



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 939

PRINTERS NO. 2150

PRIME SPONSOR: Godshall

COST / (SAVINGS)

FUND	FY 2012/13	FY 2013/14
General Fund	\$0	\$0

SUMMARY: House Bill 939, Printer's Number 2150, makes omnibus amendments to Chapter 14 of Title 66 (Public Utility Code) relating to responsible utility customer protection. This legislation would take effect in 60 days upon enactment.

ANALYSIS: This bill makes several changes to amend Chapter 14 of Title 66 (Public Utility Code) relating to responsible utility customer protection, and further providing for definitions, cash deposits and household information requirements, for reconnection of service, for late payment charge waiver and for complaints filed with the Public Utility Commission, providing for commission duties, and further providing for automatic meter readings, for nonapplicability, for construction, as well as for reporting to the General Assembly and Governor.

For example, clarifying language is added to the definitions of "customer" and "applicant," while the term "payment agreement" is changed to "payment arrangement" but maintains the current definition. The definition of medical certificate specifies that it is a written document signed by a licensed physician, nurse practitioner or physician's assistant. Another change to Chapter 14 is that the provisions now apply to wastewater, small natural gas and steam heat utilities as well.

Some of the specific changes to Chapter 14, ranging from cash deposits and household information requirements to providing for commission duties, include as follows:

- Provide for payment of cash deposits over 90-days.
- Require public utilities to include information regarding the credit scoring methodology used to determine whether a cash deposit will be required in a Public Utility Commission (PUC) approved tariff.
- Permit a utility to hold a cash deposit until the customer makes on time and in full payments for 12 consecutive months.
- Extend the maximum term of a payment agreement issued by the PUC to customers with income between 151% and 250% of Federal poverty level from 2-years to 3-years.

- Re-establish a general prohibition on Friday terminations, but permit termination on a Friday if the utility can restore service by 6 PM on Saturday.
- Permit public utilities to attempt to contact customers prior to service termination using electronic messaging, with the customer's consent.
- Clarify that tendering a subsequently dishonored payment to reconnect service is grounds for immediate termination.
- Clarify that actual service termination is not required to demonstrate proof of crisis for LIHEAP fund eligibility and to require the Dept. of Public Welfare to provide LIHEAP grant funding to a customer applying for a crisis grant "as soon as practicable" after that customer receives a termination notice.
- Clarify that the PUC may waive late payment charges that are improperly assessed and for customers with income of less than 150% of Federal poverty levels.
- Require a public utility to provide information to customers re: universal service programs and to make program referrals.
- Require a customer or applicant to contact their utility company prior to filing a complaint with the PUC.
- Require verification of meter accuracy, upon request, when a customer disconnects service or establishes new service.
- Clarify that the provisions of Chapter 14 do not apply to victims under a protection from abuse order or "legally equivalent order issued by a court of competent jurisdiction in the Commonwealth."
- Indicate that nothing in the Chapter shall affect the rights of tenants when their landlord is responsible for bill payment.
- Require the PUC to report on Chapter 14 to the General Assembly and the Governor every 5 years.

FISCAL IMPACT: Enactment of this bill will have no fiscal impact on Commonwealth funds as reporting requirements and requisite duties of the Public Utility Commission are covered under current operations. It is expected that some of the proposed changes may offer cost savings for both utilities and ratepayers.

PREPARED BY: Jeffrey Clukey
House Appropriations Committee (R)

DATE: June 28, 2013

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.