provisions are expressly applicable to them.

NRG's proposed changes described in this section of the Comments fall into the following categories: (i) revising and adding definitions to Section 56.2; (ii) including references to a "billing entity" throughout Chapter 56; and (iii) changing existing references to public utility service to basic services and also inserting public utility prior to the word "service" in specific provisions. The latter group of changes is designed to more broadly define basic services to include public utility services, as well as default service provided by a public utility and energy suppliers' commodity services. The proposed changes described herein are set forth in redlining in the document attached as Appendix B.

1. Definitions – Section 56.2

NRG proposes to add a definition of "billing entity" to Section 56.2 to accommodate the implementation of SCB in the electric retail market, particularly since such entities would have obligations that vary from those that are imposed on public utilities or on energy suppliers that are not rendering bills. As proposed by NRG, a "billing entity" would be an entity other than a public utility that renders bills to residential customers, manages collections for basic services (including initiating termination processes) and handles inquiries, disputes, informal complaints and formal complaints regarding bills. This term would include energy suppliers and other third parties that may be rendering consolidated bills.

Adding the proposed definition would recognize the unique status of a "billing entity" and would be flexible enough to accommodate other potential billing entities besides EGSs in the future. With the introduction of the term "billing entity" in Chapter 56, NRG suggests that it would also be appropriate to revise several other definitions to include "billing entity." These definitions include "delinquent account," "electronic billing," "electronic notification of payment," "electronic remittance of payment" and "initial inquiry." It is appropriate to add "billing entity" to each of these definitions since the billing entity, such as an EGS offering SCB, would be

performing the billing, collection and customer service-related functions described in these definitions. In each instance, the addition of the term “billing entity” would reflect the applicability of these definitions and their corresponding rules to EGSs in the SCB role (or other entities rendering bills).

NRG also proposes revisions to the definitions of “basic services,” “nonbasic services” and “default service” and proposes to add a definition of “public utility services.” The definition of “basic services” is currently limited to the “[s]ervices necessary for the physical delivery of residential public utility service” and “default service as defined in this section.”<sup>15</sup> In NRG’s view, this definition is deficient in that it should also include the commodity services provided by an EGS or NGS, which would be reflective of the present structure in which these services are viewed as “basic services” in other contexts.<sup>16</sup> Additionally, since the section defines “default service” as only including the electric generation supply services provided by an EDC to retail customers who do not choose an EGS, it should be revised to also include natural gas supply services provided by natural gas distribution companies (“NGDCs”) to retail customers who do not choose an NGS. Likewise, NRG proposes to revise the definition of “nonbasic services” to expressly exclude EGS and NGS commodity service, in a manner that is consistent with exclusion of default service from the definition.

Since “public utility service” is currently not defined by Chapter 56, NRG proposes that the Commission add a definition making it clear that such services only constitute those basic services provided by public utilities. Essentially, under NRG’s proposed changes, the term “basic services” would be broadened to include the services provided both by public utilities and by

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<sup>15</sup> 52 Pa. Code § 56.2 (relating to definitions).

<sup>16</sup> 52 Pa. Code § 54.2 (relating to definitions) and § 54.4 (relating to bill format for residential and small business customers); 52 Pa. Code § 62.72 (relating to definitions) and § 62.74 (relating to bill format for residential and small business customers).

energy suppliers, while “public utility service” would be narrowly defined to only include public utility functions. Relating to these proposed changes, NRG suggests revising the definitions of “applicant,” “customer,” “delinquent account,” “household income,” “occupant,” and “residential service” to change the references from “public utility service” to “public utility services” to “basic services.” In each instance, the definition is more accurate when it is more all-encompassing to reflect default service and commodity service. This revision of the definition of “basic services” also facilitates the use of this term throughout Chapter 56 in place of “public utility service” or “public utility services” in a manner that accommodates SCB implementation and reflects the realities of today’s competitive retail energy market. In addition to more clearly delineating the obligations that only public utilities must fulfill, such changes would also ensure that energy suppliers are aware of the specific responsibilities they have under Chapter 56.

Other definitions that NRG proposes to add to Chapter 56 are for “electric generation supplier” and “electric generation supply services.” As proposed by NRG, an “electric generation supplier” would be defined as a person or corporation that sells, brokers, arranges or markets electricity or related services for sale to end-use customers utilizing the jurisdictional transmission or distribution facilities.<sup>17</sup> “Electric generation supply services,” under NRG’s proposal, would constitute the sale or arrangement of the sale of electricity and related services to retail electric customers.<sup>18</sup> Similarly, NRG proposes adding a definition for “natural gas supplier” as an entity that provides natural gas supply services to retail gas customers utilizing the jurisdictional facilities of an NGDC.<sup>19</sup> NRG notes that “natural gas supply service” is already defined by the existing regulations. All of these additions would clarify the differences among basic services, nonbasic

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<sup>17</sup> See 66 Pa. C.S. § 2803 (relating to definitions).

<sup>18</sup> See 66 Pa. C.S. § 2803 (relating to definitions).

<sup>19</sup> See 66 Pa. C.S. § 2202 (relating to definitions).

services and public utility services, as well as highlighting the responsibilities that are imposed on EGSs and NGSs. Along the same lines, NRG proposes to revise the definitions of “dispute” and “initial inquiry” to remove the term “public utility” so that it is more clearly applicable to all grievances of applicants, customers or occupants under Chapter 56, regardless of the identification of the entity involved in the inquiry or dispute. Also, in the definition of “initial inquiry,” NRG proposes to make it clear that EGSs and NGSs, as well as public utilities and billing entities, have obligations when customers raise questions or concerns about their bills.

In addition, NRG suggests including a definition of “disclosure statement” in Chapter 56, which explains that it is the written disclosure of the terms of service between an EGS or NGS and a customer, consistent with the Commission’s regulations.<sup>20</sup> NRG believes that this definition is necessary due to the proposed addition of the term “disclosure statement” throughout Chapter 56 to reflect the proper source for an energy supplier’s terms of service, as opposed to a public utility tariff.

## 2. Inclusion of Billing Entity References –Various Sections

Inclusion of references to the “billing entity” throughout Chapter 56 would clarify the duties and responsibilities of EGSs performing SCB services. Although most of the proposed insertions are self-explanatory, NRG offers brief descriptions of each proposal below. The overall rationale is to ensure the continuation of adequate consumer protections after the implementation of SCB. Also, these modifications, as proposed by NRG, would be flexible enough to accommodate other potential future billing entities besides EGSs, such as NGSs.

### a. Billing Functions

The first series of provisions to which NRG proposes adding the term “billing entity” pertain specifically to billing functions, including:

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<sup>20</sup> See 52 Pa. Code § 111.2 (relating to definitions).

- *Billing Frequency.* Section 56.11 (relating to billing frequency) – adding “billing entity” throughout this section would ensure that billing entities are rendering bills on a frequency basis that is consistent with the disclosure statement of the EGS or NGS and that billing entities are following the Commission’s rules regarding the use of electronic billing option.
- *Overbilling.* Section 56.12 (relating to remote reading devices for water, gas and electric public utilities) – inserting “billing entity” in Section 56.12(5)(iii) would make it clear that billing entity’s must credit or refund customers in the amount overbilled plus interest when the customer was overbilled due to an error in the public utility’s remote meter reading device. NRG also proposes adding language to this section obligating the EDC to reimburse the billing entity for the credit or refund.
- *Budget Billing.* Section 56.12 (relating to remote reading devices for water, gas and electric public utilities) – including “billing entity” in Section 56.12(8) would require billing entities to offer budget billing for basic services, including public utility services, and to periodically review the accounts.
- *Notification of Rights.* Section 56.12 (relating to remote reading devices for water, gas and electric public utilities) – inserting “billing entity” in Section 56.12(9) would ensure that customers of informed of their rights.
- *Make-Up Bills.* Section 56.14 (relating to make-up bills) – adding “billing entity” to this section would ensure that customers receiving make-up bills are afforded the proper amount of time to pay previously unbilled amounts and that the billing entity explains the bill to the customer, making a reasonable attempt to amortize the bill.
- *Details in Bills.* Section 56.15 (relating to billing information) – including “billing entity” in this section would obligate billing entities to follow the requirements of this section pertaining to the level of details that are provided in bills.
- *Final Bills.* Section 56.16 (relating to transfer of accounts) – inserting “billing entity” throughout this section would authorize billing entities to issue final bills upon receipt of actual meter reading, to transfer an unpaid balance to a new account of the same customer or to deny service at a new location when termination has been avoided due to denial of access to the premises.
- *Payment Period.* Section 56.21 (relating to payment) – adding “billing entity” throughout this section would obligate billing entities to afford 20 days for payment and follow the Commission’s rules concerning the calculation of the due date and the imposition of late payment charges or fees associated with using a certain payment option.
- *Late Payment Charges.* Section 56.22 (relating to accrual of late payment charges) – including “billing entity” throughout this section would ensure that late payment charges are levied or waived in accordance with the Commission’s rules.
- *Partial Payments – Basic Services and Nonbasic Services.* Sections 56.23 (relating to application of partial payments between basic services and other services) – inserting



“billing entity” in this section would require billing entities to apply partial payments first to charges for basic services, in the absence of contrary written instructions.

- *Partial Payments – Multiple Basic Services Bills.* Section 56.24 (relating to application of partial payments among several bills for basic services) – adding “billing entity” to this section would ensure that billing entities apply partial payments first to balances due for prior service, in the absence of contrary written instructions.
- *Electronic Payments.* Section 56.25 (relating to electronic bill payments) – including “billing entity” throughout this section would obligate billing entities to follow the Commission’s requirements when offering electronic payment options.

b. Deposits

NRG also proposes the addition of “billing entity” to the provisions in the regulations involving deposits, as follows:

- *Credit and Deposit Policies.* Sections 56.31 (relating to policy statement) – adding “billing entity” to this section would require billing entities to employ equitable and nondiscriminatory policies in establishing and applying credit and deposit policies.
- *Satisfactory Creditworthiness.* Section 56.32 (relating to security and cash deposits) – inserting “billing entity” throughout this section would obligate billing entities to follow the Commission’s rules concerning deposits, deposit payment periods and customer information, and to establish a standard for finding that a customer or applicant has demonstrated satisfactory creditworthiness.

However, NRG does not agree with the Commission’s existing language requiring the use of a credit scoring methodology that specifically assesses the risk of public utility bill payment. An EGS in the SCB role would initially not have this information. Also, NRG submits that using a credit rating through a consumer reporting agency, as defined by the Federal Trade Commission, more than adequately protects customers and applicants from unfair creditworthiness standards and ensures the use of an unbiased and neutral criterion. Therefore, as noted in Appendix B, NRG proposes this change to the present language.

- *Installment Payments.* Section 56.38 (relating to payment period for deposits by applicants) – inserting “billing entity” in this section would require billing entities to inform applicants of the option to pay deposits in installments.
- *Reestablishing Credit.* Section 56.41 (relating to general rule) – adding “billing entity” throughout this section would permit billing entities to require existing customers to post a deposit to reestablish credit under specific circumstances and in a manner that is consistent with the Commission’s rules.
- *Due Date for Initial Payment.* Section 56.42 (relating to payment period for deposits by customers) – including “billing entity” throughout this section would require billing

entities to follow the Commission's requirements for payment period of deposits by customers.

However, NRG proposes to revise the due date of the initial installment from 21 to 10 days. Given that the deposit is being required due to a delinquent account or a failure to comply with a payment arrangement, a billing entity should be permitted to collect the first installment within a reasonable period of time.

- *Material Change in Service.* Section 56.51 (relating to amount of cash deposit) – adding “billing entity” to this section would permit a billing entity to require a cash deposit in an amount as specified herein and adjust the amount of the deposit in the event of a material change in service.
- *Holding Deposit.* Section 56.53 (relating to deposit hold period and refund) – including “billing entity” throughout this section would allow a billing entity to hold a deposit until a timely payment history is established.
- *Refund Statement.* Section 56.56 (relating to refund statement) – inserting “billing entity” in this section would obligate a billing entity to provide a written statement regarding the application or refund of a cash deposit.
- *Interest Rate.* Section 56.57 (relating to interest rate) – adding “billing entity” to this section would mandate that the billing entity accrue interest on the deposit until it is returned or credited, following the formula set forth herein.
- *Applying Interest.* Section 56.58 (relating to application of interest) – including “billing entity” in this section would authorize a billing entity to either pay interest to the customer or apply it to the bills.

c. Termination

In addition, NRG proposes the inclusion of “billing entity” in several provisions pertaining to the termination of service, particularly given the proposed role of a billing entity in communicating with customers and public utilities regarding payment, as follows:

- *Friday Terminations.* Section 56.82 (relating to timing of termination) – adding “billing entity” to this section would authorize termination from Monday through Thursday as long as the billing entity is able to accept payment to restore service on the day of termination and on the following day (along with the public utility being able to physically restore service).
- *Unauthorized Terminations.* Section 56.83 (relating to unauthorized termination of service) – inserting “billing entity” throughout this section would permit termination if the billing entity has established that the applicant or customer was an adult occupant at the same address as the prior customer when the delinquent amount occurred, and would

prohibit termination if the billing entity had ceased billing more than four years prior to the date the bill was rendered.

- *Termination Notices.* Section 56.91 (relating to general notice provisions and contents of termination notice) – including “billing entity” throughout this section would require the termination notice to include information indicating that termination can be avoided by making payment to the billing entity or by filing a dispute with the billing entity; include a statement that the customer should contact the billing entity to make payment arrangements; include a statement that the customer should contact the billing entity with questions or requests for more information; and include a statement indicating that the customer should contact the billing entity to arrange reconnection of service.
- *Personal Contact.* Section 56.93 (relating to personal contact) – adding “billing entity” to Section 56.93(b)(3) would require the content of the 3-day notice to contain information indicating how to contact the billing entity.
- *Avoiding Termination.* Section 56.97 (relating to procedures upon customer or occupant contact prior to termination) – inserting “billing entity” in this section would obligate a billing entity employee to explain the reasons for termination and all methods for avoiding a termination; provide information and refer the customer to the public utility’s universal service program; explain the medical emergency procedures; attempt to enter into a payment arrangement; and explain the customer’s rights to file a dispute or informal complaint if a payment arrangement is not established.
- *Winter Terminations.* Section 56.100 (relating to winter termination procedures) – adding “billing entity” to provisions in Section 56.100(e)-(i) would mandate that billing entities determine eligibility of an account for termination during the period of December 1 through March 31, using household income and size information they have on record and to solicit such information from customers in response to notices of termination; which would permit a billing entity to petition the Commission for permission to terminate service to a customer protected by the prohibitions in this section; and which would require billing entities to conduct surveys, attempt personal contact, seek to reach a payment agreement, and report results to the Commission’s Bureau of Consumer Services.
- *Third Party Notifications.* Section 56.131 (relating to third-party notification) – inserting “billing entity” to this section would require a billing entity to permit customers to designate a consenting individual or agency to receive reminder notices, past due notices or delinquent account notices and to institute and maintain a program that advises customers at least annually of the availability of this program.<sup>21</sup>

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<sup>21</sup> Although NRG’s proposal does not contemplate billing entities sending termination notices, it is expected that EGSs in the SCB role would send courtesy notices prior to the initiation of termination procedures.

d. Disputes

In the regulations governing the handling of disputes, informal complaints and formal complaints, NRG has identified several situations in which “billing entity” should be inserted, as follows:

- *Dispute Resolution.* Section 56.140 (relating to follow-up response to inquiry) – adding “billing entity” to this section would reflect that dispute resolution will be completed by the billing entity, if applicable.
- *Dispute Procedures.* Section 56.141 (relating to dispute procedures) – including “billing entity” in this section would require the billing entity to participate in the attempted resolution of the dispute, if applicable.
- *Failure to File Informal Complaint.* Section 56.143 (relating to effect of failure to timely file an informal complaint) – adding “billing entity” to this section would make it clear that customers waive their rights to retain service without complying with the billing entity’s dispute report if they do not file an informal complaint.
- *Investigation.* Section 56.151 (relating to general rule) – inserting “billing entity” throughout this section would obligate the billing entity to investigate the dispute using methods reasonable under the circumstances, to make a diligent attempt to negotiate a reasonable payment arrangement, provide the customer with information necessary for an informed judgment, issue a dispute report, and provide a written dispute report as required.
- *Dispute Report.* Section 56.152 (relating to contents of the dispute report) – adding “billing entity” throughout this section which would require the billing entity to include specific information in the dispute report, such as its position regarding the claim, a statement an informal complaint may be filed, and an office where payment may be made. Also, NRG proposes that the name of the report be revised so that it is referred to as a “dispute report” rather than a “public utility company report,” given that entities other than public utilities receive and handle disputes from customers.
- *Informal Complaint Filing.* Section 56.162 (relating to informal complaint filing procedures) – inserting “billing entity” throughout this section would mandate that informal complaints name the billing entity, as applicable, and note whether contact has already been made with the billing entity.
- *Informal Complaint Procedures.* Section 56.163 (relating to Commission informal complaint procedures) – including “billing entity” throughout this section would result in complaints as being captioned against a billing entity, as applicable, and with Commission staff contacting the billing entity and issuing a report to the billing entity.
- *Contact with Billing Entity.* Section 56.166 (relating to informal complaints) – adding “billing entity” to this section would require complainants to affirm that they have

contacted the billing entity, as applicable, before the informal complaint is accepted by the Commission.

- *Review of Informal Complaint Decision.* Section 56.173 (relating to review from informal complaint decisions of the Bureau of Consumer Services) – including “billing entity” in this section would provide for the appropriate caption when the billing entity is seeking review of the informal complaint decision.
- *Stay of Payment Arrangements.* Section 56.174 (relating to ability to pay proceedings) – inserting “billing entity” in Section 56.174(b) would authorize the billing entity to request that the presiding officer remove a stay of payment arrangements ordered by the Bureau of Consumer Services.
- *Acceptance of Partial Payment.* Section 56.181 (relating to duties of parties; disputing party’s duty to pay undisputed portion of bills; public utility’s and billing entity’s duty to pay interest whenever overpayment found) – adding “billing entity” to the title and to Section 56.181(5) would make it clear that a billing entity’s acceptance of a partial payment is not deemed an accord and satisfaction or waiver of the right of the billing entity to payment in full.

e. Restoration

In the provisions of the regulations governing reconnection, NRG proposes the following additions of “billing entity:”

- *Payment and Timing.* Section 56.191 (relating to payment and timing) – including “billing entity” in Section 56.191(b)(2) would provide that the billing entity is not required to modify or eliminate the payment required to restore service if a medical certificate is presented; would require the billing entity to inform the applicant or customer of where to make payment and other pertinent information; would establish the rules that must be followed by billing entities in requiring the payment of outstanding balances prior to and following reconnection

Also, adding Section 56.191(b)(3) would require billing entities to timely transmit reconnection requests to public utilities following the receipt of payment by a customer or applicant. NRG’s proposed timeframes are designed to ensure that the insertion of a third party billing entity in the process does not cause a delay in the customer or applicant being reconnected under the timeframes required by Section 56.191(b)(1)-(2).

f. Procedures and Record Maintenance

In the regulations governing the provision of information to the public and the retention of records, NRG has identified the following sections in which billing entity should be inserted:

- *Spanish-Speaking Customers.* Section 56.201 (relating to public information) – adding “billing entity” to Section 56.201(b) which would require a billing entity serving a substantial number of Spanish-speaking customers to provide billing information, as applicable, in English and in Spanish.

However, NRG notes that the phrase “substantial number” is vague and would not clearly signal a billing entity that it has this obligation. Therefore, NRG recommends that the Commission modify this regulation to mirror Section 56.91(b)(17), which requires termination notices to contain information in Spanish directing Spanish-speaking customers to a number to call for information and translation assistance.

Alternatively, the Commission could use the threshold of 5% of a public utility’s or billing entity’s customers being Spanish-speaking as triggering this obligation, which is similar to the provision in Section 56.91(b)(17), which requires termination notices to contain information in a language other than English or Spanish when census data indicates that 5% or more of the residents in the utility’s service territory use that language.

- *Record Retention.* Section 56.202 (relating to record maintenance) – inserting “billing entity” would require a billing entity to preserve records of written or recorded disputes and complaints for a minimum of four years.

g. General Provisions

In the sections entitled “General Provisions,” NRG proposes that “billing entity” be inserted throughout Section 56.221 (relating to availability of normal Commission procedures) and Section 56.222 (relating to applications for modification or exception). Through these insertions, it would be clear that billing entities may pursue other Commission procedures and that they may seek relief from compliance with a section in Chapter 56, upon notice to affected parties and for reasons associated with an unreasonable hardship or a technological advancement that permits an enhanced level of customer service.

h. Reporting Requirements

Section 56.231 (relating to reporting requirements) currently imposes a monthly and annual reporting requirement on EDCs and NGDCs that contain extensive information that is either not relevant to billing entities or is governed by the competitive market. Therefore, rather than suggesting that “billing entity” be inserted in this section along with “public utility,” NRG proposes that separate and specific confidential reporting requirements be imposed on a billing entity in connection with the number of customers that it is serving, the number of terminations it has requested the public utility to perform, the number of terminations that have occurred and the number of terminated accounts that have been reconnected.

i. Content of Notices

With respect to the notices in Appendix A (relating to medical emergency notice) and Appendix E (relating to third-party notification), NRG proposes that the Commission revise these notices to reflect the role of the billing entity. For instance in the medical emergency notices, the public utility should provide the name and contact information of the billing entity that the applicant or customer should contact to make some equitable arrangement to pay current bills. Similar, when a billing entity is serving the customer, the third-party notification should provide the billing entity name where applicable so that the customer may authorize the billing entity to send late payment notices and similar correspondence to a third party.

3. Basic Services and Public Utility Services

Under NRG’s proposed changes to definitions in Section 56.2, the term “basic services” would be broader and would expressly include the services provided both by public utilities and by energy suppliers, while “public utility service” would be narrowly defined to only include the traditional public utility functions. In addition to the various definitions that are impacted by these

proposed changes, which are identified above, NRG notes the following sections of Chapter 56 that should be modified consistent with these revised and new definitions:

- *Budget Billing.* Section 56.12 (relating to meter reading; estimated billing; customer readings) – changing “public utility service” to “basic services” in Section 56.12(8) would make it clear that budget billing arrangements are available on all charges included in basic services, including commodity charges.
- *Make-up Bills.* Section 56.14 (relating to previously unbilled basic services) – modifying “public utility service” to “basic services” in this section would require public utilities and billing entities to render make-up bills for all previously unbilled basic services, including commodity costs.
- *Bill Details.* Section 56.15 (relating to billing information) – replacing “public utility service” with “basic services” in the first sentence of this section would ensure that bills rendered by both public utilities and billing entities contain the required information for all basic services, including commodity charges.
- *Partial Payments for Basic Services and Nonbasic Services.* Section 56.23 (relating to application of partial payments between basic services and other services) – using the term “basic services” instead of “public utility service” in this section would clarify the requirement for applying partial payments to all basic services, including commodity charges.
- *Partial Payments – Multiple Basic Services Bills.* Section 56.24 (relating to application of partial payments among several bills for basic services) – inserting “basic services” in place of “public utility service” in this section would make the rule clearer for how to apply partial payments among several bills for basic services, including commodity charges.
- *Deposits.* Section 56.32 (relating to security and cash deposits) – changing “public utility service” to “basic services” in Section 56.32(a)(1)(iv) and (vi) would permit a billing entity to require a deposit if the customer engages in unauthorized use of basic services, including commodity costs, or obtains such services through fraud or misrepresentation. This revision to Section 56.31(b)(c) would allow a public utility or billing entity to require the applicant to provide identification of adult occupants prior to receiving basic services, including commodity charges.
- *Payment of Outstanding Balance.* Section 56.35 (relating to payment of outstanding balance) – adding “public utility” to this section would make it clear that these provisions limiting the ability of public utilities to require payments as a condition of providing service only apply to public utilities.
- *Written Credit Procedures.* Section 56.36 (relating to written procedures) – inserting the phrase “providing public utility services” (along with NRG’s proposed definition of “public utility services”) would clarify that the requirements to include written credit and application procedures in tariffs is applicable only to public utilities since the competitive



market governs the handling of such matters by energy suppliers, which are not under any obligation to serve retail customers.

- *Applications for Service.* Section 56.37 (relating to general rule) – including “public utility” before “service” in this section would make it clear that the requirements governing applications for services are directed only to public utilities and do not apply to billing entities.
- *Deposits for Delinquent Accounts.* Section 56.41 (relating to general rule) – changing the reference to “public utility service” to “basic services” in Section 56.41(1)(i)(B) would clarify that notifications regarding requests for deposits on delinquent accounts may be sent with the bill for all basic services, including commodity charges.
- *Amount of Deposit.* Section 56.51 (relating to amount of cash deposit) – inserting “basic services” in Section 56.51(c) would allow public utilities or billing entities to require a cash deposit that is related to the estimated charges for all basic services, including commodity charges.
- *Unauthorized Termination.* Section 56.83 (relating to unauthorized termination of service) – inserting “basic services” in place of “public utility” services in Section 56.83(7) would prohibit termination for nonpayment of charges for all basic services, including commodity charges, for which the public utility or billing entity ceased billing more than four years earlier.
- *Timing and Conditions for Restoration.* Section 56.191 (relating to payment and timing) – replacing “public utility service” with “basic services” in Section 56.191(c)(1) would require a public utility or billing entity to inform applicants or customers that the timing and conditions for restoration of service may differ if someone in the household is seriously ill or affected by a medical condition that would be aggravated without all basic services, including commodity services.

#### C. EGS and NGS Obligations

NRG also proposes various revisions to clarify the applicability of various Chapter 56 provisions to energy suppliers, which are likewise reflected in redlining in Appendix B. Although NRG recognizes that the Commission currently requires EGSs and NGSs to comply with Chapter 56, as applicable,<sup>22</sup> the vast majority of its provisions relate to deposits, bills, termination, payment arrangements and reconnection, which are not applicable to entities that are not rendering bills or

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<sup>22</sup> See, e.g., *Request of Reliant Energy Northeast, LLC d/b/a/ Reliant Energy for Approval to Amend its Electric Generation Supplier License as a Retail Electric Power Supplier*, Docket No. A-2010-2192350 (Order entered May 19, 2011).

terminating accounts. In the course of identifying the provisions of Chapter 56 with which billing entities (other than public utilities) would need to comply, NRG determined that clarity around the applicability of Chapter 56 rules would likely facilitate regulatory compliance by EGSs and NGSs. As licensed EGSs and NGSs, NRG affiliates would greatly appreciate having their regulatory obligations clearly set forth so that they can ensure that they develop procedures and protocols to comply with those requirements. Based on NRG's review of Chapter 56, it proposes that the following sections be revised to clearly impose the obligation on energy suppliers or ensure that consumers receive the most accurate and thorough information:

- *Budget Billing.* Section 56.12 (relating to meter reading; estimated billing; customer readings) – inserting EGS and NGS in Section 56.12(8) would highlight the requirement for energy suppliers to offer residential customers a budget billing option.
- *Contact Regarding Billing Inquiries or Complaints.* Section 56.15 (relating to billing information) – including references to EGSs and NGSs in Section 56.15 (11) and (12) would ensure that customers are aware to contact their energy suppliers with inquiries or complaints about the bill and to review the EGS or NGS disclosure statement to understand the basis for the energy supplier charges.
- *Filing Dispute to Avoid Termination.* Section 56.91 (relating to general notice provisions and contents of termination notice) – adding EGS and NGS to Section 56.91(b)(4)(v) would make it clear to consumers that they can avoid termination by filing a dispute with their energy supplier. Also adding EGS and NGS to Section 56.91(b)(6) and (7) would provide consumers with information indicating that they should contact their energy supplier in an attempt to resolve the matter before filing a complaint with the Commission.
- *Termination Prohibited Pending Dispute Resolution.* Section 56.140 (relating to follow-up response to inquiry) – inserting EGS and NGS in this section would clarify that termination is prohibited pending completion of subsequent dispute resolution by the energy supplier.
- *Dispute Procedures.* Section 56.141 (relating to dispute procedures) – including EGS and NGS in this section clearly would obligate energy suppliers to attempt to resolve disputes at any time prior to the actual termination of service when a customer advises them of a dispute covered by Chapter 56.
- *Failure to File Informal Complaint.* Section 56.143 (relating to effect of failure to timely file an informal complaint) – adding EGS and NGS to this section would make it clear that customers waive their rights to retain service without complying with the energy supplier's dispute report if they do not file an informal complaint.

- *Investigation.* Section 56.151 (relating to general rule) – inserting EGS and NGS throughout this section would clarify the obligations of energy suppliers to investigate disputes using reasonable methods, make a diligent attempt to enter into a payment arrangement, provide the customer with information necessary for an informed judgment, issue a dispute report and send a detailed written dispute report as necessary.
- *Dispute Report.* Section 56.152 (relating to contents of the dispute report) – adding EGS and NGS to Section 56.152(2) would clearly obligate energy suppliers to include their position regarding the customer’s claim; inserting EGS and NGS in Section 56.152(e) would ensure that the customer is aware how to obtain information from the energy supplier; and including EGS and NGS in Section 56.152(6) would make it clear that energy suppliers are obligated to provide information about the procedures for filing an informal complaint with the Commission.
- *Filing of Informal Complaint.* Section 56.162 (relating to informal complaint filing procedures) – including EGS and NGS in Section 56.162(4) would ensure that informal complainants are prompted to provide the name of the energy supplier, as applicable; and inserting EGS and NGS in Section 56.162(6) would require the consumers to note whether the dispute has been the subject of an investigation and report by the energy supplier and to affirm having first contacted the energy supplier, with the Commission directing the consumer to do so if that has not occurred.
- *Informal Complaint Procedures.* Section 56.163 (relating to Commission informal complaint procedure) – inserting EGS and NGS throughout this section would clarify the obligations of Commission staff when an informal complaint is filed against an energy supplier.
- *Contact with Energy Supplier.* Section 56.166 (relating to informal complaints) – adding EGS and NGS to this section would make it clear that the Commission will only accept complaints against energy suppliers if the customer has already contacted the energy supplier and that Commission staff will not initiate an investigation unless the complainant and the energy supplier have failed to resolve the dispute.
- *Review of Informal Complaint Decisions.* Section 56.173 (relating to review from informal complaint decisions of the Bureau of Consumer Services) – including EGS and NGS in Section 56.173(c) would provide clarity in the caption requirement in the event of an energy supplier requesting review of an informal complaint decision.
- *Record Retention.* Section 56.202 (relating to record maintenance) – inserting EGS and NGS in this section would clearly obligate energy suppliers to preserve records of written or recorded disputes or complaints for a minimum of 4 years.
- *Availability of Other Procedures.* Section 56.221 (relating to availability of normal Commission procedures) – adding EGS and NGS to this section would make it clear that energy suppliers are free to pursue other Commission procedures.

- *Modification or Exemption.* Section 56.222 (relating to applications for modification or exception) – including EGS and NGS in this section would clarify the ability of energy suppliers to apply to the Commission for a modification or temporary exemption from the requirements of any provision in Chapter 56, with notice to affected persons.

#### IV. CONCLUSION

Based upon the foregoing, NRG Energy, Inc. respectfully requests that the Commission adopt the proposed changes to Chapter 56 that are described in these Comments and shown in Appendices A and B attached hereto. By adopting these changes, the Commission would be establishing a new subchapter within Chapter 56 and revising several provisions throughout Chapter 56 to accommodate supplier consolidated billing by electric generation suppliers. In addition, the Commission would be clarifying the applicability of Chapter 56 provisions to electric generation suppliers and natural gas suppliers so as to enhance regulatory compliance.

Respectfully submitted,

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## **APPENDIX A**

### **New Proposed Subchapter to Implement Supplier Consolidated Billing**

## **X. ELECTRIC SUPPLIER CONSOLIDATED BILLING**

### **56.471. Availability of Electric Supplier Consolidated Billing.**

Electric generation suppliers (“EGSs”) may render a consolidated bill to customers that contains charges for basic services, along with any EGS charges for nonbasic services. EGSs rendering consolidated bills are subject to the requirements in this chapter that are applicable to billing entities.

### **56.472. Application to Become Billing Entity.**

In order to operate as a billing entity, a licensed EGS must submit an application to the Commission, along with a \$350 filing fee, which demonstrates that the EGS, through its own operations or those of an affiliate, meets the following financial and technical requirements and otherwise will comply with the following:

- (a) Post security naming the electric distribution utility as the beneficiary in the event of non-payment of delivery charges, in an amount that is set on the basis of two months of distribution charges, using the highest two months in the most recent twelve-month period, which amount is reviewed and adjusted quarterly.
- (b) Provide and maintain an irrevocable stand-by letter of credit payable to the Commission with a face value of \$500,000 for the purpose of maintaining certification.
- (c) Have at least five (5) years of experience serving customers in Pennsylvania and other competitive electricity markets.
- (d) Document an on-going risk management policy.
- (e) Maintain a local office in Pennsylvania.
- (f) Have experience of serving at least 25,000 residential electric customers.
- (g) Have at least five (5) years of experience or the equivalent with call center/complaint handling functions.
- (h) Have at least five (5) years of experience or the equivalent with billing/credit and collections.
- (i) Pay an annual fee of up to \$150,000 if the Commission determines that additional monitoring activities are necessary as a result of an EGS being a billing entity.
- (j) Certify that it will comply with the applicable requirements of 66 Pa. C.S. Ch. 14 (relating to responsible utility customer protection), 66 Pa. C.S. § 1501 (relating to character of service and facilities), 52 Pa. Code Ch. 54 (relating to electricity generation customer choice), 52 Pa. Code Ch. 56 (relating to standards and billing practices for residential utility service), 52 Pa.

Code §§ 57.171-57.180 (relating to standards for changing a customer's electricity generation supplier) and any other provisions that are designated by the Commission.

(k) Certify that it will engage in a mock billing practice for two months with the electric distribution utility during which the EGS will prepare mock bills for 100 customers containing charges for public utility service and submit a notice to the Commission of the successful completion of the mock billing practice before beginning to issue bills in that electric distribution utility's service territory.

56.473. Duties of Electric Generation Suppliers in Billing Entity Role.

EGSs in the billing entity role are responsible for handling billing, collection and complaint handling functions for the customers' basic services. In this role, EGSs shall:

- (a) Enter into an agreement with the electric distribution utility.
- (b) Comply with the applicable requirements of 66 Pa. C.S. Ch. 14 (relating to responsible utility customer protection), 66 Pa. C.S. § 1501 (relating to character of service and facilities), and the Commission's standards and billing practices for residential service in this chapter, unless the Commission waives the applicability of certain provisions in the regulations. The EGS's obligations include compliance with provisions of this chapter including but not limited to deposits, payment arrangements, terminations, reconnections, disputes, record retention and reporting.
- (c) Purchase the full value of the electric distribution utility's receivables for public utility services within twenty (20) days of the receipt of billing data.
- (d) Transmit request to electric distribution utility to initiate the termination process, verify that the customer's account is eligible for termination for a lawful reason authorized by 66 Pa. C.S. § 1406(a) (relating to authorized termination) or 66 Pa. C.S. § 1406(c) (relating to grounds for immediate termination), and provide the current amount due to avoid termination. Nothing prevents an EGS from sending its own collection or reminder notices prior to initiating the termination process.
- (e) Interact with the customer in an effort to establish a payment arrangement, to collect information necessary for a payment arrangement or to accept payment to avoid termination.
- (f) Notify electric distribution utility within two hours after a payment is received from the customer, a payment arrangement is established or a dispute is received from the customer, prior to termination.
- (g) Notify electric distribution utility if payment is received from the customer after termination, consistent with the requirements in section 56.191(b)(3) (relating to payment and timing) of this chapter.

(h) Notify electric distribution utility if tendered payment is dishonored, pursuant to 66 Pa. C.S. § 1406 (h) (relating to dishonorable tender of payment after receiving termination notice) or 66 Pa. C.S. § 1407(c)(3) (relating to payment to restore service).

(i) Indemnify the electric distribution utility against an EGS error in requesting a termination or in failing to timely notify the electric distribution utility of the receipt of payment from the customer.

56.474. Duties of Electric Distribution Utility.

An electric distribution utility shall:

(a) Enter into an agreement with the EGS in the billing entity role.

(b) Transmit billing data for public utility services to the EGS in the billing entity role.

(c) Fulfill EGS requests for termination unless:

(i) The electric distribution utility determines that the termination would violate Section 1406(d) (relating to timing of termination), 1406(e) (relating to winter termination) or Section 1406(f) (relating to medical certification) of Title 66; or

(ii) The customer for whom the termination is requested is enrolled in the electric distribution utility's customer assistance program, receives LIHEAP subsidies or has been granted a protection from abuse order as provided by 23 Pa. C.S. Ch. 61 (relating to protection from abuse) or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the customer.

(d) Provide the required notices of termination consistent with 66 Pa. C.S. § 1406(b) (relating to notice of termination of service), 66 Pa. C.S. § 1406(h) (relating to dishonorable tender of payment after receiving termination notice) and 66 Pa. C.S. § 1407(c)(3) (relating to payment to restore service).

(e) Cease the termination process upon receipt of information from the EGS that the customer has made a payment, entered into a payment arrangement or filed a dispute.

(f) Upon completion of the required notices referenced in subsection (d) and in the absence of any reason set forth in subsection (c) or (e), perform the physical disconnection of service.

(g) Upon receipt of information from the EGS indicating that payment has been received after termination, reconnect service consistent with the requirements set forth in section 56.191 of this chapter (relating to payment and timing).

(h) Provide information to EGS that is needed for handling billing inquiries, disputes and complaints.



## **APPENDIX B**

### **Proposed Changes to Existing Chapter 56 Provisions**

**CHAPTER 56. STANDARDS AND BILLING PRACTICES FOR  
RESIDENTIAL UTILITY SERVICE**

**Subchapter A. PRELIMINARY PROVISIONS FOR UTILITIES AND CUSTOMERS  
SUBJECT TO CHAPTER 14 OF THE  
PUBLIC UTILITY CODE**

**§ 56.1. Statement of purpose and policy.**

(a) This chapter establishes and enforces uniform, fair and equitable residential public utility service standards governing eligibility criteria, credit and deposit practices, and account billing, termination and customer complaint procedures. This chapter assures adequate provision of residential public utility service, to restrict unreasonable termination of or refusal to provide that service and to provide functional alternatives to termination or refusal to provide that service while eliminating opportunities for customers capable of paying to avoid the timely payment of public utility bills and protecting against rate increases for timely paying customers resulting from other customers' delinquencies. Public utilities shall utilize the procedures in this chapter to effectively manage customer accounts to prevent the accumulation of large, unmanageable arrearages. Every privilege conferred or duty required under this chapter imposes an obligation of good faith, honesty and fair dealing in its performance and enforcement. This chapter will be liberally construed to fulfill its purpose and policy and to insure justice for all concerned.

(b) This subchapter and Subchapters B-K apply, as noted, to electric distribution utilities, natural gas distribution utilities [and], billing entities, electric generation suppliers, natural gas suppliers, wastewater utilities, steam heat utilities, small natural gas utilities and water distribution utilities. Subchapters L-V apply to [wastewater utilities, steam heat utilities, small natural gas utilities and to] all customers who have been granted protection from abuse orders [from courts of competent jurisdiction] as provided by 23 Pa. C.S. Ch. 61 (relating to protection from abuse) or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer.

**§ 56.2. Definitions.**

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

*AMR—Automatic meter reading—*

- (i) Metering using technologies that automatically read and collect data from metering devices and transfer that data to a central database for billing and other purposes.
- (ii) The term does not include remote meter reading devices *as* defined by this section.
- (iii) Meter readings by an AMR shall be deemed actual readings for the purposes of this chapter.

*Account balance*—The amount of current service which has been properly billed in addition to any accrued arrearages.

*Applicant*—

(i) A natural person at least 18 years of age not currently receiving basic services who applies for ~~residential service~~basic services provided by a public utility or any adult occupant whose name appears on the mortgage, deed or lease of the property for which the ~~residential public utility service~~ basic services are requested.

(ii) The term does not include a person who [seeks to transfer service within the service territory of the same public utility or to reinstate service at the same address provided that the final bill for service is not past due.] within 30 days after service termination or discontinuance of service, seeks to have service reconnected at the same location or transferred to another location within the service territory of the public utility.

*Basic services*—

(i) Services necessary for the physical delivery of residential public utility service.

(ii) The term also includes default service as defined in this section.

(iii) The term also includes commodity services provided by an EGS or NGS.

*Billing entity*— An entity other than a public utility that renders bills to residential customers, manages collections for basic services and handles inquiries, disputes, informal complaints and formal complaints regarding bills. This term includes EGSs, NGSs and other third parties that are rendering bills.

*Billing month*—A period of not less than 26 days and not more than 35 days except in the following circumstances:

(i) An initial bill for a new customer may be less than 26 days or greater than 35 days. However, if an initial bill exceeds 60 days, the customer shall be given the opportunity to amortize the amount over a period equal to the period covered by the initial bill without penalty.

(ii) A final bill due to discontinuance may be less than 26 days or greater than 35 days but may never exceed 42 days. In cases involving termination, a final bill may be less than 26 days.

(iii) Bills for less than 26 days or more than 35 days shall be permitted if they result from a rebilling initiated by the company or customer dispute to correct a billing problem.

(iv) Bills for less than 26 days or more than 35 days shall be permitted if they result from a meter reading route change initiated by the public utility. The public utility shall informally contact the Director of the Bureau of Consumer Services at least 30 days prior to the rerouting and provide information as to when the billing will occur, the number of customers affected and

a general description of the geographic area involved. If a bill resulting from a meter rerouting exceeds 60 days, the customer shall be given the opportunity to amortize the amount over a period equal to the period covered by the bill without penalty.

(v) Bills for less than 26 days shall be permitted when there is a change of the customer's electric generation supplier EGS.

*Billing period*—In the case of public utilities supplying gas, electric and steam heating service, the billing period must conform to the definition of “billing month.” In the case of water and wastewater service, a billing period may be monthly, bimonthly or quarterly as provided in the tariff of the public utility. Customers shall be permitted to receive bills monthly and be notified of their rights thereto.

*Class A water utility*—A water utility with annual revenues greater than \$1 million.

*Customer*—A natural person at least 18 years of age in whose name a residential service account is listed and who is primarily responsible for payment of bills rendered for the service or an adult occupant whose name appears on the mortgage, deed or lease of the property for which the residential public utility basic services ~~is~~ are requested. [A natural person remains a customer after discontinuance or termination until the final bill for service is past due.] The term includes a person who, within 30 days after service termination or discontinuance of service, seeks to have service reconnected at the same location or transferred to another location within the service territory of the public utility.

*Customer assistance program*—A plan or program sponsored by a public utility for the purpose of providing universal service and energy conservation, as defined in 66 Pa.C.S. § 2202 or § 2803 (relating to definitions), in which customers make monthly payments based on household income and household size and under which customers shall comply with certain responsibilities and restrictions to remain eligible for the program.

*Cycle billing*—A system of billing employed by a public utility which results in the normal rendition of bills for public utility service to a group or portion of customers on different or specified days of one billing period.

*Default service*—Electric generation supply service provided under a default service program to a retail electric customer not receiving service from an ~~electric generation supplier EGS~~ and natural gas supply service provided by a natural gas distribution utility to a retail natural gas customer not receiving service from an NGS.

*Delinquent account*—Charges for ~~public utility service~~ basic services which have not been paid in full by the due date stated on the bill or otherwise agreed upon; provided that an account may not be deemed delinquent if: prior to the due date, a payment [agreement] arrangement with the public utility or billing entity has been entered into by the customer, a timely filed notice of dispute is pending before the public utility or billing entity, or, under time limits provided in this chapter, an informal or formal complaint is timely filed with and is pending before the Commission.

Disclosure statement—A written disclosure of the terms of service between an electric generation or natural gas supplier and a customer that satisfies the definition of "consumer contract" in section 3 of the Plain Language Consumer Contract Act (73 P. S. § 2203) containing information as required in, and developed consistent with, 52 Pa. Code § 54.5 (relating to disclosure statement for residential and small business customers) for electric generation service and 52 Pa. Code § 62.75 (relating to disclosure statement for residential and small business customers) for natural gas supply service.

*Discontinuance of service*—The cessation of service with the consent of the customer and otherwise in accordance with § 56.72 (relating to discontinuance of service).

*Dispute*—A grievance of an applicant, customer or occupant about a public utility's the application of a provision covered by this chapter, including, but not limited to, subjects such as credit determinations, deposit requirements, the accuracy of meter readings or bill amounts or the proper party to be charged. If, at the conclusion of an initial contact or, when applicable, a follow-up response, the applicant, customer or occupant indicates satisfaction with the resulting resolution or explanation of the subject of the grievance, the contact will not be considered a dispute.

*Dwelling*—A house, apartment, mobile home or single meter multiunit structure being supplied with residential service.

*Electric distribution utility*—An entity providing facilities for the jurisdictional transmission and distribution of electricity to retail customers, except building or facility owners or operators that manage the internal distribution system serving the building or facility and that supply electric power and other related electric power services to occupants of the building or facility.

*Electronic billing*—The electronic delivery and presentation of bills and related information sent by a public utility or billing entity to its customers using a system administered by the public utility or billing entity or a system the public utility or billing entity is responsible for maintaining.

*EGS - Electric generation supplier*—A person or corporation that sells, brokers, arranges or markets electricity or related services for sale to end-use customers utilizing the jurisdictional transmission or distribution facilities of an electric distribution company.

Electric generation supply services—The sale or arrangement of the sale of electricity and related services to retail electric customers.

*Electronic notification of payment*—A notification generated by an electronic payment system upon receipt of a payment from a customer using an electronic billing and payment system administered by the public utility or billing entity or a system the public utility or billing entity is responsible for maintaining. The notification must inform the customer of successful receipt and amount of payment and the date and time the payment was received.

*Electronic remittance of payment*—The electronic receipt of payment from customers to a public utility or billing entity using a system administered by the public utility or billing entity or a system the public utility or billing entity is responsible for maintaining.

*Emergency*—An unforeseen combination of circumstances requiring temporary discontinuance of service to effect repairs or maintenance or to eliminate an imminent threat to life, health, safety or property.

*Federal poverty level*—The poverty guidelines updated periodically in the *Federal Register* by the United States Department of Health and Human Services under the authority of section 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 (42 U.S.C.A. § 9902(2)).

*Formal complaint*—A complaint filed before the Commission requesting a legal proceeding before a Commission administrative law judge or a mediation under the management of a Commission administrative law judge.

*Household income*—The combined gross income of all adults in a residential household who benefit from the public utility service basic services.

*Informal complaint*—A complaint with the Commission submitted by a customer that does not involve a legal proceeding before a Commission administrative law judge or a mediation under the management of a Commission administrative law judge.

*Initial inquiry*—A concern or question of an applicant, customer or occupant about a public utility's ~~the~~ application of a provision covered by this chapter, including, but not limited to, subjects such as credit determinations, deposit requirements, the accuracy of meter readings or bill amounts or the proper party to be charged. If a public utility, billing entity, EGS or NGS, with the consent of the applicant, customer or occupant, offers to review pertinent records and call back the applicant, customer or occupant within 3 business days with a response, the contact will be considered an initial inquiry pending a determination of satisfaction by the applicant, customer or occupant with the ~~company's~~ response. If the ~~company~~ public utility, billing entity, EGS or NGS cannot reach the customer to convey the information obtained through a review of ~~company~~ their records, a letter shall be sent which summarizes the information and informs the customer to contact the ~~company~~ public utility, billing entity, EGS or NGS within 5 business days if the customer disagrees with the ~~company~~ public utility, billing entity, EGS or NGS position, or has additional questions or concerns about the matter.

*Medical certificate*—A written document, in a form approved by the Commission that:

(i) Certifies that a customer or member of the customer's household is seriously ill or has been diagnosed with a medical condition which requires the continuation of service to treat the medical condition.

(ii) Is signed by a licensed physician, nurse practitioner or physician assistant.

*Natural gas distribution service*—The delivery of natural gas to retail gas customers utilizing the jurisdictional facilities of a natural gas distribution utility.

*Natural gas distribution utility*—

(i) A city natural gas distribution operation or entity that provides natural gas distribution services and may provide natural gas supply services and other services.

(ii) The term does not include the following:

(A) A public utility providing natural gas distribution services subject to the jurisdiction of the Commission that has annual gas operating revenues of less than \$6 million per year, except when the public utility voluntarily petitions the Commission to be included within this definition or when the public utility seeks to provide natural gas supply services to retail gas customers outside its service territory.

(B) A public utility providing natural gas distribution services subject to the jurisdiction of the Commission that is not connected to an interstate gas pipeline by means of a direct connection or an indirect connection through the distribution system of another natural gas public utility or through a natural gas gathering system.

*NGS - Natural gas supplier*—An entity that provides natural gas supply services to retail gas customers utilizing the jurisdictional facilities of a natural gas distribution company.

*Natural gas supply services*—

(i) The sale or arrangement of the sale of natural gas to retail gas customers and services that may be unbundled by the Commission under 66 Pa.C.S. § 2203(3) (relating to standards for restructuring of natural gas utility industry).

(ii) The term does not include natural gas distribution service.

*Nonbasic services*—Optional recurring services which are distinctly separate and clearly not required for the physical delivery of public utility service, ~~or default service,~~ electric generation supply services or natural gas supply services.

*Nurse practitioner*—A registered nurse licensed in this Commonwealth who is certified by the State Board of Nursing in a particular clinical specialty area and who, while functioning in the expanded role as a professional nurse, performs acts of medical diagnosis or prescription of medical therapeutic or corrective measures in collaboration with and under the direction of a physician licensed to practice medicine in this Commonwealth.

*Occupant*—A natural person who resides in the premises to which ~~public utility service is~~ basic services are provided.

*Payment [agreement] arrangement*—An [agreement] *arrangement* in which a customer or

applicant who admits liability for billed service is permitted to amortize or pay the unpaid balance of the account in one or more payments.

*Person*—An individual, partnership, corporation, association, including any lessee, assignee, trustee, receiver, executor, administrator and other successors in interest.

*Physician*—An individual licensed to engage in the practice of medicine and surgery in all of its branches, or in the practice of osteopathy or osteopathic surgery by a jurisdiction within the United States of America.

*Physician assistant*—An individual licensed by the State Board of Medicine in this Commonwealth, who provides any medical service, as directed by the supervising physician licensed to practice medicine in this Commonwealth, when the service is within the physician assistant's skills, training and experience, forms a component of the physician's scope of practice, is included in the written agreement and is provided with the amount of supervision in keeping with the accepted standards of medical practice.

See 49 Pa. C.S. §18.51(b) (relating to the role of physician assistant).

*Premises or affected premises*—Unless otherwise indicated, the residence of the occupant.

*Public utility*—An electric distribution utility, natural gas distribution utility, small natural gas distribution utility, steam heat utility, wastewater utility or water distribution utility in this Commonwealth that is within the jurisdiction of the Commission. The term does not include EGSs or NGSs.

*Public utility services*—Basic services provided by an electric distribution utility, natural gas distribution utility, small natural gas distribution utility, steam heat utility, wastewater utility or water distribution utility in this Commonwealth that is within the jurisdiction of the Commission.

*Remote reading device*—

(i) A device which by electrical impulse or otherwise transmits readings from a meter, usually located within a residence, to a more accessible location outside of a residence.

(ii) The term does not include the following:

(A) AMR devices as defined in this section.

(B) Devices that permit direct interrogation of the meter.

*Residential service*—

(i) ~~Public utility service~~ Basic services supplied to a dwelling, including service provided to a commercial establishment if concurrent service is provided to a residential dwelling attached thereto.



(ii) The term does not include ~~public utility service~~ basic services provided to a hotel or motel.

Small natural gas distribution utility- A public utility providing natural gas distribution services subject to the jurisdiction of the Commission that meets one of the following:

(i) Has annual gas operating revenues of less than \$6 million per year.

(ii) Is not connected to an interstate gas pipeline by means of a direct connection or any indirect connection through the distribution system of another natural gas public utility or through a natural gas gathering system.

Steam heat utility- An entity producing, generating, distributing or furnishing steam for the production of heat or to or for the public for compensation.

*Termination of service*—Cessation of service, whether temporary or permanent, without the consent of the customer.

*Unauthorized use of public utility service*—Unreasonable interference or diversion of service, including meter tampering (any act which affects the proper registration of service through a meter), by-passing unmetered service that flows through a device connected between a service line and customer-owned facilities and unauthorized service restoral.

*User without contract*—A person as defined in 66 Pa.C.S. § 102 (relating to definitions) that takes or accepts public utility service without the knowledge or approval of the public utility, other than the unauthorized use of public utility service as defined in this section.

Wastewater utility-An entity owning or operating equipment or facilities for the collection, treatment or disposal of sewage to or for the public for compensation. The term includes separate companies that individually provide water or wastewater service so long as the separate companies are wholly owned by a common parent company.

*Water distribution utility*—An entity owning or operating equipment or facilities for diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation.

## **Subchapter B. BILLING AND PAYMENT STANDARDS**

### **§ 56.11. Billing frequency.**

(a) A public utility shall render a bill once every billing period to every residential customer in accordance with approved rate schedules.

(b) A billing entity shall render a bill on a frequency basis that is consistent with the EGS or NGS disclosure statement.

(b) A public utility or billing entity may utilize electronic billing in lieu of mailed paper bills. Electronic billing programs must include the following requirements:

(1) The electronic billing option is voluntary and only with the prior consent of the customer. The customer retains the right to revert to conventional paper billings upon request. The customer shall provide the public utility or billing entity with a one billing cycle notice of a request to revert to paper billing.

(2) A customer shall receive the same information that is included with a paper bill issued by the public utility or billing entity.

(3) The electronic bill must include the same disclosures and educational messages that are required for paper bills. The electronic transmission of termination notices may not be permitted unless the customer has affirmatively consented to this method of delivery. The electronic delivery of a termination notice does not relieve the public utility of the obligation to provide termination notices as required under § § 56.91—56.98.

(4) The electronic bill must include required bill inserts in an easily accessed and easily readable format.

(5) The electronic bill must include the option for the customer to contribute to the public utility's hardship fund if the public utility or billing entity is able to accept hardship fund contributions by this method.

(6) A customer may not be required to pay an additional fee to receive an electronic bill.

(7) The public utility or billing entity shall maintain a system to deliver electronic bills if the bill is emailed to a customer.

(8) The public utility or billing entity shall employ all reasonable measures to protect customer information from unauthorized disclosure and to prevent access to customer account records by persons who are not properly authorized to have access.

#### **§ 56.12. Meter reading; estimated billing; customer readings.**

Except as provided in this section, a public utility shall render bills based on actual meter readings by public utility company personnel.

(1) *Inapplicability to seasonally billed customers.* This section does not apply to customers billed on a seasonal basis under terms included in the tariff of the public utility.

(2) *Estimates for bills rendered on a monthly basis.* If a public utility bills on a monthly basis, it may estimate usage of service every other billing month, so long as the public utility provides a customer with the opportunity to read the meter and report the quantity of usage in lieu of the estimated bill. The resulting bills must be based on the information provided, except for an account when it is apparent that the information is erroneous.

(i) Upon the request of the customer, the public utility shall, at least annually, provide preaddressed postcards on which the customer may report the reading. The public utility shall provide additional preaddressed postcards on request. The public utility may choose to make available electronic and telephonic methods for customers to report meter reading information.

(ii) The public utility may establish due dates by which the customer supplied reading shall be received for a bill to be based upon the meter reading of the customer or occupant. If the reading of a customer or occupant is not received by that due date, the public utility may estimate the quantity of usage. The public utility may establish due dates for submitting a meter reading when the customer or occupant utilizes an electronic method for reporting meter readings.

(3) *Estimates permitted under exigent circumstances.* A public utility may estimate the bill of a customer if extreme weather conditions, emergencies, equipment failure, work stoppages or other circumstances prevent actual meter reading.

(4) *Estimates when public utility personnel are unable to gain access.* A public utility may estimate the bill of a customer if public utility personnel are unable to gain access to obtain an actual meter reading, as long as the following apply:

(i) The public utility has undertaken reasonable alternative measures to obtain a meter reading, including, but not limited to, the provision of preaddressed postcards upon which the customer may report the reading or the telephone reporting of the reading.

(ii) The public utility, at least every 6 months, or every four billing periods for public utilities permitted to bill for periods in excess of 1 month, obtains an actual meter reading or customer supplied reading to verify the accuracy of the estimated readings.

(iii) The public utility, at least once every 12 months, obtains an actual meter reading to verify the accuracy of the readings, either estimated or customer read.

(5) *Remote reading devices for water, gas and electric public utilities.* A public utility may render a bill on the basis of readings from a remote reading device under the following conditions:

(i) When a gas, electric or water public utility uses readings from a remote reading device to render bills, the public utility shall obtain an actual meter reading at least once every 5 years to verify the accuracy of the remote reading device. If the customer of record at the dwelling changes during the 5-year period between actual meter readings, the public utility shall make a bona fide attempt to schedule an appointment with the departing customer and, if necessary, the new occupant, to secure an actual meter reading.

(ii) When the actual meter reading establishes that the customer was underbilled due to an error in the registration of the remote reading device, the public utility may render a bill for the uncollected amount. If the rebilling exceeds the otherwise normal estimated bill for the billing period during which the bill is issued by at least 50% or at least \$50, the public utility shall comply with § 56.14 (relating to previously unbilled ~~public utility service~~ basic services).

(iii) When the actual meter reading establishes that the customer was overbilled due to an error in the readings of the remote reading device, the public utility or billing entity shall credit or refund to the customer the amount overbilled plus interest calculated under § 56.181(3) (relating to duties of parties; disputing party's duty to pay undisputed portion of bills; public utility's or billing entity's duty to pay interest whenever overpayment found). A public utility shall reimburse the billing entity for such credit or refund.

(iv) Nothing in this section may be construed to limit the authority of electric, gas or water utilities to gain access to a residence for the purpose of checking or reading a meter.

(6) Verification of automatic meter reading. Upon a customer request, the public utility shall secure an in-person meter reading to confirm the accuracy of an automatic meter reading device when a customer disconnects service or a new service request is received. A public utility may charge a fee, as provided in a Commission approved tariff.

~~[(6)](7) Limitation of liability.~~ If a water public utility has estimated bills and if the customer or occupant during that period has consumed an amount of water in excess of normal seasonal usage because of a verified leak that could not reasonably have been detected or other unknown loss of water, the customer is not liable for more than 150% of the average amount of water consumed for the corresponding period during the previous year. This section does not apply when the water public utility was unable to gain access and has complied with paragraph (4).

~~[(7)](8) Budget billing.~~ A gas, electric and steam heating public utility, billing entity, EGS and NGS shall provide its residential customers, on a year-round rolling enrollment basis, with an optional billing procedure which averages estimated ~~public utility service~~ basic services costs ~~costs, as applicable,~~ over a 10-month, 11-month or 12-month period to eliminate, to the extent possible, seasonal fluctuations in public utility or billing entity bills. The public utility or billing entity shall review accounts at least three times during the optional billing period. At the conclusion of the budget billing year, a resulting reconciliation amount exceeding \$100 but less than \$300 shall be, at the request of the customer, amortized over a 6-month period. Reconciliation amounts exceeding \$300 shall be amortized over at least a 12-month period at the request of the customer. Shorter amortization periods are permissible at the request of the customer.

~~[(8)](9) Notice.~~ The public utility or billing entity shall inform existing customers of their rights under this section and 66 Pa.C.S. § 1509 (relating to billing procedures).

### **§ 56.13. Billings for merchandise, appliances and nonrecurring and recurring services.**

Charges for other than basic service—that is, merchandise, appliances and special services, including merchandise and appliance installation, sales, rental and repair costs; meter testing fees; line extension costs; special construction charges and other nonrecurring charges, except as provided in this chapter—must appear after charges for basic services and appear distinctly separate. This includes charges for optional recurring services which are distinctly separate and clearly not required for the physical delivery of service. Examples include line repair programs

and appliance warranty programs. See § 56.83(3) (relating to unauthorized termination of service).

**§ 56.14. Previously unbilled ~~public utility service~~basic services.**

When a public utility or billing entity renders a make-up bill for previously unbilled ~~public utility service~~basic services which accrued within the past 4 years resulting from public utility or billing entity billing error, meter failure, leakage that could not reasonably have been detected or loss of service, or four or more consecutive estimated bills and the make-up bill exceeds the otherwise normal estimated bill for the billing period during which the make-up bill is issued by at least 50% or at least \$50, whichever is greater:

- (1) The public utility or billing entity shall explain the bill to the customer and make a reasonable attempt to amortize the bill.
- (2) The period of the amortization may, at the option of the customer, extend at least as long as:
  - (i) The period during which the excess amount accrued.
  - (ii) Necessary so that the quantity of service billed in any one billing period is not greater than the normal estimated quantity for that period plus 50%.

**§ 56.15. Billing information.**

A bill rendered by a public utility or billing entity for metered residential ~~public utility service~~basic services must state clearly the following information:

- (1) The beginning and ending dates of the billing period.
- (2) If applicable, the beginning and ending meter readings for the billing period. If a bill is estimated, it shall contain a clear and conspicuous marking of the word "Estimated."
- (3) The due date on or before which payment shall be made or the account will be delinquent.
- (4) The amount due for service rendered during the current billing period, specifying the charge for basic services, the energy or fuel adjustment charge, State tax adjustment surcharge if other than zero, State sales tax if applicable and other similar charges. The bills should also indicate that a State gross receipts tax is being charged and a reasonable estimate of the charge. A Class A utility shall include a statement of the dollar amount of total State taxes included in the current billing period charge. For the purpose of this paragraph, a Class A utility shall also include a Class A telephone utility as defined under § 63.31 (relating to classification of public utilities).
- (5) Amounts due for reconnection charges.

- (6) Amounts due for security deposits.
- (7) The total amount of payments and other credits made to the account during the current billing period.
- (8) The amount of late payment charges, designated as such, which have accrued to the account of the customer for failure to pay bills by the due date of the bill and which are authorized under § 56.22 (relating to accrual of late payment charges).
- (9) The total amount due.
- (10) A clear and conspicuous marking of estimates.
- (11) A statement directing the customer to “register any question or complaint about the bill prior to the due date,” with the address and telephone number where the customer may initiate the inquiry or complaint with the public utility, EGS or NGS.
- (12) SA statements, as applicable, that:
- (a) a public utility rate schedule, an explanation of how to verify the accuracy of a bill and an explanation, in plain language of the various charges, if applicable, is available for inspection in the local business office of the public utility and on the public utility’s web site;
- (b) a disclosure statement of an EGS or NGS, an explanation of how to verify the accuracy of a bill and an explanation in plain language of the various charges is available by contacting the EGS or NGS.
- (13) A designation of the applicable rate schedule as denoted in the officially filed tariff of the public utility.
- (14) Electric distribution utilities and natural gas distribution utilities shall incorporate the requirements in § § 54.4 and 62.74 (relating to bill format for residential and small business customers).

**§ 56.16. Transfer of accounts.**

- (a) A customer who is about to vacate premises supplied with public utility service or who wishes to have service discontinued shall give at least 7 days notice to the public utility and a noncustomer occupant, specifying the date on which it is desired that service be discontinued. In the absence of a notice, the customer shall be responsible for services rendered. After a reasonable attempt to obtain meter access, if the public utility is not able to access the meter for discontinuance, service shall be discontinued with an estimated meter reading upon which the final bill will be based. The resulting final bill is subject to adjustment once the public utility has obtained or the billing entity has received an actual meter reading.

(b) In the event of discontinuance or termination of service at a residence or dwelling in accordance with this chapter, a public utility or billing entity may transfer an unpaid balance to a new residential service account of the same customer.

(c) If a termination notice has been issued in accordance with § 56.91 (relating to general notice provisions and contents of termination notice) and subsequent to the mailing or delivery of that notice, the customer requests a transfer of service to a new location, the termination process in §§ 56.91—56.99 may continue at the new location.

(1) When notifications set forth under § 56.91 and § 56.95 (relating to deferred termination when no prior contact) have been rendered and service has not been terminated due to a denial of access to the premises, the public utility or billing entity may deny service at a new location when a service transfer is requested.

(2) Nothing in this section shall be construed to limit the right of a customer to dispute a bill within the meaning of §§ 56.141—56.143 (relating to dispute procedures; time for filing an informal complaint; and effect of failure to timely file an informal complaint).

#### **§ 56.17. Advance payments.**

Payments may be required in advance of furnishing any of the following services:

(1) Seasonal service.

(2) The construction of facilities and furnishing of special equipment.

(3) Gas and electric rendered through prepayment meters provided:

(i) The customer is nonlow income. For purposes of this section, “non-low income” is defined as an individual who has an annual household gross income greater than 150% of the Federal poverty income guidelines and has a delinquency for which the individual is requesting a payment [agreement] arrangement but offering terms that the public utility, after consideration of the factors in § 56.97(b) (relating to procedures upon customer or occupant contact prior to termination), finds unacceptable.

(ii) The service is being rendered to an individually-metered residential dwelling, and the customer and occupants are the only individuals affected by the installation of a prepayment meter.

(iii) The customer and public utility enter into a payment [agreement] arrangement which includes, but is not limited to, the following terms:

(A) The customer voluntarily agrees to the installation of a prepayment meter.

(B) The customer agrees to purchase prepayment credits to maintain service until the total balance is retired and the public utility agrees to make new credits available to the customer within 5 days of receipt of prepayment.

(C) The public utility agrees to furnish the customer with emergency backup credits for additional usage of at least 5 days.

(D) The customer agrees that failure to renew the credits by making prepayment for additional service constitutes a request for discontinuance under § 56.72(1) (relating to discontinuance of service), except during a medical emergency, and that discontinuance will occur when the additional usage on the emergency backup credits runs out.

(iv) The public utility develops a written plan for a prepayment meter program, consistent with the criteria established in this section, and submits the plan to the Commission at least 30 days in advance of the effective date of the program.

(v) During the first 2 years of use of prepayment meters, the public utility thoroughly and objectively evaluates the use of prepayment meters in accordance with the following:

(A) *Content.* The evaluation should include both process and impact components. Process evaluation should focus on whether the use of prepayment meters conforms to the program design and should assess the degree to which the program operates efficiently. The impact evaluation should focus on the degree to which the program achieves the continuation of public utility service to participants at reasonable cost levels. The evaluation should include an analysis of the costs and benefits of traditional collections or alternative collections versus the costs and benefits of handling non-low income positive ability to pay customers through prepayment metering. This analysis should include comparisons of customer payment behavior, energy consumption, administrative costs and actual collection costs.

(B) *Time frame.* The process evaluation should be undertaken during the middle of the first year; the impact evaluation at least by the end of the second year.

(4) Temporary service for short-term use, including installation and removal, with credit for reasonable salvage.

## PAYMENTS

### § 56.21. Payment.

The due date for payment of a bill may not be [no] less than 20 days from the date of transmittal; that is, the date of mailing, electronic transmission or physical delivery of the bill by the public utility or billing entity to the customer.

(1) *Extension of due date to next business day.* If the last day for payment falls on a Saturday, Sunday, bank holiday or other day when the offices of the public utility or billing entity which



regularly receive payments are not open to the general public, the due date shall be extended to the next business day.

(2) *Date of payment by mail.* For a remittance by mail, one or more of the following applies:

(i) Payment shall be deemed to have been made on the date of the postmark.

(ii) The public utility or billing entity may not impose a late payment charge unless payment is received more than 5 days after the due date.

(3) *Branch offices or authorized payment agents.* The effective date of payment to a branch office or authorized payment agent, unless payment is made by mail under paragraph (2), is the date of actual receipt of payment at that location.

(4) *Electronic transmission.* The effective date of a payment electronically transmitted to a public utility is the date of actual receipt of payment.

(5) *Fees.* Fees or charges assessed and collected by the public utility or billing entity for utilizing a payment option must be included in the public utility's tariff on file at the Commission or in the disclosure statement, as applicable.

(6) *Multiple notifications.* When a public utility or billing entity advises a customer of a balance owed by multiple notices or contacts which contain different due dates, the date on or before which payment is due shall be the latest due date contained in any of the notices.

#### **§ 56.22. Accrual of late payment charges.**

(a) Every public utility and billing entity subject to this chapter is prohibited from levying or assessing a late charge or penalty on any overdue public utility bill, as defined in § 56.21 (relating to payment), in an amount which exceeds 1.5% interest per month on the overdue balance of the bill. These charges are to be calculated on the overdue portions of the bill only. The interest rate, when annualized, may not exceed 18% simple interest per annum.

(b) An additional charge or fixed fee designed to recover the cost of a subsequent rebilling may not be charged by a regulated public utility.

(c) Late payment charges may not be imposed on disputed estimated bills, unless the estimated bill was required because public utility personnel were willfully denied access to the affected premises to obtain an actual meter reading.

(d) A public utility or billing entity may waive late payment charges on any customer accounts. The Commission may only order a waiver of late payment charges levied by a public utility or billing entity as a result of a delinquent account for customers with a gross monthly household income not exceeding 150% of the Federal poverty level. See 66 Pa.C.S. § 1409 (relating to late payment charge waiver).

**§ 56.23. Application of partial payments between ~~public utility~~ basic services and other services.**

Payments received by a public utility or billing entity without written instructions that they be applied to merchandise, appliances, special services, meter testing fees or other nonbasic charges and which are insufficient to pay the balance due for the items plus amounts billed for ~~basic public utility services~~ shall first be applied to the ~~basic charges for residential public utility service~~ basic services.

**§ 56.24. Application of partial payments among several bills for ~~public utility service~~ basic services.**

In the absence of written instructions, a disputed bill or a payment [agreement] **arrangement**, payments received by a public utility or billing entity which are insufficient to pay a balance due both for prior service and for service billed during the current billing period shall first be applied to the balance due for prior service.

**§ 56.25. Electronic bill payment.**

A public utility or billing entity may offer electronic payment options. Electronic payment programs must include the following requirements:

(1) Electronic bill payment shall be voluntary. A public utility or billing entity may not require a customer to enroll in electronic bill payment as a condition for enrolling in electronic billing.

(2) For electronic bill payment through a charge to a customer's credit card or automatic withdrawal from a customer's financial account, the program must set forth the date (or number of days after issuance of the bill) when the automatic payment shall be made.

(3) The terms of the payment procedures shall be fully disclosed to the customer in writing, either by mail or electronically, before the customer enters the program. Program changes shall be conveyed to the customer in writing, either by mail or electronically, and the customer shall be given an opportunity to withdraw from the program if the customer does not wish to continue under the new terms.

(4) The public utility or billing entity shall provide a receipt, or a confirmation, transaction or reference number, either electronically or on paper, to the customer upon payment through the electronic method. This requirement does not apply if the payment method is through a preauthorized automated debit from a customer's financial account.

(5) The public utility or billing entity shall employ all reasonable measures to protect customer information from unauthorized disclosure and to prevent access to customer account records by persons who are not properly authorized to have access.

**Subchapter C. CREDIT AND DEPOSITS STANDARDS POLICY**

## PROCEDURES FOR APPLICANTS

### § 56.31. Policy statement.

An essential ingredient of the credit and deposit policies of each public ~~utility~~-utility and billing entity shall be the equitable and nondiscriminatory application of those precepts to potential and actual customers throughout the service area without regard to the economic character of the area or any part thereof. Deposit policies must be based upon the credit risk of the individual applicant or customer rather than the credit history of the affected premises or the collective credit reputation or experience in the area in which the applicant or customer lives and without regard to race, sex, age over 18 years of age, national origin or marital status.

### § 56.32. Security and cash deposits.

(a) [A public utility may require a cash deposit] In addition to the right to collect a deposit under any Commission regulation or order, the public utility or billing entity may require a cash deposit, payable during a 90-day period in accordance with Commission regulations, in an amount that is equal to 1/6 of an applicant's estimated annual bill at the time the public utility or billing entity determines a deposit is required, based upon the following:

(1) An applicant who previously received ~~public utility distribution~~basic services and was a customer of the public utility or billing entity and whose service was terminated for any of the following reasons:

- (i) Nonpayment of an undisputed delinquent account.
- (ii) Failure to complete payment of a deposit, provide a guarantee or establish credit.
- (iii) Failure to permit access to meters, service connections or other property of the public utility for the purpose of replacement, maintenance, repair or meter reading.
- (iv) Unauthorized use of the ~~public utility service~~basic services delivered on or about the affected dwelling.
- (v) Failure to comply with the material terms of a payment [agreement] arrangement.
- (vi) Fraud or material misrepresentation of identity for the purpose of obtaining ~~public utility service~~basic services.
- (vii) Tampering with meters, including bypassing a meter or removal of an AMR device or other public utility equipment.
- (viii) Violating tariff provisions on file with the Commission so as to endanger the safety of a person or the integrity of the delivery system of the public utility.

(2) An applicant who is unable to establish creditworthiness to the satisfaction of the public utility or billing entity through the use of a generally accepted credit scoring methodology, as provided in a Commission approved tariff, if applicable, and which employs standards for using the methodology that fall within the range of general industry practice. The credit scoring methodology utilized for this purpose must specifically assess the risk of public utility bill payment. A customer or applicant shall be deemed to have established satisfactory creditworthiness if the customer or applicant possesses a satisfactory credit rating through a consumer reporting agency, as defined by the Federal Trade Commission.

(b) Except for applicants who are subject to a deposit under subsection (a), a city natural gas distribution operation may require a deposit from the applicant as follows:

(1) When an applicant has household income above 300% of the Federal poverty level, a deposit of 1/6 of the applicant's estimated annual bill shall be paid in full at the time the city natural gas distribution operation determines a deposit is required.

(2) When an applicant has household income no greater than 300% of the Federal poverty level, 1/12 of the applicant's estimated annual bill shall be paid in full at the time the city natural gas distribution operation determines a deposit is required. Applicants who enroll into the customer assistance program made available by the city natural gas distribution operation are not subject to this paragraph.

(3) The Commission will permit a city natural gas distribution operation to refuse to provide service to an applicant when the applicant has a pending lien or civil judgment by the city natural gas distribution operation outstanding against the applicant or against property owned in whole or in part by the applicant unless the applicant enters into a payment arrangement for the payment of the amount associated with the lien or judgment that remains outstanding at the time of the application.

(c) Prior to providing ~~public utility service~~ basic services, a public utility or billing entity may require the applicant to provide the names of each adult occupant residing at the location and proof of their identity. For purposes of this section, valid identification consists of one government issued photo identification. If one government issued photo identification is not available, the public utility or billing entity may require the applicant to present two alternative forms of identification, as long as one of the identifications includes a photo of the individual. In lieu of requiring identification, the public utility may ask, but may not require, the individual to provide the individual's Social Security Number. Public utilities and billing entities shall take all appropriate actions needed to ensure the privacy and confidentiality of identification information provided by ~~their~~ applicants and customers.

(d) Failure to pay full amount of cash deposit. A public utility or billing entity will not be required to provide service if the applicant fails to pay the full amount of the cash deposit within the time period under subsection (a).

(e) Cash deposit prohibition. Notwithstanding subsection (a), a public utility or billing entity may not require a customer that is confirmed to be eligible for a customer assistance program to provide a cash deposit.

### **§ 56.33. Third-party guarantors.**

If an applicant does not establish credit under § 56.32 (relating to security and cash deposits), the public utility shall provide residential service when one of the following requirements is satisfied:

(1) *Cash deposit.* The applicant posts a cash deposit.

(2) *Third-party guarantor.* This section does not preclude an applicant from furnishing a third-party guarantor in lieu of a cash deposit. The guaranty must be in writing and state the terms of the guaranty. The guarantor shall be responsible for all missed payments owed to the public utility. For the purposes of this section, the term “guarantor” means a third-party who has or can establish credit under § 56.32.

### **§ 56.34. Deposits for temporary service.**

Deposits for applicants for temporary service may be required in accordance with § 53.82(1) (relating to deposits).

### **§ 56.35. Payment of outstanding balance.**

(a) A public utility may require, as a condition of the furnishing of residential public utility services to an applicant, the payment of any outstanding residential account with the public utility which accrued within the past 4 years for which the applicant is legally responsible and for which the applicant was billed properly.

(b) A public utility may not require, as a condition of the furnishing of residential public utility services, payment for residential service previously furnished under an account in the name of a person other than the applicant, except as provided for in paragraphs (1) and (2).

(1) A public utility may require the payment of an outstanding balance or portion of an outstanding balance if the applicant resided at the property for which service is requested during the time the outstanding balance accrued and for the time the applicant resided there, not exceeding 4 years from the date of the service request. The 4-year limit does not apply if the balance includes amounts that the public utility was not aware of because of fraud or theft on the part of the applicant.

(2) A public utility may establish that an applicant previously resided at a property for which residential service is requested through the use of mortgage, deed or lease information, a commercially available consumer credit reporting service or other methods approved as valid by the Commission. Public utilities shall include in their tariffs filed with the Commission the

methods, other than those specifically mentioned in this paragraph, used to determine the applicant's liability for any outstanding balance.

(3) Any outstanding residential account with the public utility may be amortized in accordance with § 56.191 (relating to payment and timing).

(c) This section does not affect the creditor rights and remedies of a public utility otherwise permitted by law.

#### **§ 56.36. Written procedures.**

(a) Public utilities providing public utility services shall include in their tariffs filed with the Commission their credit and application procedures along with a general description of their credit scoring methodology and standards.

(b) A public utility providing public utility services shall establish written procedures for determining the credit status of an applicant and for determining responsibility for unpaid balances in accordance with § 56.35 (relating to payment of outstanding balance). The written procedures must specify that there are separate procedures and standards for victims with a protection from abuse order[.] or a court order issued by a court of competent jurisdiction in this Commonwealth, which provides clear evidence of domestic violence. The procedures must also specify that any applicant that is confirmed to be eligible for a customer assistance program will not be required to pay a deposit. A public utility employee processing applications or determining the credit status of applicants shall be supplied with or have ready access to a copy of the written procedures of the public utility. A copy of these procedures shall be maintained on file in each of the business offices of the public utility and made available, upon request, for inspection by members of the public and the Commission and be included on the public utility's web site.

(1) *Reasons for denial of credit.* If credit is denied, the public utility shall inform the applicant in writing of the reasons for the denial within 3 business days of the denial. This information may be provided electronically to the applicant with the applicant's consent. The written denial statement must include the provider of the credit score, information on the applicant's ability to challenge the accuracy of the credit score and how to contact the credit score provider. If the public utility is requiring payment of an unpaid balance in accordance with § 56.35, the public utility shall specify in writing the amount of the unpaid balance, the dates during which the balance accrued and the location and customer name at which the balance accrued. The statement must inform the applicant of the right to furnish a third-party guarantor in accordance with § 56.33 (relating to third-party guarantors) and the right to contact the Commission. The statement must include information informing victims of domestic violence with a protection from abuse order or a court order issued by a court of competent jurisdiction in this Commonwealth, which provides clear evidence of domestic violence, that more lenient credit and liability standards may be available. The statement must also inform the applicant that if they are confirmed to be eligible for a customer assistance program a deposit shall not be required.

(2) *Informing applicants of procedures.* Public utility personnel shall fully explain the credit and deposit procedures of the public utility to each customer or applicant for service.

(3) *Third-party requests for service.* Requests from third parties to establish public utility service on behalf of an applicant will not be honored until the public utility has verified the legitimacy of the request. Verification may be accomplished by any means appropriate to confirm that the applicant consents to service being established or that the third party is authorized to act on the applicant's behalf.

#### **§ 56.37. General rule.**

Once an applicant's application for public utility services is accepted by the public utility, the public utility shall make a bona fide attempt to provide service within 3 business days, provided that the applicant has met all regulatory requirements. A bona fide attempt to provide service within 7 business days is permissible if street or sidewalk digging is required. A longer time frame is permissible with the consent of the applicant. If the investigation and determination of credit status is expected to take or in fact takes longer than 3 business days commencing the date after the application is made, the public utility shall provide service pending completion of the investigation. If the public utility cannot provide service by the time frames specified in this section, the public utility shall inform the customer of this fact and provide a reasonable estimate of when service will be provided. These requirements do not apply to new service installations and service extensions that require the construction of facilities to provide the public utility service.

#### **§ 56.38. Payment period for deposits by applicants.**

(a) An applicant required to pay a deposit under § 56.32 (relating to security and cash deposits) [may be required by the public utility to pay the deposit in full prior to the provision of public utility service] shall have up to 90 days to pay the deposit in accordance with Commission regulations.

(b) An applicant paying a deposit for the reconnection of service under § 56.41(2) (relating to general rule) may be required to pay 50% prior to, and as a condition of, the reconnection of service with 25% billed 30 days after reconnection of service and 25% billed 60 days after the reconnection of service. The public utility or billing entity shall inform the applicant of the option to pay the deposit in the installments described in this subsection. The applicant retains the option to pay the deposit amount in full before the due date.

### **PROCEDURES FOR EXISTING CUSTOMERS**

#### **§ 56.41. General rule.**

A public utility or billing entity may require an existing customer to post a deposit to reestablish credit under the following circumstances:

(1) *Delinquent accounts.* Whenever a customer has been delinquent in the payment of any two consecutive bills or three or more bills within the preceding 12 months.

(i) Prior to requesting a deposit under this section, the public utility or billing entity shall give the customer written notification of its intent to request a cash deposit if current and future bills continue to be paid after the due date.

(A) Notification must clearly indicate that a deposit is not required at this time but that if bills continue to be paid after the due date a deposit will be required.

(B) Notification may be mailed or delivered to the customer together with a bill for ~~public utility~~ basic services.

(C) Notification must set forth the address and phone number of the public utility or billing entity office where complaints or questions may be registered.

(D) A subsequent request for deposit must clearly indicate that a customer should register any question or complaint about that matter prior to the date the deposit is due to avoid having service terminated pending resolution of a dispute. The request must also include the address and telephone number of the public utility or billing entity office where questions or complaints may be registered.

(ii) Except in the case of adjustments to budget billing plans, a public utility or billing entity may issue a notification or subsequent request for a deposit based, in whole or in part, on a delinquent account arising out of a make-up bill as defined in § 56.14 (relating to previously unbilled ~~public utility~~ basic services) under the following conditions:

(A) The public utility or billing entity has complied with § 56.14. Compliance with a payment [agreement] arrangement by the customer discharges the delinquency and a notification or request for deposit may not thereafter be issued based on the make-up bill.

(B) If a make-up bill exceeds the otherwise normal estimated bill by at least 50% and if the customer makes payment in full after the bill is delinquent but before a notification of intent to request a deposit is given to the customer, a notification or request for deposit may not thereafter be issued based on the make-up bill.

(2) *Condition to the reconnection of service.* A public utility or billing entity may require a deposit as a condition to reconnection of service following a termination in accordance with § 56.191 (relating to payment and timing).

(3) *Failure to comply with payment [agreement] arrangement.* A public utility or billing entity may require a deposit, whether or not service has been terminated, when a customer fails to comply with a material term or condition of a payment [agreement] arrangement.



**(4) Cash deposit prohibition. Notwithstanding paragraphs (1), (2) and (3), a public utility or billing entity may not require a customer or an applicant that is confirmed to be eligible for a customer assistance program to provide a cash deposit.**

**§ 56.42. Payment period for deposits by customers.**

(a) *Initial due date.* The due date for payment of a deposit other than a deposit required as a condition for the reconnection of service under § 56.41(2) (relating to general rule) may not be less than ~~24~~10 days from the date of mailing or service on the customer of notification of the amount due.

(b) *Delinquent account.* A customer paying a deposit under § 56.41(1) may elect to pay a required deposit in three installments: 50% billed upon the determination by the public utility or billing entity that the deposit is required, 25% billed 30 days after the determination and 25% billed 60 days after the determination. The public utility or billing entity shall inform the customer of the option to pay the deposit in the installments described in this subsection. The customer retains the option to pay the deposit amount in full before the due date.

(c) *Reconnection of service.* A customer paying a deposit for the reconnection of service under § 56.41(2) may be required to pay 50% prior to, and as a condition of, the reconnection of service with 25% billed 30 days after reconnection of service and 25% billed 60 days after the reconnection of service. The public utility or billing entity shall inform the customer of the option to pay the deposit in the installments described in this subsection. The customer retains the option to pay the deposit amount in full before the due date.

(d) (d) *Failure to comply with a payment [agreement] arrangement.* A customer paying a deposit under § 56.41(3) may be required to pay the deposit [in full upon the determination of the utility that a deposit is required.] in three installments: 50% billed upon the determination by the public utility that the deposit is required, 25% billed 30 days after the determination and 25% billed 60 days after the determination. The public utility or billing entity shall inform the customer of the option to pay the deposit in the installments described in this subsection. The customer retains the option to pay the deposit amount in full before the due date.

**CASH DEPOSITS**

**§ 56.51. Amount of cash deposit.**

(a) *Applicants.* A public utility or billing entity may require a cash deposit equal to 1/6 of the applicant's estimated annual bill calculated on the basis of the annual bill to the dwelling at which service is being requested for the prior 12 months or, if unavailable, a similar dwelling in close proximity.

(b) *City natural gas operation.* A city natural gas distribution operation may require a cash deposit from an applicant with a household income no greater than 300% of the Federal poverty level in an amount not in excess of 1/12 of the applicant's estimated annual bill. A city natural gas operation may require a cash deposit from an applicant with a household income level above

300% of the Federal poverty level in the amount of 1/6 of the applicant's estimated annual bill. An estimated annual bill shall be calculated on the basis of the annual bill to the dwelling at which service is being requested for the prior 12 months or, if unavailable, a similar dwelling in close proximity.

(c) *Existing customers.* For an existing customer, the cash deposit may not exceed the estimated charges for basic services based on the prior consumption of that customer for the class of service involved for a period equal to one average billing period plus 1 average month, not to exceed 4 months in the case of water utilities and 2 months in the case of gas and electric ~~utilities~~ basic services.

(d) *Adjustment of deposits.* The amount of a cash deposit may be adjusted at the request of the customer, ~~or the public utility~~ or the billing entity whenever the character or degree of the usage of the customer has materially changed or when it is clearly established that the character or degree of service will materially change in the immediate future.

#### **§ 56.53. Deposit hold period and refund.**

(a) A public utility or billing entity may hold a deposit until a timely payment history is established [or for a maximum period of 24 months.].

(b) A timely payment history is established when a customer has paid in full and on time for 12 consecutive months.

(c) At the end of the deposit holding period as established in subsection (a), the public utility or billing entity shall deduct the outstanding balance from the deposit and return or credit any positive difference to the customer. At the option of the public utility or billing entity, a cash deposit, including accrued interest, may be refunded in whole or in part, at any time earlier than the time stated in this section.

(d) If service is terminated before the end of the deposit holding period as established in subsection (a), the public utility or billing entity shall deduct the outstanding balance from the deposit and return any positive difference to the customer within 60 days of the termination.

(e) If a customer becomes delinquent before the end of the deposit holding period as established in subsection (a), the public utility or billing entity may deduct the outstanding balance from the deposit.

#### **§ 56.56. Refund statement.**

If a cash deposit is applied or refunded, the public utility or billing entity shall mail or deliver to the customer a written statement showing the amount of the original deposit plus accrued interest, the application of the deposit to a bill which had previously accrued, the amount of unpaid bills liquidated by the deposit and the remaining balance.

#### **§ 56.57. Interest rate.**

The public utility or billing entity shall accrue interest on the deposit until it is returned or credited [the legal rate of interest under section 202 of the act of January 30, 1974 (P. L. 13, No. 6) (41 P. S. § 202), known as the Loan Interest and Protection Law, and return the interest with the deposit].

**(1) Interest shall be computed at the simple annual interest rate determined by the Secretary of Revenue for interest on the underpayment of tax under section 806 of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.**

**(2) The interest rate in effect when the deposit is required to be paid shall remain in effect until the date the deposit is refunded or credited, or December 31, whichever is later.**

**(3) On January 1 of each year, the new interest rate for that year will apply to the deposit.**

#### **§ 56.58. Application of interest.**

Interest shall be paid to the customer or, at the option of either the public utility, billing entity or the customer, shall be applied to service bills.

#### **§ 56.71. Interruption of service.**

A public utility may temporarily interrupt service when necessary to effect repairs or maintenance; to eliminate an imminent threat to life, health, safety or substantial property damage; or for reasons of local, State or National emergency.

(1) *Interruption with prior notice.* When the public utility knows in advance of the circumstances requiring the service interruption, prior notice of the cause and expected duration of the interruption shall be given to customers and occupants who may be affected.

(2) *Interruption without prior notice.* When service is interrupted due to unforeseen circumstances, notice of the cause and expected duration of the interruption shall be given as soon as possible to customers and occupants who may be affected.

(3) *Notification procedures.* When customers and occupants are to be notified under this section, the public utility shall take reasonable steps, such as personal contact, phone contact and use of the mass media, to notify affected customers and occupants of the cause and expected duration of the interruption.

(4) *Permissible duration.* Service may be interrupted for only the periods of time as are necessary to protect the health and safety of the public, to protect property or to remedy the situation which necessitated the interruption. Service shall be resumed as soon as possible thereafter.

#### **§ 56.72. Discontinuance of service.**

A public utility may discontinue service without prior written notice under the following circumstances:

(1) *Customer's residence.* When a customer requests a discontinuance at the customer's residence, when the customer and members of the customer's household are the only occupants.

(2) *Other premises or dwellings.* Other premises or dwellings as follows:

(i) When a customer requests discontinuance at a dwelling other than the customer's residence or at a single meter multifamily residence, whether or not the customer's residence but, in either case, only under either of the following conditions:

(A) The customer states in writing that the premises are unoccupied. The statement must be on a form conspicuously bearing notice that information provided by the customer will be relied upon by the Commission in administering a system of uniform service standards for public utilities and that any false statements are punishable criminally. When the customer fails to provide a notice, or when the customer has falsely stated the premises are unoccupied, the customer shall be responsible for payment of public utility bills until the public utility discontinues service.

(B) The occupants affected by the proposed cessation inform the public utility orally or in writing of their consent to the discontinuance.

(ii) When the conditions set forth in subparagraph (i) have not been met, the public utility, at least 10 days prior to the proposed discontinuance, shall conspicuously post notice of termination at the affected premises.

(A) When the premises is a multifamily residence, notice shall also be posted in common areas.

(B) Notices must, at a minimum, state: the date on or after which discontinuance will occur; the name and address of the public utility; and the requirements necessary for the occupant to obtain public utility services in the occupant's name. Further termination provisions of this chapter, except § 56.97 (relating to procedures upon customer or occupant contact prior to termination), do not apply in these circumstances.

(C) This section does not apply when the customer is a landlord ratepayer. See 66 Pa.C.S. §§ 1521—1533 (relating to discontinuance of service to leased premises).

## **Subchapter E. TERMINATION OF SERVICE**

### **GROUND FOR TERMINATION**

#### **§ 56.81. Authorized termination of service.**

A public utility may notify a customer and terminate service provided to a customer after notice as provided in §§ 56.91—56.100 (relating to notice procedures prior to termination) for any of the following actions by the customer:

- (1) Nonpayment of an undisputed delinquent account.
- (2) Failure to complete payment of a deposit, provide a guarantee of payment or establish credit.
- (3) Failure to permit access to meters, service connections or other property of the public utility for the purpose of replacement, maintenance, repair or meter reading.
- (4) Failure to comply with the material terms of a payment [agreement] arrangement.

**§ 56.82. Timing of termination.**

A public utility may terminate service for the reasons in § 56.81 (relating to authorized termination of service) from Monday through [Friday] Thursday as long as the public utility or billing entity is able to accept payment to restore service on the day of termination and on the following day and the public utility can restore service consistent with § 56.191 (relating to payment and timing).

**§ 56.83. Unauthorized termination of service.**

Unless expressly and specifically authorized by the Commission, service may not be terminated nor will a termination notice be sent for any of the following reasons:

- (1) Nonpayment for concurrent service of the same class received at a separate dwelling. This does not include concurrent service periods of 90 days or less accrued during the transfer of service from one location to another.
- (2) Nonpayment for a different class of service received at the same or a different location. Service may be terminated, however, when, under the tariff of the public utility, a change in classification is necessitated upon the completion of construction work previously billed at a different rate applicable during construction.
- (3) Nonpayment, in whole or in part, of nonbasic charges for leased or purchased merchandise, appliances or special services including, but not limited to, merchandise and appliance installation fees, rental and repair costs; meter testing fees; special construction charges; and other nonrecurring or recurring charges that are not essential to delivery or metering of service, except as provided in this chapter.
- (4) Nonpayment of bills for delinquent accounts of the prior customer at the same address unless the public utility or billing entity has, under § 56.35 (relating to payment of outstanding balance), established that the applicant or customer was an adult occupant at the same address during the time period the delinquent amount accrued.

(5) Nonpayment of a deposit which is based, in whole or in part, on a delinquent account arising out of a make-up bill as defined in § 56.14 (relating to previously unbilled ~~public utility service~~basic services) and the customer has complied with § 56.41(1)(ii)(A) or (B) (relating to general rule).

(6) Noncompliance with a payment [agreement] arrangement prior to the due date of the bill which forms the basis of the agreement.

(7) Nonpayment of charges ~~for public utility basic services~~ for which the public utility or billing entity ceased billing more than 4 years prior to the date the bill is rendered.

(8) Nonpayment for residential service already furnished in the names of persons other than the customer unless a court, district justice or administrative agency has determined that the customer is legally obligated to pay for the service previously furnished or unless the public utility or billing entity has, under § 56.35, established that the applicant or customer was an occupant at the same address during the time period the delinquent amount accrued. This paragraph does not affect the creditor rights and remedies of a public utility otherwise permitted by law.

(9) Nonpayment of charges calculated on the basis of estimated billings, unless the estimated bill was required because public utility personnel were unable to gain access to the affected premises to obtain an actual meter reading on two occasions and have made a reasonable effort to schedule a meter reading at a time convenient to the customer or occupant, or a subsequent actual reading has been obtained as a verification of the estimate prior to the initiation of termination procedures.

(10) Nonpayment of delinquent accounts which accrued over two billing periods or more, which remain unpaid in whole or in part for 6 months or less, and which amount to a total delinquency of less than \$25.

## NOTICE PROCEDURES PRIOR TO TERMINATION

### § 56.91. General notice provisions and contents of termination notice.

(a) Prior to terminating service for grounds authorized by § 56.81 (relating to authorized termination of service), a public utility shall provide written notice of the termination to the customer at least 10 days prior to the date of the proposed termination. The termination notice shall remain effective for 60 days. In the event of a user without contract as defined in § 56.2 (relating to definitions), the public utility shall comply with § § 56.93—56.97, but need not provide notice 10 days prior to termination.

(b) A notice of termination must include, in conspicuous print, clearly and fully the following information when applicable:

- (1) The reason for the proposed termination.
- (2) An itemized statement of amounts currently due, including any required deposit.
- (3) A statement that a reconnection fee will be required to have service restored after it has been terminated if a reconnection fee is a part of the tariff of the public utility on file with the Commission. The statement must include the maximum possible dollar amount of the reconnection fee that may apply.
- (4) The date on or after which service will be terminated unless one of the following occurs:
  - (i) Payment in full is received by the public utility or received by the billing entity and communicated to the public utility by the billing entity.
  - (ii) The grounds for termination are otherwise eliminated.
  - (iii) A payment [agreement] arrangement is established.
  - (iv) Enrollment is made in a customer assistance program or its equivalent, if the customer is eligible for the program.
  - (v) A dispute is filed with the public utility, billing entity, EGS, NGS-or the Commission.
  - (vi) Payment in full of amounts past due on the most recent payment agreement is received.
- (5) A statement that specifies that the notice is valid for 60 days.
- (6) A statement that the customer should immediately contact the public utility, -billing entity, EGS or NGS to attempt to resolve the matter. The statement must include the addresses and telephone number-numbers where questions may be asked, how payment [agreements] arrangements may be negotiated and entered into with the public utility or billing entity, and where applications can be found and submitted for enrollment into the public utility's universal service programs, if these programs are offered by the public utility.
- (7) The following statement: "If you have questions or need more information, contact us as soon as possible at (public utility, -billing entity, EGS or NGS phone number). After you talk to us (or billing entity, EGS or NGS), if you are not satisfied, you may file a complaint with the Public Utility Commission. The Public Utility Commission may delay the shut off if you file the complaint before the shut off date. To contact them, call 1 (800) 692-7380 or write to the Pennsylvania Public Utility Commission, P. O. Box 3265, Harrisburg, Pennsylvania 17105-3265."
- (8) A serious illness notice in compliance with the form in Appendix A (relating to medical emergency notice) except that, for the purpose of § 56.96 (relating to post-termination notice), the notice must comply with the form in Appendix B (relating to medical emergency notice).

(9) If the public utility has universal service programs, information indicating that special assistance programs may be available and how to contact the public utility for information and enrollment, and that enrollment in the program may be a method of avoiding the termination of service.

(10) Notices sent by electric and gas utilities threatening termination in the months of December, January, February and March must include information on the Federal poverty guidelines by household size, the protections available to customers at or below 250% of the Federal poverty level and the required documentation or information the customer shall supply to avoid termination.

(11) Information indicating that special protections are available for victims under a protection from abuse order or a court order issued by a court of competent jurisdiction in this Commonwealth, which provides clear evidence of domestic violence, and how to contact the public utility to obtain more information on these protections.

(12) Information indicating that special protections are available for tenants if the landlord is responsible for paying the public utility bill and how to contact the public utility to obtain more information on these protections.

(13) Information indicating that all adult occupants of the premise whose names appear on the mortgage, deed or lease are considered “customers” and are responsible for payment of the bill.

(14) Information indicating that if service is shut off, an adult occupant who has been living at the premise may have to pay all or portions of the bill that accrued while the adult occupant lived there to have service turned back on.

(15) Information indicating that if service is shut off, the customer may be required to pay more than the amount listed on the notice to have service turned back on.

(16) Information indicating that if service is shut off, the customer shall contact the public utility or billing entity after payment has been made to arrange reconnection of the service by the public utility and that it may take up to 7 days to have the service turned back on.

(17) Information in Spanish directing Spanish-speaking customers to the numbers to call for information and translation assistance. Similar information shall be included in other languages when census data indicates that 5% or more of the residents of the public utility’s service territory are using that language.

(18) Contact information for customers with disabilities that need assistance.

#### **§ 56.92. Notice when dispute pending.**

A public utility may not mail or deliver a notice of termination if a notice of initial inquiry, dispute, informal or formal complaint has been filed and is unresolved and if the subject matter



of the dispute forms the grounds for the proposed termination. A notice mailed or delivered in contravention of this section is void.

**§ 56.93. Personal contact.**

(a) Except when authorized under § 56.71, § 56.72 or § 56.98 (relating to interruption of service; discontinuance of service; and immediate termination for unauthorized use, fraud, tampering or tariff violations), a public utility may not interrupt, discontinue or terminate service without attempting to contact the customer or responsible adult occupant, either in person or by telephone or electronically with the customer's consent, to provide notice of the proposed termination at least 3 days prior to the scheduled termination using one of the following methods in this section. If personal contact by one method is not possible, the public utility is obligated to attempt [the other] another method.

[(b)] (1) Phone contact shall be deemed complete upon attempted calls on 2 separate days to the residence between the hours of 8 a.m. and 9 p.m. if the calls were made at various times each day, with the various times of the day being daytime before 5 p.m. and evening after 5 p.m. and at least 2 hours apart. Calls made to contact telephone numbers provided by the customer shall be deemed to be calls to the residence.

[(c)] (2) If contact is attempted in person by a home visit, only one attempt is required. The public utility shall conspicuously post a written termination notice at the residence if it is unsuccessful in attempting to personally contact a responsible adult occupant during the home visit.

(3) Contact by email, text message or other electronic messaging format consistent with the Commission's privacy guidelines and approved by Commission order. The electronic notification option is voluntary and shall only be used if the customer has given prior consent approving the use of a specific electronic message format for the purpose of notification of a pending termination.

[(d)] (b) The content of the 3-day personal contact notice must include the earliest date at which termination may occur and the following information:

- (1) The date and grounds of the termination.
- (2) What is needed to avoid the termination of service.
- (3) How to contact the public utility or billing entity and the Commission.
- (4) The availability of the emergency medical procedures.

[(e)](c) The public utility shall ask the customer or occupant if he has questions about the 10-day written notice the public utility previously sent.

**§ 56.94. Procedures immediately prior to termination.**

Immediately preceding the termination of service, a public utility employee, who may be the public utility employee designated to perform the termination, shall attempt to make personal contact with a responsible adult occupant at the residence of the customer.

(1) *Termination prohibited in certain cases.* If evidence is presented which indicates that payment has been made, a serious illness or medical condition exists, or a dispute or complaint is properly pending or if the employee is authorized to receive payment and payment in full is tendered in any reasonable manner, then termination may not occur. However, if the disputing party does not pay all undisputed portions of the bill, termination may occur.

(2) *Methods of payment.* Payment in any reasonable manner includes payment by personal check unless the customer within the past year has tendered a check which has been returned for insufficient funds or for which payment has been stopped.

(3) *Dishonorable tender of payment after receiving termination notice.* After a public utility has provided a written termination notice under § 56.91 (relating to general notice provisions and contents of termination notice) and attempted telephone contact as provided in § 56.93 (relating to personal contact), termination of service may proceed without additional notice when:

(i) A customer tenders payment which is subsequently dishonored under 13 Pa.C.S. § 3502 (relating to dishonor) and which has not been cured or otherwise paid in full within 3 business days of the public utility's dishonored payment notice to the customer under § 56.93(a).

(ii) A customer tenders payment with an access device, as defined in 18 Pa.C.S. § 4106(d) (relating to access device fraud), which is unauthorized, revoked or canceled and which has not been cured or otherwise paid in full within 3 business days of the utility's dishonored payment notice to the customer under § 56.93(a).

(iii) A customer tenders payment electronically that is subsequently dishonored, revoked, canceled or is otherwise not authorized and which has not been cured or otherwise paid in full within 3 business days of the public utility's dishonored payment notice to the customer under § 56.93(a).

#### **§ 56.95. Deferred termination when no prior contact.**

During the months of December through March, unless personal contact has been made with the customer or responsible adult by personally visiting the customer's residence, a public utility shall, 48 hours prior to the scheduled date of termination, post a notice of the proposed termination at the service location.

#### **§ 56.96. Post-termination notice.**

When service is actually terminated, notice that reflects the requirements in § 56.91 (relating to general notice provisions and contents of termination notice) as well as a medical emergency notice in the form which appears in Appendix B (relating to medical emergency notice) shall be

conspicuously posted or delivered to a responsible adult person or occupant at the residence of the customer and at the affected premises.

**§ 56.97. Procedures upon customer or occupant contact prior to termination.**

(a) If, after the issuance of the initial termination notice and prior to the actual termination of service, a customer or occupant contacts the public utility or billing entity concerning a proposed termination, an authorized public utility or billing entity employee shall fully explain:

(1) The reasons for the proposed termination.

(2) All available methods for avoiding a termination, including the following:

(i) Tendering payment in full or otherwise eliminating the grounds for termination.

(ii) Entering a payment [agreement] arrangement.

(iii) Paying what is past-due on the most recent previous company negotiated or Commission payment [agreement] arrangement.

[(iv) Enrolling in the public utility's customer assistance program or its equivalent, if the public utility has these programs and the customer is eligible for the program.]

(3) Information about the public utility's universal service programs, including the customer assistance program. Refer the customer or applicant to the universal service program administrator of the public utility to determine eligibility for a program and to apply for enrollment in a program.

[(3)](4) The medical emergency procedures.

(b) The public utility or billing entity, through its employees, shall exercise good faith and fair judgment in attempting to enter a reasonable payment [agreement] arrangement or otherwise equitably resolve the matter. Factors to be taken into account when attempting to enter into a reasonable payment [agreement] arrangement include the size of the unpaid balance, the ability of the customer to pay, the payment history of the customer and the length of time over which the bill accumulated. Payment [agreement] arrangement for heating customers shall be based upon budget billing as determined under § 56.12(7) (relating to meter reading; estimated billing; customer readings). If a payment [agreement] arrangement is not established, the ~~company~~ public utility or billing entity shall further explain the following:

(1) The right of the customer to file a dispute with the public utility or billing entity and, thereafter, an informal complaint with the Commission.

(2) The procedures for resolving disputes and informal complaints, including the address and telephone number of the Commission: Public Utility Commission, Box 3265, Harrisburg, Pennsylvania 17105-3265, (800) 692-7380.

(3) The duty of the customer to pay any portion of a bill which the customer does not dispute.

**§ 56.98. Immediate termination for unauthorized use, fraud, tampering or tariff violations.**

(a) A public utility may immediately terminate service for any of the following actions by the customer:

(1) Unauthorized use of the service delivered on or about the affected dwelling.

(2) Fraud or material misrepresentation of the customer's identity for the purpose of obtaining service.

(3) Tampering with meters or other public utility equipment.

(4) Violating tariff provisions on file with the Commission which endanger the safety of a person or the integrity of the public utility's delivery system.

(b) Upon termination, the public utility shall make a good faith attempt to provide a post-termination notice to the customer or a responsible adult person or occupant at the affected premises. If providing a post-termination notice to the customer or responsible person at the affected premises is not possible, the public utility shall conspicuously post the notice at the affected premises. In the case of a single meter, multiunit dwelling, the public utility shall conspicuously post the notice at the dwelling, including in common areas when possible.

**§ 56.99. Use of termination notice solely as collection device prohibited.**

A public utility may not threaten to terminate service when it has no present intent to terminate service or when actual termination is prohibited under this chapter. Notice of the intent to terminate shall be used only as a warning that service will in fact be terminated in accordance with the procedures under this chapter, unless the customer or occupant remedies the situation which gave rise to the enforcement efforts of the public utility.

**§ 56.100. Winter termination procedures.**

(a) *Water distribution utilities.* Notwithstanding any provision of this chapter, during the period of December 1 through March 31, water distribution utilities subject to this subchapter may not terminate heat related service between December 1 and March 31 except as provided in this section or § 56.98 (relating to immediate termination for unauthorized use, fraud, tampering or tariff violations).

(b) *Electric distribution and natural gas distribution utilities.* Unless otherwise authorized by the Commission, during the period of December 1 through March 31, an electric distribution utility or natural gas distribution utility may not terminate service to customers with household incomes at or below 250% of the Federal poverty level except as provided in this section or in § 56.98. The Commission will not prohibit an electric distribution utility or natural gas

distribution utility from terminating service in accordance with this section to customers with household incomes exceeding 250% of the Federal poverty level.

(c) *City natural gas distribution utility.* In addition to the winter termination authority in subsection (b), a city natural gas distribution operation may terminate service after January 1 and before April 1 to a customer whose household income exceeds 150% of the Federal poverty level but does not exceed 250% of the Federal poverty level, and starting January 1, has not paid at least 50% of charges for each of the prior 2 months unless the customer has done one of the following:

(1) Proven in accordance with Commission rules, that the household contains one or more persons who are 65 years of age or older.

(2) Proven in accordance with Commission rules, that the household contains one or more persons 12 years of age or younger.

(3) Obtained a medical certification, in accordance with Commission rules.

(4) Paid to the city natural gas distribution operation an amount representing at least 15% of the customer's monthly household income for each of the last 2 months.

(d) *City natural gas distribution utility notice to the Commission.* At the time that the notice of termination required under § 56.91 (relating to general notice provisions and contents of termination notice) is provided to the customer, the city natural gas distribution operation shall provide notice to the Commission. The Commission will not stay the termination of service unless the Commission finds that the customer meets the criteria in subsection (c)(1), (2), (3) or (4).

(e) *Identification of accounts protected during the winter.* Public utilities and billing entities shall determine the eligibility of an account for termination during the period of December 1 through March 31 under the criteria in subsections (b) and (c) before terminating service. Public utilities and billing entities are to use household income and size information they have on record provided by customers to identify accounts that are not to be terminated during the period of December 1 through March 31. Public utilities and billing entities are expected to solicit from customers, who contact the public utility or billing entity in response to notices of termination, household size and income information and to use this information to determine eligibility for termination. Public utilities who intend to require verification of household income information submitted by consumers relating to this subsection shall include, in their tariffs filed with the Commission, the procedures they intend to implement to obtain verification. The procedures should specify the proof or evidence the public utility will accept as verification of household income.

(f) *Landlord ratepayer accounts.* During the period of December 1 through March 31, a public utility may not terminate service to a premises when the account is in the name of a landlord ratepayer as defined in 66 Pa.C.S. § 1521 (relating to definitions) except for the grounds in § 56.98.

(g) *Right of public utility or billing entity to petition the Commission for permission to terminate service to a customer protected by the prohibitions in this section.*

(1) The public utility shall comply with § § 56.91—56.95 including personal contact, as defined in § 56.93 (relating to personal contact), at the premises if occupied.

(2) If at the conclusion of the notification process defined in § § 56.91—56.95, a reasonable [agreement] arrangement cannot be reached between the public utility or billing entity and the customer, the public utility or billing entity shall register with the Commission, in writing, a request for permission to terminate service, accompanied by a ~~dispute-public utility~~ dispute report as defined in § 56.152 (relating to contents of the ~~public utility company~~ dispute report). At the same time, the public utility or billing entity shall serve the customer a copy of the written request registered with the Commission.

(3) If the customer has filed an informal complaint or if the Commission has acted upon the public utility's written request, the matter shall proceed under § § 56.161—56.165. Nothing in this section may be construed to limit the right of a public utility, billing entity or customer to appeal a decision by the Bureau of Consumer Services under 66 Pa.C.S. § 701 (relating to complaints) and § § 56.171—56.173 and 56.211.

(h) *Survey of terminated heat related accounts.* For premises where heat related service has been terminated within the past year for any of the grounds in § 56.81 (relating to authorized termination of service) or § 56.98, electric distribution utilities, natural gas distribution utilities, ~~and~~ Class A water distribution utilities and billing entities shall, within 90 days prior to December 1, survey and attempt to make post-termination personal contact with the occupant or a responsible adult at the premises and in good faith attempt to reach an agreement regarding payment of any arrearages and restoration of service.

(i) *Reporting of survey results.* Electric distribution utilities, natural gas distribution utilities, ~~and~~ Class A water distribution utilities and billing entities shall file a brief report outlining their pre-December 1 survey and personal contact results with the Bureau of Consumer Services on or before December 15 of each year. Each public utility or billing entity shall update the survey and report the results to the Bureau of Consumer Services on February 1 of each year to reflect any change in the status of the accounts subsequent to the December 15 filing including any accounts terminated in December. For the purposes of the February 1 update of survey results, the public utility or billing entity shall attempt to contact by telephone, if available, a responsible adult person or occupant at each residence in a good faith attempt to reach an agreement regarding payment of any arrearages and restoration of service.

(j) *Reporting of deaths at locations where public utility service was previously terminated.* Throughout the year, public utilities shall report to the Commission when, in the normal course of business, they become aware of a household fire, incident of hypothermia or carbon monoxide poisoning or other event that resulted in a death and that the utility service was off at the time of the incident. Within 1 business day of becoming aware of an incident, the public utility shall submit a telephone or electronic report to the Director of the Bureau of Consumer Services including, if available, the name, address and account number of the last customer of record, the

date of the incident, a brief statement of the circumstances involved and, if available from an official source or the media, the initial findings as to the cause of the incident and the source of that information. The Bureau or Commission may request additional information on the incident and the customer's account. Information submitted to the Commission in accordance with this subsection will be treated in accordance with 66 Pa.C.S. § 1508 (relating to reports of accidents) and may not be open for public inspection except by order of the Commission, and may not be admitted into evidence for any purpose in any suit or action for damages growing out of any matter or thing mentioned in the report.

## **EMERGENCY PROVISIONS**

### **§ 56.111. General provision.**

A public utility may not terminate service, or refuse to restore service, to a premises when [a licensed physician or nurse practitioner has certified that the customer or an applicant seeking restoration of service under § 56.191 (relating to payment and timing) or a member of the customer's or applicant's household is seriously ill or afflicted with a medical condition that will be aggravated by cessation of service. The customer shall obtain a letter from a licensed physician verifying the condition and promptly forward it to the public utility.] the customer or an applicant seeking restoration of service under § 56.191 (relating to payment and timing) has submitted a medical certificate to the public utility. The determination of whether a medical condition qualifies for the purposes of this section resides entirely with the physician [or] nurse practitioner or physician assistant and not with the public utility. A public utility may not impose any qualification standards for medical certificates other than those specified in this section.

### **§ 56.112. Postponement of termination pending receipt of certificate.**

If, prior to termination of service, the public utility employee is informed that an occupant is seriously ill or is affected with a medical condition which will be aggravated by a cessation of service and that a medical certification will be procured, termination may not occur for at least 3 days. If a certification is not produced within that 3-day period, the public utility may resume the termination process at the point where it was suspended.

### **§ 56.113. Medical certifications.**

[Certifications initially may be written or oral, subject to the right of the public utility to verify the certification by calling the physician or nurse practitioner or to require written verification within 7 days. Certifications, whether written or oral, must include the following:] All medical certifications must be in writing. Public utilities may develop a medical certificate form. The public utility's medical certificate may not be mandatory. Any medical certificate form developed by the public utility shall be made readily available and placed on the public utility's web site. Medical certificates may be electronically transmitted and electronic signatures are valid. A medical certificate must include the following:

(1) The name and address of the customer or applicant in whose name the account is registered.

(2) The name and address of the afflicted person and relationship to the customer or applicant.

(3) The [nature and] anticipated length of the affliction.

[(4) The specific reason for which the service is required.]

[(5)](4) The name, office address and telephone number of the certifying physician [or] nurse practitioner or physician assistant.

(5) The signature of the certifying physician, nurse practitioner or physician assistant.

#### **§ 56.114. Length of postponement; renewals.**

Service may not be terminated for the time period specified in a medical certification; the maximum length of the certification shall be 30 days.

(1) *Time period not specified.* If no length of time is specified or if the time period is not readily ascertainable, service may not be terminated for at least 30 days.

(2) *Renewals.* Certifications may be renewed in the same manner and for the same time period as provided in § § 56.112 and 56.113 (relating to postponement of termination pending receipt of certificate; and medical certifications) and this section if the customer has met the obligation under § 56.116 (relating to duty of customer to pay bills). In instances when a customer has not met the obligation in § 56.116 to equitably make payments on all bills, the number of renewals for the customer's household is limited to two 30-day certifications filed for the same set of arrearages. In these instances the public utility is not required to honor a third renewal of a medical certificate and is not required to follow § 56.118(3) (relating to right of public utility to petition the Commission). The public utility shall apply the dispute procedures in § § 56.151 and 56.152 (relating to public utility company dispute procedures). When the customer eliminates these arrearages, the customer is eligible to file new medical certificates.

#### **§ 56.115. Restoration of service.**

When service is required to be restored under this section and § § 56.114, 56.116—56.118 and 56.191, the public utility shall make a diligent effort to have service restored on the day of receipt of the medical certification. In any case, service shall be reconnected within 24 hours. Each public utility shall have employees available or on call to restore service in emergencies.

#### **§ 56.116. Duty of customer to pay bills.**

Whenever service is restored or termination postponed under the medical emergency procedures, the customer shall retain a duty to make payment on all current undisputed bills or budget billing amount as determined under § 56.12(7) (relating to meter reading; estimated billing; customer readings).

#### **§ 56.117. Termination upon expiration of medical certification.**



When the initial and renewal certifications have expired, the original ground for termination shall be revived and the public utility may terminate service without additional written notice, if notice previously has been mailed or delivered within the past 60 days under § 56.91 (relating to general notice provisions and contents of termination notice). The public utility shall comply with §§ 56.93—56.96.

**§ 56.118. Right of public utility to petition the Commission.**

(a) A public utility may petition the Commission for waiver from the medical certification procedures for the following purposes:

(1) *Contest the validity of a certification.* To request an investigation and hearing by the Commission or its designee when the public utility wishes to contest the validity of the certification.

(2) *Terminate service prior to expiration of certification.* To request permission to terminate service for the failure of the customer to make payments on current undisputed bills.

(3) *Contest the renewal of a certification.* To request permission to terminate service, under this section and §§ 56.81—56.83 and 56.91—56.99 when the customer has not met the duty under § 56.116 (relating to duty of customer to pay bills), provided that the public utility has informed the customer of that duty under § 56.116.

(b) A public utility shall continue to provide service while a final Commission adjudication on the petition is pending. A petition under this section shall be accompanied by a public utility report described in § 56.152 (relating to contents of the public utility company report) and shall be filed with the Secretary of the Commission with a copy served to the customer.

(c) Upon the filing of a petition for waiver of medical certification, Commission staff will review the facts and issue an informal written decision.

(d) A party to the proceeding may, within 20 days of mailing of the informal decision, and not thereafter except for good cause shown, appeal by filing with the Secretary of the Commission a letter stating the basis for appeal. An appeal from the informal decision will be assigned to the Office of Administrative Law Judge for hearing and decision.

**THIRD-PARTY NOTIFICATION**

**§ 56.131. Third-party notification.**

Each public utility or billing entity shall permit its customers to designate a consenting individual or agency which is to be sent, by the public utility, a duplicate copy of reminder notices, past due notices, delinquent account notices or termination notices of whatever kind issued by that public utility. When contact with a third party is made, the public utility or billing entity shall advise the

third party of the pending action and the efforts which shall be taken to avoid termination. A public utility shall institute and maintain a program:

- (1) To allow customers to designate third parties to receive copies of a customer's or group of customers' notices of termination of service.
- (2) To advise customers at least annually of the availability of a third-party notification program and to encourage its use thereof. The public utility shall emphasize that the third party is not responsible for the payment of the customer's bills.
- (3) To solicit community groups to accept third-party notices to assist in preventing unnecessary terminations and protecting the public health and safety.
- (4) To make available a standard enrollment form in compliance with the form in Appendix E (relating to third-party notification).

A billing entity shall institute and maintain a program:

- (1) To advise customers at least annually of the availability of a third-party notification program and to encourage its use thereof. The billing entity shall emphasize that the third party is not responsible for the payment of the customer's bills.
- (2) To make available a standard enrollment form in compliance with the form in Appendix E (relating to third-party notification).

## **Subchapter F. DISPUTES; TERMINATION DISPUTES; INFORMAL AND FORMAL COMPLAINTS**

### **GENERAL PROVISIONS**

#### **§ 56.140. Follow-up response to inquiry.**

When a customer is waiting for a follow-up response to an initial inquiry under § 56.2 (relating to definitions), termination or threatening termination of service for the subject matter relating to the inquiry in question shall be prohibited until the follow-up response and, when applicable, subsequent dispute resolution is completed by the public utility, billing entity, EGS or NGS as applicable.

#### **§ 56.141. Dispute procedures.**

A notice of dispute, including termination disputes, must proceed, according to this section:

(1) *Attempted resolution.* If, at any time prior to the actual termination of service, a customer advises the public utility, billing entity, EGS or NGS that the customer disputes any matter covered by this chapter, including, but not limited to, credit determinations, deposit requirements, the accuracy of billing, the accuracy of public utility metering or billing or the proper party to be charged, the public utility, billing entity, EGS or NGS shall attempt to resolve the dispute in accordance with § 56.151 (relating to general rule).

(2) *Termination stayed.* Except as otherwise provided in this chapter, when a termination dispute or complaint has been properly filed in accordance with this subchapter, termination shall be prohibited until resolution of the dispute or complaint. However, the disputing party shall pay undisputed portions of the bill.

#### **§ 56.142. Time for filing an informal complaint.**

To be timely filed, an informal complaint—which may not include disputes under § § 56.35 and 56.191 (relating to payment of outstanding balance; and payment and timing)—shall be filed prior to the day on which the public utility arrives to terminate service. If the public utility arrives to terminate service and posts a deferred termination notice in lieu of termination or otherwise fails to terminate service, the time for filing an informal complaint shall be extended until the end of the business day prior to the public utility again arriving to terminate service.

#### **§ 56.143. Effect of failure to timely file an informal complaint.**

Failure to timely file an informal complaint, except for good cause, shall constitute a waiver of applicable rights to retain service without complying with the termination notice or ~~conference~~ dispute report of the public utility, billing entity, EGS or NGS.

### **~~PUBLIC UTILITY COMPANY DISPUTE PROCEDURES~~**

#### **§ 56.151. General rule.**

Upon initiation of a dispute covered by this section, ~~the public utility shall:~~

(1) The public utility shall ~~not~~ issue a termination notice based on the disputed subject matter.

(2) The public utility, billing entity, EGS or NGS, as applicable, shall ~~investigate~~ the matter using methods reasonable under the circumstances, which may include telephone or personal conferences, or both, with the customer or occupant.

(3) The public utility or billing entity, EGS or NGS, as applicable, shall ~~make~~ a diligent attempt to negotiate a reasonable payment [agreement] arrangement if the customer or occupant is eligible for a payment [agreement] arrangement and claims a temporary inability to pay an

undisputed bill. Factors which shall be considered in the negotiation of a payment [agreement] arrangement include, but are not limited to:

- (i) The size of the unpaid balance.
- (ii) The ability of the customer to pay.
- (iii) The payment history of the customer.
- (iv) The length of time over which the bill accumulated.

(4) ~~The public utility, billing entity, EGS or NGS, as applicable, shall provide the customer or occupant with the information necessary for an informed judgment, including, but not limited to relevant portions of tariffs, statements of account, and results of meter tests, and disclosure statements.~~

(5) ~~The public utility, billing entity, EGS or NGS, as applicable, shall, Within within 30 days of the initiation of the dispute, issue its dispute report to the complaining party. The public utility, billing entity, EGS or NGS, as applicable, shall inform the complaining party that the dispute report is available upon request.~~

(i) If the complainant is not satisfied with the dispute resolution, the ~~public utility company~~ dispute report must be in writing and conform to § 56.152 (relating to contents of the ~~public utility company~~ dispute report). Further, in these instances, the written dispute report shall be sent to the complaining party if requested or if the public utility, billing entity, EGS or NGS, as applicable, deems it necessary.

(ii) If the complaining party is satisfied with the orally conveyed dispute resolution, the written ~~public utility company~~ dispute report may be limited to the information in § 56.152(1), (2) and, when applicable, § 56.152(7)(ii) or (8)(ii).

(iii) The information and documents required under this subsection may be electronically provided to the complaining party as long as the complaining party has the ability to accept electronic documents and consents to receiving them electronically.

#### **§ 56.152. Contents of the ~~public utility company~~ dispute report.**

A ~~public utility company~~ dispute report must include the following:

(1) A statement of the claim or dispute of the customer and a copy thereof if the claim or notice of dispute was made in writing.

(2) The position of the public utility, billing entity, EGS or NGS, as applicable, regarding that claim.

(3) A statement that service will not be terminated, as applicable, pending completion of the dispute process, including both informal and formal complaints, so long as there is compliance with all requirements of the Commission.

(4) A statement that if the complaining party does not agree with the public utility company dispute report, an informal complaint shall be filed with the Commission to ensure the preservation of all of the complaining party's rights.

(5) The office where payment may be made or information obtained listing the appropriate telephone number and address of the public utility, billing entity, EGS or NGS, as applicable.

(6) A full and complete explanation of procedures for filing an informal complaint with the Commission (see § 56.162 (relating to informal complaint filing procedures)). If a written report is not requested by the complaining party or is not deemed necessary by the public utility, billing entity, EGS or NGS, as applicable, the public utility shall provide the information in § 56.162(1), (2) and (5). In addition, the public utility, billing entity, EGS or NGS, as applicable, shall always provide the telephone number and address of the office of the Commission where an informal complaint may be filed.

(7) If the matter in dispute involves a billing dispute, the public utility company dispute report must include the following:

(i) An itemized statement of the account of the complaining customer specifying the amount of credit, if any, and the proper amount due.

(ii) The date on or after which the account will become delinquent unless a payment [agreement] arrangement is entered into or an informal complaint is filed with the Commission. This date may not be earlier than the due date of the bill or 15 days after the issuance of a public utility company dispute report, whichever is later.

(8) If the matter involves a dispute other than a billing dispute, the public utility company dispute report must also state the following:

(i) The action required to be taken to avoid the termination of service.

(ii) The date on or after which service will be terminated in accordance with the applicable requirements unless the report is complied with, or a payment [agreement] arrangement entered into or an informal complaint filed. This date may not be earlier than the original date for compliance with the matter which gave rise to the dispute or 10 days from the date of issuance of the public utility company dispute report, whichever is later. If the public utility company dispute report is in writing, the information in this paragraph must be prominently displayed.

## INFORMAL COMPLAINT PROCEDURES

§ 56.161. [Reserved].

### **§ 56.162. Informal complaint filing procedures.**

An informal complaint may be filed orally or in writing and must include the following information:

- (1) The name and address of the complainant and, if different, the address at which service is provided.
- (2) The telephone number of the complainant.
- (3) The account number of the complainant, if applicable.
- (4) The name of the public utility, billing entity, EGS or NGS, as applicable.
- (5) A brief statement of the dispute.
- (6) Whether the dispute formerly has been the subject of an public utility company investigation and report by the public utility, billing entity, EGS or NGS, as applicable. The complainant shall affirm having first contacted the public utility, billing entity, EGS or NGS, as applicable, public utility for the purpose of resolving the problem about which the complainant wishes to file a complaint. If the complainant has not contacted the public utility, billing entity, EGS or NGS, as applicable, the Commission shall direct the complainant to the public utility, billing entity, EGS or NGS, as applicable.
- (7) Whether the dispute formerly has been the subject of a Commission informal or formal complaint.
- (8) The date, if any, of proposed termination.
- (9) The relief sought.

### **§ 56.163. Commission informal complaint procedure.**

Upon the filing of an informal complaint, which shall be captioned as “(Complainant) v. (public utility, billing entity, EGS or NGS, as applicable),” Commission staff will immediately notify the public utility, billing entity, EGS or NGS, as applicable; review the dispute; and, within a reasonable period of time, issue to the public utility, billing entity, EGS or NGS, as applicable, and the complaining party an informal report with findings and a decision. Parties may represent themselves or be represented by counsel or other person of their choice, and may bring witnesses to appear on their behalf. The reports will be in writing and a summary will be sent to the parties if a party requests it or if the Commission staff finds that a summary is necessary.

(1) *Review techniques.* Review will be by an appropriate means, including, but not limited to, public utility company dispute reports, telephone calls, conferences, written statements, research, inquiry and investigation. Procedures will be designed to ensure a fair and reasonable opportunity to present pertinent evidence and to challenge evidence submitted by the other party

to the dispute, to examine a list of witnesses who will testify and documents, records, files, account data, records of meter tests and other material that the Commission staff will determine may be relevant to the issues, and to question witnesses appearing on behalf of other parties. Information and documents requested by Commission staff as part of the review process shall be provided by the public utility, billing entity, EGS or NGS, as applicable, within 30 days of the request. If the complainant is without ~~public utility service~~basic services, or in other emergency situations as identified by Commission staff, the information requested by Commission staff shall be provided by the public utility, billing entity, EGS or NGS, as applicable, within 5 business days of the request. Upon request of the complainant or Commission staff, the public utility, billing entity, EGS or NGS, as applicable, shall provide the complainant with a copy of the documents submitted to Commission staff in response to the informal complaint. The public utility, billing entity, EGS or NGS, as applicable, shall redact any documents to omit information that would possibly compromise the privacy or personal security of any individual other than the complainant.

(2) *Settlement.* Prior to the issuance of an informal decision, Commission staff may facilitate discussions between the parties in an effort to settle the dispute. If a settlement is reached, Commission staff will confirm that all parties understand the terms of the settlement and document the informal complaint as closed.

(3) *Resolution.* Commission staff resolution of informal complaints is binding upon the parties unless formal proceedings are initiated under § § 56.171—56.174 (relating to formal complaints).

#### **§ 56.164. Termination pending resolution of the dispute.**

In any case alleging unauthorized use of public utility service, as defined in § 56.2 (relating to definitions), or the customer's failure to pay undisputed bills as required under § 56.181 (relating to duties of parties; disputing party's duty to pay undisputed portion of bills; public utility's or billing entity's duty to pay interest whenever overpayment found), a public utility may terminate service after giving proper notice in accordance with § § 56.91—56.98, whether or not a dispute is pending.

#### **§ 56.165. Conference procedures.**

Conferences held under § § 56.161—56.164 and this section will be informal and may be held by conference telephone call, when appropriate. If the parties are to be present, the conferences will take place within reasonable proximity to the situs of the complaint.

#### **§ 56.166. Informal complaints.**

The Commission delegates to the Bureau of Consumer Services (BCS) the primary authority to resolve customer, applicant or occupant informal complaints arising under this chapter. The BCS, through its Director and with the concurrence of the Commission, will establish appropriate internal procedures to implement this chapter.

(1) The Commission will accept complaints only from complainants who affirm that they have first contacted the public utility, billing entity, EGS or NGS, as applicable, for the purpose of resolving the problem about which the complainant wishes to file a complaint. If the complainant has not contacted the public utility, billing entity, EGS or NGS, as applicable, the Commission will direct the complainant to the public utility, billing entity, EGS or NGS, as applicable.

(2) Only after the complainant and the public utility, billing entity, EGS or NGS, as applicable, have failed to resolve the dispute will BCS initiate an investigation.

## FORMAL COMPLAINTS

### § 56.171. General rule.

Except as otherwise provided in this chapter, formal complaint proceedings will proceed according to the rules and regulations of the Commission governing complaint proceedings.

### § 56.172. Filing.

(a) A request for review of the decision of the Bureau of Consumer Services (BCS) shall be initiated in writing within 20 days of issuance.

(b) Upon receipt of a request for review of the decision of the BCS, the Secretary of the Commission will mail a formal complaint form to the requesting person.

(c) Within 30 days of the mailing of the formal complaint form, the party requesting review of the decision of the BCS shall file the completed complaint form with the Secretary.

(d) Upon the filing of a formal complaint within the 30-day period and not thereafter except for good cause shown, there will be an automatic stay of the informal complaint decision.

(e) The failure to request review of the BCS decision by filing a formal complaint within the 30-day period does not foreclose a party from filing a formal complaint at a later time except as otherwise may be provided in 66 Pa.C.S. (relating to Public Utility Code).

### § 56.173. Review from informal complaint decisions of the Bureau of Consumer Services.

(a) *Assignment.* Review of informal complaint decisions will be heard de novo by a law judge or special agent.

(b) *Filing and docketing.* A complaint will be filed and docketed as a formal Commission complaint, under § § 1.31—1.38 (relating to documentary filings).

(c) *Captions.* The parties to a review will be stated in the caption as they stood upon the record of the informal complaint proceeding. If the party requesting review is a public utility, billing entity, EGS or NGS, the phrase “Complaint Appellant” will be added after its name.



(d) *Hearings.* Hearings conducted by an administrative law judge or special agent will be held within a reasonable period of time after the filing of the answer. The parties may incorporate portions of the conference report or informal decision that they shall agree upon.

(e) *Formal complaint decision.* The administrative law judge or special agent assigned to the formal complaint will issue a decision within a reasonable period of time after the receipt of the transcribed testimony. The following will be included in the decision:

- (1) A description of the matter.
- (2) A findings of fact.
- (3) The conclusions of law.
- (4) Other discussion and opinion as appropriate.

(f) *Commission review.* The Commission will review the decision of the assigned administrative law judge or special agent, commit it to advisory staff for further analysis, remand it to an administrative law judge or special agent for further development of the record or issue a final order. The burden of proof remains with the party who filed the [formal] informal complaint.

#### **§ 56.174. Ability to pay proceedings.**

(a) *Assignments.* Requests for review of decisions of the Bureau of Consumer Services (BCS) and any other case in which the issue is solely ability to pay may be assigned to a special agent.

(b) *Stay of informal complaint decision.* Upon the filing of a formal complaint in a case seeking review from the decision of the BCS, there shall be an automatic stay of payment arrangements ordered in that decision, other than current bills not at issue. The public utility or billing entity may request that the presiding officer remove the stay and order payment of amounts in the informal complaint decision. When current bills are not at issue, the customer shall be responsible for payment of current, undisputed bills pending issuance of a final Commission order.

(c) *Hearings.* The presiding officer will conduct hearings within a reasonable period after filing of the review and answer. If the presiding officer is a special agent, the special agent will have all powers of an administrative law judge.

(1) The presiding officer will attempt to hold hearings by telephone, unless one or more parties object. Hearings will be held after the filing of an answer.

(2) The presiding officer will hear the case de novo, but may request a stipulation of the parties as to undisputed facts.

(3) Hearings will be tape recorded and will not be transcribed, unless the parties request the use of a stenographer or a transcription of the tape or other circumstances warranting transcription exist. Unless objected to, parties may make their own tape recording of the proceedings, but the only official record shall be that made by the presiding officer.

(d) *Proposed findings of fact and conclusions of law or briefs.* The parties shall have the opportunity of submitting proposed findings of fact and conclusions of law or briefs to the presiding officer. Notice of intent to submit findings of fact and conclusions of law or briefs shall be given at the hearing and they shall be submitted within 10 days of the hearing.

(e) *Initial decision.* The presiding officer will render a written decision after the hearings or after the receipt of proposed findings of fact and conclusions of law or briefs, if they are filed. The initial decision will be in writing and contain a brief description of the matter, findings of fact and conclusions of law. The initial decision shall be subject to the filing of exceptions under the procedures in Chapters 1 and 5 (relating to rules of administrative practice and procedure; and formal proceedings).

#### **PAYMENT OF BILLS PENDING RESOLUTION OF DISPUTES AND COMPLAINTS**

#### **§ 56.181. Duties of parties; disputing party's duty to pay undisputed portion of bills; public utility's and billing entity's duty to pay interest whenever overpayment found.**

Pending resolution of a dispute, including a termination dispute, the disputing party shall be required to pay the undisputed portion of bills, as described in this section.

(1) *Pending informal complaint.* Pending the outcome of an informal complaint, the disputing party shall be obligated to pay that portion of a bill which is not honestly disputed. An amount ultimately determined, by the parties or the Commission, to have been validly due but not paid may be paid with interest at the tariff rate filed under § 56.22 (relating to accrual of late payment charges) except when interest charges have been reduced or eliminated by the parties or the Commission to facilitate payment by the disputing party.

(2) *Pending formal complaint.* Prior to the hearing on a formal complaint or prior to the issuance of a Commission order when no hearing is to be held in a formal complaint proceeding, the customer shall be required to pay that amount which the consumer services representative determines is not disputed.

(3) *Overpayments reimbursed with interest.* An amount ultimately determined to have been overpaid by the disputing party shall be reimbursed with interest at the tariff rate filed under § 56.22.

(4) *Effect of offer of payment.* An offer by a customer to pay all or any portion of a bill may not be deemed a waiver of a right to reimbursement for amounts subsequently deemed, by the parties or the Commission, to have been overpaid.

(5) *Effect of acceptance of partial payment.* The acceptance by a public utility or billing entity of a partial payment for a bill pending final outcome of a dispute may not be deemed an accord and satisfaction or waiver of the right of the public utility or billing entity to payment in full as subsequently agreed to by the parties or decided by the Commission.

### **Subchapter G. RESTORATION OF SERVICE**

#### **§ 56.191. Payment and timing.**

(a) *Fee.* A public utility may require a reconnection fee based upon the public utility's cost as approved by the Commission prior to reconnection of service following lawful termination of the service. The amount of this fee must be specified in the public utility's tariff on file with the Commission.

(b) *Timing.* When service to a dwelling has been terminated, the public utility shall reconnect service as follows:

(1) *Customers.*

(i) Within 24 hours for erroneous terminations or upon receipt by the public utility of a valid medical certification. Erroneous terminations include instances when the grounds for termination were removed by the customer paying the amount needed to avoid termination prior to the termination of the service.

(ii) Within 24 hours for terminations and reconnections occurring after November 30 and before April 1.

(iii) Within 3 calendar days for erroneous terminations requiring street or sidewalk digging.

(iv) Within 3 calendar days from April 1 to November 30 for proper terminations.

(v) Within 7 calendar days for proper terminations requiring street or sidewalk digging.

(2) *Applicants.* When the applicant has met all applicable conditions:

(i) Within 24 hours for erroneous terminations or upon receipt by the public utility of a valid medical certification. The public utility or billing entity is not required to modify or eliminate the payment required to restore service if a medical certificate is presented. Erroneous terminations include instances when the grounds for termination were removed by the customer paying the amount needed to avoid termination prior to the termination of the service.

(ii) Within 24 hours for terminations and reconnections occurring after November 30 and before April 1.

(iii) Within 3 calendar days for erroneous terminations requiring street or sidewalk digging.

(iv) Within 3 calendar days from April 1 to November 30 for proper terminations.

(v) Within 7 calendar days for proper terminations requiring street or sidewalk digging.

(3) Billing entities shall timely transmit reconnection requests to public utilities following the receipt of payment by a customer or applicant, as follows:

(i) For payments made before 12:00 p.m. on a business day, a billing entity shall send a reconnection request to the public utility no later than 2:00 p.m. on the same day.

(ii) For payments made after 12:00 p.m. but before 5:00 p.m. on a business day, a billing entity shall send a reconnection request to the public utility by 7:00 p.m. on the same day.

(iii) For payments made after 5:00 p.m. but before 7:00 p.m. on a business day, a billing entity shall send a reconnection request to the public utility by 9:00 p.m. on the same business day.

(iv) For payments made after 7:00 p.m. on a business day, a billing entity shall send a reconnection request to the public utility by 10:00 a.m. on the next business day.

(v) For payments made on a weekend day or holiday, a billing entity shall send a reconnection request to the public utility by 10:00 a.m. on the first business day after payment was made.

(c) *Payment to restore service.*

(1) A public utility or billing entity shall provide for and inform the applicant or customer of a location where the customer can make payment to restore service. A public utility or billing entity shall inform the applicant or customer that conditions for restoration of service may differ if someone in the household is a victim of domestic violence with a protection from abuse order or a court order issued by a court of competent jurisdiction in this Commonwealth, which provides clear evidence of domestic violence. A public utility or billing entity shall also inform the applicant or customer that the timing and conditions for restoration of service may differ if someone in the household is seriously ill or affected by a medical condition which will be aggravated without ~~public utility service~~basic services.

(2) A public utility or billing entity may require:

(i) Full payment of any outstanding balance incurred together with any reconnection fees by the customer or applicant prior to reconnection of service if the customer or applicant has an income exceeding 300% of the Federal poverty level or has defaulted on two or more payment ~~[agreements]~~ arrangements. For purposes of this section, neither a payment ~~[agreements]~~ arrangements intended to amortize a make-up bill under § 56.14 (relating to previously unbilled ~~public utility service~~basic services) or the definition of "billing month" in § 56.2 (relating to definitions), nor a payment ~~[agreements]~~ arrangements that has been paid in full by the customer, are to be considered a default. Budget billing plans and amortization of budget plan

reconciliation amounts under [§ 56.12(7)] § 56.12(8) (relating to meter reading; estimated billing; customer readings) may not be considered a default for the purposes of this section.

(ii) If a customer or applicant with household income exceeding 300% of the Federal poverty level experiences a life event, the customer shall be permitted a period of not more than 3 months to pay the outstanding balance required for reconnection. For purposes of this subparagraph, a life event is:

- (A) A job loss that extends beyond 9 months.
- (B) A serious illness that extends beyond 9 months.
- (C) Death of the primary wage earner.

(iii) Full payment of any reconnection fees together with repayment over 12 months of any outstanding balance incurred by the customer or applicant, if the customer or applicant has an income exceeding 150% of the Federal poverty level but not greater than 300% of the Federal poverty level. The initial payment required toward the outstanding balance as a condition of restoration cannot exceed 1/12 of the outstanding balance.

(iv) Full payment of any reconnection fees together with payment over 24 months of any outstanding balance incurred by the customer or applicant if the customer or applicant has an income not exceeding 150% of the Federal poverty level. The initial payment required toward the outstanding balance as a condition of restoration cannot exceed 1/24 of the outstanding balance. A customer or applicant of a city natural gas distribution operation whose household income does not exceed 135% of the Federal poverty level shall be reinstated under this subsection only if the customer or applicant enrolls in the customer assistance program of the city natural gas distribution operation. This requirement may not apply if the financial benefits to the customer or applicant are greater if served outside of that assistance program.

(d) *Payment of outstanding balance at premises as a condition to restore service.* A public utility may require the payment of any outstanding balance or portion of an outstanding balance if the applicant or customer resided at the property for which service is requested during the time the outstanding balance accrued and for the time the applicant or customer resided there, not exceeding 4 years prior to the date of requesting that service be restored. The 4-year limit does not apply in instances of fraud and theft.

(e) *Approval.* A public utility may establish that an applicant or customer previously resided at a property for which residential service is requested through the use of mortgage, deed or lease information, a commercially available consumer credit reporting service or other methods approved as valid by the Commission. Public utilities shall include in their tariffs filed with the Commission the methods, other than those specifically mentioned in this subsection, used to determine liability for outstanding balances.

**(f) Dishonorable tender of payment for reconnection of service - A public utility may immediately terminate service if a payment for reconnection of service is subsequently**

**dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise paid in full within 3 business days of the public utility's dishonored payment notice to the customer under § 56.93(a).**

**§ 56.192. Personnel available to restore service.**

A public utility shall have adequate personnel available between 9 a.m. and 5 p.m. on each working day or for a commensurate period of 8 consecutive hours to restore service when required under this chapter, specifically in §§ 56.82 and 56.191 (relating to timing of termination; and payment and timing).

**Subchapter H. PUBLIC INFORMATION PROCEDURES;  
RECORD MAINTENANCE**

**§ 56.201. Public information.**

(a) In addition to the notice requirements in this chapter, the Commission will, within 6 months of the effective date of a change to a regulation in this chapter, prepare a summary of the rights and responsibilities of the public utility and its customers affected by the change. Summaries will be mailed by the public utility to each customer of the public utility affected by the change. These summaries, as well as a summary of the rights and responsibilities of the public utility and its customers in accordance with this chapter, shall be in writing, reproduced by the public utility, displayed prominently, available on the public utility's web site if the public utility has one and available at all public utility office locations open to the general public. The public utility shall inform new customers of the availability of this information and direct where to locate it on the public utility's web site. The public utility shall deliver or mail a copy upon the request of a customer or applicant.

(b) A public utility or billing entity ~~which serves a substantial number of Spanish-speaking customers~~ shall provide billing information in English and include a message in Spanish directing Spanish-speaking customers to a number to call for information and translation assistance. The written information must indicate conspicuously that it is being provided in accordance with this title and contain information concerning, but not limited to, the following, as applicable:

- (1) Billing and estimated billing procedures.
- (2) Methods for customer verification of billing accuracy.
- (3) Explanation of operation of purchased gas adjustment clauses.
- (4) Payment requirements and procedures.
- (5) Security deposit and guarantee requirements.

- (6) Procedures for discontinuance and reconnection of service.
- (7) Dispute, informal complaint and formal complaint procedures.
- (8) Explanation of meter reading procedures which would enable a customer or occupant to read his own meter.
- (9) Procedure whereby customers or occupants may avoid discontinuance of service during extended periods of absence.
- (10) Third-party notification procedures.
- (11) Telephone numbers and addresses of the public ~~utility~~ utility or billing entity and of the nearest regional office of the Commission where further inquiries may be made.
- (12) Definitions of terms or abbreviations used by the public utility or billing entity on its bills.
- (13) Information indicating that additional consumer protections may be available for victims of domestic violence who have a protection from abuse order or a court order issued by a court of competent jurisdiction in this Commonwealth, which provides clear evidence of domestic violence, people with serious illnesses and low income households.

**§ 56.202. Record maintenance.**

A public utility, billing entity, EGS or NGS shall preserve for a minimum of 4 years written or recorded disputes and complaints, keep the records accessible within this Commonwealth at an office located in the territory served by it and make the records available for examination by the Commission or its staff. Information to be maintained includes the following, as applicable:

- (1) The payment performance of each of its customers.
- (2) The number of payment [agreements] arrangements made by the public utility company and a synopsis of the terms, conditions and standards upon which [agreements] arrangements were made.
- (3) The number of service terminations and reconnections.
- (4) Communications to or from individual customers regarding interruptions, discontinuances, terminations and reconnections of service, including the name and address of the customer, the date and character of the dispute or complaint and the adjustment or disposal made of the matter.

**Subchapter J. GENERAL PROVISIONS**

**§ 56.221. Availability of normal Commission procedures.**

Nothing in this chapter prevents a person or a public utility, billing entity, EGS or NGS from pursuing other Commission procedures in a case not described in this chapter.

**§ 56.222. Applications for modification or exception.**

(a) If unreasonable hardship to a person or to a public utility, billing entity, EGS or NGS results from compliance with a section in this chapter, or a technological advance permits an enhanced level of customer service, application may be made to the Commission for modification of the section or for temporary exemption from its requirements. The adoption of this chapter by the Commission will in no way preclude it from altering or amending it under the applicable statutory procedures, nor will the adoption of this chapter preclude the Commission from granting temporary exemptions in exceptional cases.

(b) A person or public utility, billing entity, EGS or NGS that files an application under this section shall provide notice to persons who may be affected by the modification or temporary exemption. Notice may be made by a bill insert or in another reasonable manner.

**§ 56.223. Inconsistent tariff provisions.**

A tariff provision inconsistent with this chapter is deemed nonoperative and superseded by this chapter.

**§ 56.224. [Reserved].**

**Subchapter K. PUBLIC UTILITY REPORTING  
REQUIREMENTS**

**§ 56.231. Reporting requirements.**

(a) Within 15 days after the end of each month, each electric distribution utility, natural gas distribution utility and class A water distribution utility shall file with the Commission a report containing the following information concerning residential accounts for that month:

- (1) The total number of residential heating customers.
- (2) The total number of residential nonheating customers.
- (3) The total number of active residential accounts in arrears not on a payment [agreement] arrangement.
- (4) The total dollar amount in arrears for active residential accounts in arrears and not on a payment [agreement] arrangement.



(5) The total number of active residential accounts in arrears and on a payment [agreement] arrangement.

(6) The total dollar amount in arrears for active residential accounts in arrears and on a payment [agreement] arrangement.

(7) The total number of inactive residential accounts in arrears.

(8) The total dollar amount of inactive residential accounts in arrears.

(9) The total number of 10-day termination notices sent out by company.

(10) The total number of dwellings receiving termination notices sent to occupants other than the customer.

(11) The total number of 3-day termination notices completed by contact in person.

(12) The total number of 3-day termination notices completed by telephone.

(13) The total number of 3-day termination notices completed by electronic messaging formats.

[(13)](14) The total number of 48-hour termination notices posted.

[(14)](15) The total number of terminations for nonpayment.

[(15)](16) The total number of terminations for reasons other than nonpayment.

[(16)](17) The total number of terminations for nonpayment and for reasons other than nonpayment categorized by the first three digits of each account's postal code.

[(17)](18) The total number of reconnections for full customer payment, partial payment or payment [agreement] arrangement.

[(18)](19) The total number of reconnections for customer submission of medical certification.

[(19)](20) The total number of reconnections for reasons other than customer payment or medical certification.

[(20)](21) The total number of applicants that are requested to pay or are billed a security deposit.

[(21)] (22) The total dollar amount in security deposits that are requested of or billed to applicants.

[(22)] (23) The total number of customers that are requested to pay or are billed a security deposit.

[(23)](24) The total dollar amount in security deposits that are requested of or billed to customers.

(b) Within 15 days after the end of each month, each billing entity shall file with the Commission a confidential report containing information concerning the number of residential heating and nonheating customers it is serving, the number of terminations it has requested the public utility to perform, the number of terminations that have occurred and the number of terminated accounts that have been reconnected for that month.

~~(b)~~ (c) Within 90 days after the end of each year, each electric distribution utility, natural gas distribution utility and class A water distribution utility shall file with the Commission a report containing the following information concerning residential accounts for the previous year:

- (1) The total number of security deposits on hand.
- (2) The total dollar amount in security deposits on hand.
- (3) The total dollar amount of annual collection operating expenses.
- (4) The total dollar amount of annual residential billings.
- (5) The total dollar amount of annual gross residential write-offs.
- (6) The total dollar amount of annual net residential write-offs.
- (7) The average monthly bill for the previous year for a heating customer.
- (8) The average monthly bill for the previous year for a nonheating customer.
- (9) The average monthly usage for a heating customer.
- (10) The average monthly usage for a nonheating customer.

(11) The total number of medical certificates and renewals that have been submitted by customers.

(12) The total number of medical certificates and renewals that have been accepted by the public utility.

(d) Within 90 days after the end of each year, each billing entity shall file with the Commission a confidential report containing information concerning the number of residential heating and nonheating customers it is serving, the number of terminations it has requested the public utility to perform, the number of terminations that have occurred and the number of terminated accounts that have been reconnected for the previous year.

(ee) Within 90 days after the end of each year, each electric distribution utility, natural gas distribution utility and class A water distribution utility shall file with the Commission a report containing the following information concerning all active individual residential accounts for the previous year except accounts where someone has presented a protection from abuse order or a court order issued by a court of competent jurisdiction in this Commonwealth, which provides clear evidence of domestic violence. Each account reported shall be identified to the Commission with a unique account identifier that the public utility can match to the account. The unique identifier for an account shall be used in any subsequent reporting to identify that account. Customer names, addresses, account numbers, phone numbers, email addresses, Social Security numbers or any other information that could be used to identify the customer may not be included.

(1) Any account with an arrearage at or exceeding \$10,000 as of December 31 of the calendar year.

(i) The information concerning each individual reported account shall include the following:

- (A) Unique account identifier.
- (B) The account balance as of December 31 of the calendar year.
- (C) The date the account was established.
- (D) The average monthly bill amount for the previous 12 months.
- (E) The number of Commission informal and formal complaints.
- (F) The number of company payment arrangements.
- (G) The number of times the customer's service was terminated for nonpayment.

(2) The Commission may request more detailed information on an account.

(l) Within 90 days after the end of each calendar year, each small natural gas distribution utility and each steam heat utility shall file with the Commission a report containing the following information concerning residential accounts for the previous year:

- (1) The total number of residential customers as of the end of each month for the calendar year.
- (2) The total number of terminations for nonpayment for each month of the calendar year.
- (3) The total number of terminations for reasons other than nonpayment for each month of the calendar year.
- (4) The total number of reconnections for customer payment for each month of the calendar year.
- (5) The total number of reconnections for customer submission of medical certification for each month of the calendar year.
- (6) The total number of reconnections for reasons other than customer payment or medical certification for each month of the calendar year.
- (7) The total dollar amount of annual residential billings.
- (8) The total dollar amount of annual gross residential write-offs.

(eg) Public utilities shall refer to the data dictionary in Appendix C (relating to definitions (§ 56.231)) for additional guidance as to the terms used in this section.

## APPENDIX A

### MEDICAL EMERGENCY NOTICE

Let us know if someone living in your home is seriously ill or has a medical condition that will be aggravated by the cessation of service. We will not shut off your service during such illness provided you:

(a) Have a licensed physician [or] nurse practitioner or physician assistant certify by phone or in writing that such illness exists and that it may be aggravated if your service is stopped; and

(b) Make some equitable arrangement to pay ~~the company~~ your current bills for service, by either:

(c) ~~Contact us by calling the following number:~~ [(Utility)] (Public Utility) Phone Number: [(Utility)] (Public Utility) Address: or (Billing Entity) Phone Number: (Billing Entity) Address.

(d) Have your licensed physician, nurse practitioner or physician assistant send a letter to the public utility within 7 days verifying the medical condition.

## APPENDIX B

### MEDICAL EMERGENCY NOTICE

Let us know if someone living in your home is seriously ill or has a medical condition that will be aggravated by the cessation of service. We will restore your utility service within 24 hours during such illness provided you:

(a) Have a licensed physician [or] nurse practitioner or physician assistant certify by phone or in writing that such illness exists and that it may be aggravated if your service is not restored; and

(b) Make some equitable arrangement to pay ~~the company~~ your current bills for service.

(c) ~~Contact us by calling the following number:~~ [(Utility)] (Public Utility) Phone Number: [(Utility)] (Public Utility) Address: or (Billing Entity) Phone Number: (Billing Entity) Address.

(d) Have your licensed physician, nurse practitioner or physician assistant send a letter to the utility within 7 days verifying the medical condition.

## APPENDIX C. DEFINITIONS (§ 56.231)

This data dictionary and the following definitions are to be used in relation to the reporting requirements in § 56.231 (relating to reporting requirements).

*Annual collections operating expenses*—Use the definition in § 54.72 or § 62.2, “include administrative expenses associated with termination activity, field visits, negotiating payment arrangements, budget counseling, investigation and resolving informal and formal complaints associated with payment arrangements, securing and maintaining deposits, tracking delinquent accounts, collection agencies’ expenses, litigation expenses other than [already included] Commission-related, dunning expenses and winter survey expenses.” Report the cumulative total as of the end of the [reporting period/] calendar year. Exclude customer assistance program expenses including customer assistance program administrative expenses, customer assistance program credits, also known as revenue shortfall, customer assistance program arrearage forgiveness and any other expenses directly related to customer assistance programs.

*Annual residential billings*—Report the cumulative total dollar amount in residential billings [during the reporting period/] as of the end of the calendar year. This includes “normal tariff billings” universal service program billings including customer assistance programs, and “miscellaneous billings.” The latter category includes billings for late payment fees.

*Average monthly bill for the previous year for a heating customer*—Report the aggregate average monthly bill by calculating the average of the 12 monthly average bills for heating customers. Report the average as of the end of the [reporting period/] calendar year.

*Average monthly bill for the previous year for a nonheating customer*— Report the aggregate average monthly bill by calculating the average of the 12 monthly average bills for nonheating customers. Report the average as of the end of the [reporting period/] calendar year.

*Average monthly usage for a heating customer*—Report the aggregate average monthly usage by calculating the average of the 12 monthly average usages for heating customers. Report the average as of the end of the [reporting period/] calendar year.

*Average monthly usage for a nonheating customer*—Report the aggregate average monthly usage by calculating the average of the twelve monthly average usages for nonheating customers. Report the average as of the end of the [reporting period/] calendar year.

[*dotal*] **Total** *dollar amount of active residential accounts in arrears and not on a payment [agreement] arrangement* —Report the total dollar amount as of the end of the [reporting period/] calendar month. The due date should be considered to be day zero (0) in the determination of when account is overdue. Exclude customer assistance program recipients.

*Total dollar amount of active residential accounts in arrears and on a [agreement] arrangement* —Report the total dollar amount as of the end of the [reporting period/] calendar month. The due date should be considered to be day zero (0) in the determination of when account is overdue. Exclude customer assistance program recipients.

*Total dollar amount of gross residential write-offs*—Report the cumulative total dollar amount

as of the end of the [reporting period/] calendar year. Do not include customer assistance program credits (also known as revenue shortfall) or customer assistance program arrearage forgiveness in this category.

*Total dollar amount of inactive residential accounts in arrears*—An account that has been terminated or discontinued, the final bill due date has passed, and the amount owed has not yet been written off. Report the total dollar amount as of the end of the [reporting period/] calendar month. The due date should be considered to be day zero (0) in the determination of when an account is overdue. A terminated or final-billed account becomes inactive on the day after the final bill is due and payable.

*Total dollar amount of net residential write-offs*—Net write-offs are calculated by subtracting recoveries from gross write-offs. Include all residential recoveries regardless of the year the recovered dollars were actually written off. Report the cumulative total dollar amount as of the end of the [reporting period/] calendar year. Do not include customer assistance program credits, also known as revenue shortfall, or customer assistance program arrearage forgiveness in this category.

*Total dollar amount in security deposits on-hand*—Report the dollar amount as of the end of the [reporting period/] calendar year. Exclude accrued interest.

*Total dollar amount in security deposits that are requested or billed to applicants*—Report the cumulative total dollar amount as of the end of the [reporting period/] calendar month.

*Total dollar amount in security deposits that are requested or billed to customers*—Report the cumulative total dollar amount as of the end of the [reporting period/] calendar month.

*Total number of active residential accounts in arrears and not on a payment [agreement] arrangement*—Report the total as of the end of the [reporting period/] calendar month. The due date should be considered to be day zero (0) in the determination of when account is overdue. Exclude customer assistance program recipients.

*Total number of active residential accounts in arrears and on a payment [agreement] arrangement*—Report the total as of the end of the [reporting period/] calendar month. The due date should be considered to be day zero (0) in the determination of when account is overdue. Exclude customer assistance program recipients.

*Total number of applicants that are requested or billed a security deposit*— Report the cumulative number as of the end of the [reporting period/] calendar month.

*Total number of customers that are requested or billed a security deposit*— Report the cumulative number as of the end of the [reporting period/] calendar month.

*Total number of dwellings receiving termination notices sent to occupants other than the customer*—The grounds for termination are customer nonpayment of usage-based billings or nonpayment of a security deposit. Use this category when the termination notice was delivered to

someone other than the customer, for example, a termination notice to a tenant because of nonpayment of a landlord-ratepayer. This does not include copies of termination notices sent in accordance with the third-party notification procedures in § 56.131. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of 48-hour termination notices posted*—The grounds for termination are customer nonpayment of usage-based billings or nonpayment of a security deposit. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients. The termination notice was posted at the customer's residence in accordance with § 56.95.

*Total number of inactive residential accounts in arrears*—An account that has been terminated or discontinued, the final bill due date has passed, and the amount owed has not yet been written off. Report the total as of the end of the [reporting period/] calendar month. The due date should be considered to be day zero (0) in the determination of when an account is overdue. A terminated or final-billed account becomes inactive on the day after the final bill is due and payable.

*Total number of reconnections for customer submission of medical certification*—Includes only reconnections because the customer has supplied the company with a valid medical certificate as the condition of reconnection. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of reconnections for full customer payment, partial payment or payment [agreement] arrangement*—A reconnection is any residential account that was terminated for any reason covered under § 56.81 or § 56.98 and subsequently restored after the customer paid in full the outstanding balance of the account, made a partial payment or entered into a payment [agreement] arrangement regardless of whether the customer's current status is that of applicant or customer per the definitions in § 56.2. Four criteria must be met: the reconnection is for the same customer/applicant that was terminated; the location of the reconnection is the same location as the location of the termination; the dollars in debt that are the subject of the customer payment and/or customer payment [agreement] arrangement are for the same customer/applicant while at the same location; and the time that has passed since the final bill due date does not exceed 4 years. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of reconnections for reasons other than customer payment or medical certification*—Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of residential heating customers*—Report the number as of the end of the [reporting period/] calendar month. Report each individually billed account under a unique residential account number and residential tariff rate (Count the number of residential bills that you issue). Include customer assistance program recipients.

*Total number of residential nonheating customers*—Report the number as of the end of the [reporting period/] calendar month. Report each individually billed account under a unique residential account number and residential tariff rate (Count the number of residential bills that you issue). Include customer assistance program recipients.

*Total number of security deposits on-hand*—Report the number as of the end of the [reporting period/] calendar year.

*Total number of 10-day termination notices issued by the public utility*—The grounds for termination are customer nonpayment of usage-based billings or nonpayment of a security deposit. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of terminations for nonpayment*—The grounds for termination are customer nonpayment of usage-based billings or nonpayment of a security deposit. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of terminations for nonpayment and reasons other than nonpayment categorized by the first three digits of each account's postal code*—The grounds for termination are customer nonpayment of usage-based billings or nonpayment of a security deposit, failure to permit access, unauthorized use of service, fraud, meter tampering, and safety. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients. Categorize by the first three digits of the postal code of the customer's service address.

*Total number of terminations for reasons other than nonpayment*—The reasons for termination include failure to permit access, unauthorized use of service, fraud, meter tampering, and safety. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of 3-day termination notices completed by electronic messaging formats- The grounds for termination are customer nonpayment of usage-based billings or nonpayment of a security deposit. Report the cumulative number as of the end of the calendar month. Include customer assistance program recipients. The customer was contacted using email, text message or other electronic messaging format in accordance with § 56.93.*

*Total number of 3-day termination notices completed by personal contact in person*—The grounds for termination are customer nonpayment of usage-based billings or nonpayment of a security deposit. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients. The customer was contacted in person in accordance with § 56.93.

*Total number of 3-day termination notices completed by telephone*—The grounds for



termination are customer nonpayment of usage-based billings or nonpayment of a security deposit. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients. The customer was contacted using the telephone in accordance with § 56.93.

#### **APPENDIX D. DEFINITIONS [(§ 56.461)] (§ 56.231(d))**

This data dictionary and the following definitions are to be used in relation to the reporting requirements in § [56.461] 56.231(d) (relating to reporting requirements).

*Annual residential billings*—Report the cumulative total dollar amount in residential billings during the [reporting period/] calendar year. This includes “normal tariff billings” and “miscellaneous billings.” The latter category includes billings for late payment fees.

*Total dollar amount of gross residential write-offs*—Report the cumulative total dollar amount as of the end of the [reporting period/] calendar year. Do not include customer assistance program credits (revenue shortfall) or customer assistance program arrearage forgiveness in this category.

*Total number of reconnections for customer payment*—A reconnection is any residential account that was terminated for any reason covered under § 56.321 or § 56.338 and subsequently restored after the customer paid in full the outstanding balance of the account, or made a partial payment or entered into a payment agreement regardless of whether the customer’s current status is that of applicant or customer per the definitions in § 56.252. Four criteria must be met: the reconnection is for the same customer/applicant that was terminated; the location of the reconnection is the same location as the location of the termination; the dollars in debt that are the subject of the customer payment or customer payment agreement, or both, are for the same customer/applicant while at the same location; and the time that has passed since the final bill due date does not exceed 4 years. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of reconnections for customer submission of medical certification*—Includes only reconnections because the customer has supplied the company with a valid medical certificate as the condition of reconnection. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of reconnections for reasons other than customer payment or medical certification*—Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of residential customers*—Report the number as of the end of the [reporting period/] calendar. Report each individually billed account under a unique residential account number and residential tariff rate (Count the number of residential bills that you issue). Include customer assistance program recipients.

*Total number of terminations for nonpayment*—The grounds for termination are customer

nonpayment of usage-based billings or nonpayment of a security deposit. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

*Total number of terminations for reasons other than nonpayment*—The reasons for termination include failure to permit access, unauthorized use of service, fraud, meter tampering, and safety. Report the cumulative number as of the end of the [reporting period/] calendar month. Include customer assistance program recipients.

### APPENDIX E. THIRD-PARTY NOTIFICATION

Once in a while, for one reason or another, a customer fails to pay his or her <UTILITY/BILLING ENTITY> bill. Under the Third-Party Notification program, <UTILITY/BILLING ENTITY> will notify you and another person you choose to receive copies of shut-off notices. The third-party can be a trusted relative, friend, clergy member, or social service agency. The Third-Party Notification program is voluntary and can help you if you are hospitalized, away from home for extended periods of time or homebound. The third-party is not responsible for paying your bills and this program will not stop <UTILITY> from shutting off your <UTILITY/BILLING ENTITY> service if you do not pay your bills. When a third-party contacts <UTILITY/BILLING ENTITY> about the shut off notice, we will tell them what you can do to stop the shut off. The third-party does not have the right to make a payment agreement for you.

To sign up, both you and the third-party must complete and sign the form below. Do not return this with your bill, return it to:

<UTILITY/BILLING ENTITY NAME>

<UTILITY/BILLING ENTITY ADDRESS>

<CITY, STATE, POSTAL CODE>

#### IMPORTANT THINGS TO REMEMBER:

- \* Notify us immediately if you want to change or drop your third-party.
- \* Notify us if your third-party moves.
- \* Notify us if you move and you want the third-party transferred to your new address.

Please sign me up for the third-party Notification program. By completing this form and returning it to <UTILITY/BILLING ENTITY>, I request that a copy of any shut off notice be given to the person or agency named below.

CUSTOMER NAME:

⟨UTILITY⟩ ACCOUNT/CUSTOMER NUMBER:

CUSTOMER ADDRESS:

CUSTOMER SIGNATURE:

DATE:

Receipt of a copy of a shut off notice by the third-party does not place any obligation on that party to pay the ⟨UTILITY/BILLING ENTITY⟩ bill for the customer named above nor will it necessarily stop shut off if payment is not made. The notice simply reminds the third-party of a chance to help the customer solve the problem.

THIRD-PARTY NAME:

THIRD-PARTY ADDRESS:

THIRD-PARTY SIGNATURE:

DATE: