

Prepared Testimony of

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Introduction

Good morning, Chairman Harris, Chairman Grove, members of the House Appropriations Committee, and also Consumer Protection, Technology and Utilities Committee Majority Chairman Matzie. I am Gladys Brown Dutrieuille, Chairman of the Public Utility Commission (Commission or PUC).

Joining me today are my fellow Commissioners: Vice Chairman Stephen DeFrank, Commissioner Ralph Yanora, Commissioner Kathryn Zerfuss, and Commissioner John Coleman.

The Commission is steadfastly committed to our key public safety, consumer protection, economic, and quality of service regulatory oversight responsibilities. Understanding the budgetary challenges that continue to be a concern for this Commonwealth, consumers and public utilities, the Commission strives to carry out its duties in the most cost-efficient manner, while continuing to address an ever-changing array of utility-related issues and concerns.

Overview

The Commission regulates more than 9,000 entities, including in-state services for electricity; natural gas; telecommunications and broadband (availability and speed in accordance with Pennsylvania statutory standards); water and wastewater collection and disposal; steam heat; transportation of passengers and property by motor coach, truck, taxicab and transportation network companies (TNCs); pipeline transportation of natural gas and hazardous materials; and public highway-railroad crossings.

The supervision and regulation of these public utilities in Pennsylvania includes establishing just and reasonable rates; providing for adequate, efficient, safe service and facilities; conducting audits, inspections and investigations; developing energy forecasts, plans and conservation guidelines; providing consumer services; and ensuring the enforcement of, and compliance with, public utility law and regulations.

The PUC is requesting \$88,434,000 for budget year 2023-24, which includes \$5,538,000 in potential Federal Funds, used to regulate motor carrier, rail safety and pipeline safety. This request represents a 3.5% increase over the current fiscal year state funding to fund contractual salary and increased benefit obligations.

Of the total amount requested, the State's share is \$82,896,000. The Commission receives its state funding from the assessments of jurisdictional public utilities based on their reported revenues from intrastate operations and the Commission's costs to regulate the various utility groups. In addition, the PUC assesses natural gas and hazardous liquids pipeline operators under Act 127 of 2011 and collects fees from Electric Generation Suppliers and Natural Gas Suppliers for the PUC's oversight of these entities under Act 155 of 2014. Also, the Commission receives \$1,000,000 for the duties related to administering Act 13 (The Unconventional Gas Well Impact Fee Law), and a small portion of the Commission's funding is received from various fees charged by the Commission.

The Commission is headquartered in Harrisburg with regional offices in Philadelphia, Pittsburgh, Harmarville and Scranton. The Commission's current complement of 526 employees is spread among 13 offices and bureaus reporting to an Executive Director, including Legislative Affairs, Secretary, Administration, Special Assistants, Technical Utility Services, Investigation and Enforcement, Audits, Law,

Administrative Law Judge (OALJ), Consumer Services (BCS), Cybersecurity (OCCO), Competitive Market Oversight (OCMO), and Communications.

To control complement costs, vacancies are reallocated based on the operational needs of the PUC's offices and bureaus. In this FY 2023-24 request the Commission plans on reviewing the need and availability of additional gas safety inspector positions; and if deemed necessary will look to add up to four (4) additional inspectors from Commission vacancies at that time. Also, the PUC continues to use consultants, temporary hires and overtime as necessary.

Other ongoing cost reduction efforts address ways to increase individual productivity and operational efficiencies within existing PUC programs. Upgrades to InfoMAP, the Commission's internal case management system, continue to improve both information flow to consumers and utilities as well as internal case tracking. InfoMAP has created additional economies for utilities, practitioners and consumers, through not only electronic filing benefits, but also with more transparency allowing the public to track cases and access important information now available on the PUC's website.

Both during the pandemic emergency and now post pandemic, the Commission continues to employ innovations implemented in recent years to give the public easier access to its proceedings – highlighted by the PUC's SharePoint File System enabling filers to submit large, complicated filings containing confidential or proprietary information through an easy and secure download. Another successful innovation enables consumers appealing an informal complaint with BCS to file quickly by emailing the appeal and formal complaint without the concerns of failing to meet regulatory filing deadlines by mail.

Finally, the Commission continues to digitize its historical records, allowing the public to access old records online conveniently and efficiently; staff have now converted almost 7 million historical documents and microfilmed records to digital scans which the public can now access on the PUC's website.

The PUC Secretary's Bureau received over 26,000 filings in 2022 and served approximately 10,500 documents, including nearly 700 orders and 5,700 secretarial letters. In 2022, the Commission received 148 Right-to-Know requests, all of which were responded to in a timely manner, and, in conjunction with the Law Bureau, handled five new appeals filed with the Pennsylvania Office of Open Records (OOR). Three petitions for review are still pending in the Commonwealth Court of Pennsylvania.

Throughout 2022, OALJ presided over 438 telephonic or virtual evidentiary hearings and 23 telephonic or virtual public input hearings. PUC judges issued 236 decisions while PUC mediators resolved 163 cases through mediation processes.

The PUC's Office of Special Assistants prepared 205 orders for Commission consideration in complex rate, certification, and many other proceedings involving consumers and regulated utilities.

In 2022, the PUC Law Bureau regularly represented the Commission in an average of 62 open state and federal court appeals, administrative proceedings and matters involving affirmative litigation. Ninety percent of the 30 proceedings that concluded with decisions resulted in the courts affirming the Commission's opinions or other positive outcomes in support of the Commission's position. The Law Bureau also participated in numerous proceedings before both the Federal Communications Commission (FCC) and the Federal Energy Regulatory Commission (FERC), including, but not limited to, PJM Interconnection LLC (PJM) matters.

Key PUC Issues

While not an exhaustive listing of all the matters before the Commission, we wish to highlight several of the key issues addressed by the Commission over the past year, which are as varied as they are impactful.

Diversity, Equity and Inclusion

In 2022, the Commission [adopted regulations requiring regular reporting on diversity programs](#) and efforts by major public utilities under the Commission's jurisdiction. It was the final step in an initiative launched in 2020 to revisit and update the Commission's diversity reporting policy statement to "reinvigorate the Commission's efforts to promote and implement effective diversity programs at our major jurisdictional utility companies."

The PUC's revised policy statement also provides guidelines identifying the information major jurisdictional utility companies should report to describe their efforts to employ and contract with members of diverse groups. It also encourages utility companies to use a common form to file annual diversity reports with the PUC.

Consumer Issues

Throughout the year the PUC has continued to vigorously promote its *#CallUtilitiesNow* initiative – working to connect struggling consumers with utility assistance programs. The pressures of rising energy prices, inflation, and the ongoing state and national recovery continue to impact our communities. The PUC stresses that it is important to work collectively to help keep residents and businesses connected to vital services. The *#CallUtilitiesNow* campaign has been recognized internationally as a creative and effective communications initiative.

During the past year, BCS handled 116,220 consumer contacts and 54,629 total complaints, including 27,957 payment arrangement requests. BCS answered more than 115,000 calls and investigated and issued more than 60,000 informal complaint decisions, including nearly 28,000 payment arrangement requests. While this is a considerable increase over the prior year, it is still less than normal informal complaint activity. The number of inbound contacts to the bureau for help generally averages between 150,000 to 200,000 annually.

Also, BCS implemented new technologies to enhance customer care through the PUC's new Artificially Intelligent Virtual Agent, or "Aiva," providing 24-7 bilingual assistance to web visitors and callers.

The PUC's consumer educators reached front-line community partners and utility customers through many in-person and virtual educational events, including the PUC's annual Be Utility Wise and Be Wise consumer-education conferences. Through educational outreach, the Commission encouraged Pennsylvanians to stay connected through the Affordable Connectivity Program, a benefit started by the FCC.

Consumer outreach and education is another primary mission for the PUC, as evidenced by our energy information and shopping websites – PAPowerSwitch and PAGasSwitch. Drawing close to nearly one

million visitors per year, these sites provide access to information about how to shop, how to save, energy efficiency, and different types of rates and product offerings. Our shopping websites serve as national and international models for retail energy shopping. A survey conducted in 2016 indicates that 90% of consumers who have visited the PAPowerSwitch website find its information helpful.

As consumer energy prices rose sharply through most of 2022, the Commission strongly encouraged consumers to explore energy conservation and energy efficiency, to best manage the impact of those higher energy costs. The Commission has also been highlighting opportunities for consumers to reduce their bills by shopping for competitive energy suppliers. The PUC's #SaveInPA campaign, launched in mid-March, notes that more than 3.9 million residential customers across Pennsylvania could shrink their monthly energy costs by using competitive electric suppliers, in addition to the 1.2 million residential customers in Pennsylvania who currently shop for their electric supply. We continue to emphasize this point because the potential savings are substantial for many consumers, ranging from 21% to nearly 49% in the service territories for PPL, PECO, and Duquesne Light, which translates into typical customer savings of anywhere from \$2 and \$49 per month on an average electric bill.

Railroad Safety Issues

There has been a renewed interest in rail safety – here in Pennsylvania and nationally – in the wake of the disastrous train derailment near East Palestine, Ohio, in early February. While much attention has focused on those recent events near the Pennsylvania-Ohio border, the PUC is attentive to the safe transport of all cargoes, including crude oil, chemicals, hazardous materials and passengers.

Pennsylvania's relationship with railroads is almost as long as our history as a Commonwealth, and the railroad network stretching across the state is extensive and diverse. Pennsylvania has 5,600 miles of total rail lines, ranging from busy freight corridors that move large volumes of goods, delivering products to consumers and businesses in our state and moving them to and from communities across the country, to a variety of smaller rail operations. Our rail network also includes heavily traveled and higher-speed passenger lines that run from Harrisburg to Philadelphia, and the Northeast Corridor, from Philadelphia to New York City and Washington, D.C.

The Commonwealth has the most operating railroad companies of any state, with a total of 57 – ranging from the largest “Class 1” railroads, moving long trains of goods along busy main line tracks, to small “short line” railroads that may serve a short list of industries in a small area, moving a few cars at a time. Also due to our geographic location, there are a variety of commodities being transported into, out of, and across our Commonwealth each day.

For more than 50 years, federal law has addressed rail safety with a set of nationally-established standards, enforced by the Federal Railroad Administration (FRA). The work performed by PUC's Rail Safety Inspectors is done in conjunction with FRA Inspectors, with interactions almost daily. Those efforts are part of a tri-layer system of rail safety inspections in Pennsylvania, which also includes regional inspectors from the FRA and specialized personnel from the railroads.

The PUC Rail Safety Inspections group includes two (2) supervisors who manage the FRA program with a staff of eight (8) inspectors. Our Rail Safety Inspectors are certified by the FRA, and each inspector

specializes in a specific railroad discipline. Additionally, PUC Rail Safety staff who are involved in the inspection of passenger trains are also certified by Amtrak.

The areas of expertise for PUC Rail Safety inspectors include:

- Track – The physical infrastructure of the railroads.
- Motive Power & Equipment – The locomotives and rail cars that cross our Commonwealth.
- Operating Practices – The “human element” of railroad activity, including qualifications of rail crew members and the way they operate, including their adherence to best safety practices.
- Hazardous Materials – The equipment used to transport hazardous materials, along with safe handling practices, labeling/placards and other related requirements.
- Signal & Train Control – The systems which are used to control the safe passage of trains.

During the last fiscal year, the PUC’s Rail Safety team filed 1,988 Inspection Reports with the FRA, including:

- 471 Motive Power & Equipment inspections;
- 505 Track inspections;
- 380 Operations inspections;
- 457 Hazmat inspections; and
- 175 Signal inspections.

Additionally, while conducting those inspections, our staff examined tens-of-thousands of individual items – ranging from pieces of rail and components on a locomotive or rail car, to safety practices, crew certifications or clear radio communications.

Still, it is important to underscore that rail safety enforcement is outside the authority of Pennsylvania. All decisions regarding the prosecution of potential violations identified during inspections, along with the ultimate decisions about how those cases are resolved with the railroads, rests in the hands of the FRA. While PUC inspectors can raise concerns about their findings, any enforcement actions come under federal rail safety regulations and standards administered by the FRA.

Since the mid-2010s, in response to increased volumes of railroad traffic across Pennsylvania and related concerns about rail safety, the PUC has taken a number of steps to enhance our efforts:

- Increased Number of Rail Safety Inspectors – The PUC’s complement of Rail Safety Inspectors was increased by approximately 25%, from eight (8) inspectors to ten (10) inspectors (which includes two supervisors who also perform inspections), in response to concerns about increased railroad transportation of crude oil and other potentially volatile cargoes across Pennsylvania.
- Enhanced Oversight on Major Routes – The Rail Safety Section enhanced oversight of oil train routes, which make up about 700 miles of the nearly 5,600 miles of total rail lines in Pennsylvania. These are typically the highest-volume routes for all cargoes, so the added

attention initially generated by oil train concerns have resulted in closer monitoring of other items being moved by rail.

- Closer coordination with the FRA – The PUC Rail Safety Section continues to work with the FRA on focused inspections on major routes, including track, motive power and equipment, operating practices, hazardous materials and grade crossings.

While the PUC, FRA and the railroads have all been working to increase inspections of track, equipment and operations – especially along oil train routes – our PUC Rail Safety Engineers deal exclusively with the safety of the railroad at-grade crossings and bridges along these routes and other rail lines. Here, we work to address the disposition of highway-railroad crossings involving many nearly century-old, structurally deficient bridges within the state – while also promoting enhanced safety for at-grade crossings.

Regarding cases concerning crossings (including bridges and at-grade crossings), PUC Rail Safety Engineers are involved in an average of 180 formal proceedings per year – from field meetings and site inspections to formal conferences regarding repair, replacement, safety upgrades and other enhancements – which bring together representatives from the railroads, property owners, local municipalities, and other state agencies – such as the Pennsylvania Department of Transportation – and other concerned parties. Safety enhancements to crossings can range from projects to upgrade active warning devices, such as lights and gates, to the replacement of at-grade crossings with bridges.

In the last fiscal year, the work of our engineering group resulted in 326 PUC orders and secretarial letters concerning highway-railroad crossing projects, involving more than \$1 billion in infrastructure improvements.

Pipeline Safety Issues

The Commission employs a team of 29 individuals, including 24 Gas Safety Inspectors, that monitor more than 48,000 miles of distribution lines and more than 1,200 miles of intrastate transmission lines.

One of the key safety and reliability issues that continues to face the natural gas industry is corrosion. Pennsylvania averages three reportable incidents a year. The majority of Pennsylvania gas leaks are occurring on cast iron and unprotected bare steel pipeline. Pennsylvania has approximately 7,515 miles of cast iron and unprotected bare steel pipeline. Over the last calendar year, operators in Pennsylvania removed from service approximately 130 miles of cast iron and more than 300 miles of bare steel.

The Pipeline Safety Division is responsible for investigating reportable incidents and accidents that occur with the PUC's jurisdictional pipelines including gas distribution, gas transmission, gas gathering and hazardous liquid intrastate pipelines. During 2022, the Pipeline Safety Division investigated four reportable incidents. Of those, three were on gas facilities and one occurred on the hazardous liquid pipelines that are public utilities in Pennsylvania. I&E Safety also investigated approximately 20 non-reportable events.

The PUC's safety programs are audited annually by the federal Pipeline and Hazardous Materials Safety Administration. This past year, the PUC's programs earned a score of 99% in Gas, and 100% in each Hazardous Liquids and Underground Natural Gas Storage program.

Other Public Utility Safety Issues

The PUC's Safety Divisions conducted more than 3,000 electric and pipeline safety field inspections. Thirty electric and pipeline incident investigations were handled by the divisions.

Also, during 2022, more than 400 underground facility owners, excavators and project owners were directed to attend Act 50 training (related to the Pennsylvania One Call Law), while the PUC's Damage Prevention Committee (DPC) approved 1,774 violations related to nearly 500 cases that were addressed during the year's 11 DPC meetings.

The PUC increased consumer education on electric safety, safe digging and delaying the start of nonessential home digging projects to enhance safety and avoid accidental damage to underground lines. The second DPC annual report was issued, including an overview of its Alleged Violation Reports and the subsequent actions taken, such as the issuance of warning letters, administrative penalties and locator or excavator education.

The PUC continues working with interested parties on proposed changes in regulations for customer-owned pipeline system service lines, and enhancements to regulations for petroleum and hazardous liquids pipelines.

The PUC's Motor Carrier Enforcement Division conducted 77 focused reviews on carriers, completed more than 2,200 Federal New Entrant Safety Audits and more than 4,000 roadside inspections of commercial motor vehicles.

Cybersecurity

In November 2022 the Commission launched a review of its current regulations relating to cybersecurity – including requirements for reporting cyber attacks on utility systems and the regulations for utility self-certification of their security planning and preparedness.

The PUC is exploring whether existing PUC regulations are sufficient to ensure that they address public utility fitness in the current and anticipated future cybersecurity threat landscapes.

Through OCCO, the Commission continues to work with federal and state interests to conduct quarterly conference calls that disseminate cybersecurity information to regulated utilities – including connecting utilities with emergency response efforts. Additionally, OCCO updated the Cybersecurity Best Practices for Small and Medium Pennsylvania Utilities Guide and held a cybersecurity symposium.

Further, the Commission maintains active outreach and education with the Governor's Office, our sister state agencies, other state commissions, national organizations like the National Association of Regulatory Utility Commissioners (NARUC) and various federal agencies in effort to improve our capability to identify and respond to potential cyber-attacks.

Emergency Preparedness and Grid Reliability

Commission staff remain active in the coordination of state and regional emergency preparedness activities. Staff participated in several emergency preparedness exercises and activities with our

colleagues at the Pennsylvania Emergency Management Agency (PEMA), along with other agencies and the regulated utilities. These activities included, but are not limited to, the PJM grid security exercise and the Commonwealth's hazard mitigation plan update, as well as a collaboration with the Pennsylvania Department of Environmental Protection's energy security plan for Pennsylvania.

While the Commission does not regulate generation facilities, we nonetheless are charged with ensuring that our distribution companies provide safe, adequate, and reliable service to customers. Because reliability is of utmost importance to the Commission, we pay close attention to the generation sector through our direct interactions with PJM, participation in the Organization of PJM States Incorporated (OPSI), participation in NARUC, and participation in FERC proceedings.

The PUC consistently monitors weather for impending events which may cause electrical outages. We communicate with the electric distribution companies before and during these events to ensure their preparation. The Commission is also a direct liaison with PEMA, and participates with PEMA, among other state agencies, in preparing for and responding to severe weather events.

With the increase in significant weather events that we have been seeing – the 2014 polar vortex, successive hurricanes, Winter Storm Uri, which brought down the Texas grid, and the more recent Winter Storm Elliott, which brought another polar vortex during Christmas weekend – the Commission finds that it must even more closely monitor the rules and mechanisms put in place in the competitive generation market, as well as the resiliency of the interstate transmission grid, to ensure that these markets are optimizing and prioritizing resiliency as well as affordability. We will continue to do so.

Impact Fees

Last year the Commission successfully distributed more than \$234 million in natural gas drilling impact fees to local governments and agencies across Pennsylvania.

County and municipal governments directly affected by drilling received a total of \$123,217,163 during 2022, which was generated by activity during the 2021 reporting year. Additionally, \$86,030,934 was transferred to the Marcellus Legacy Fund, which provides financial support for environmental, highway, water and sewer projects, rehabilitation of greenways and other projects throughout the state. Also, \$25,189,477 was distributed to state agencies, as specified by Act 13. With that 2022 distribution, the PUC has collected and distributed more than \$2.2 billion to Pennsylvania communities.

The next round of impact fee distribution, based on drilling activity reported for 2022 calendar year, will be finalized and announced by the PUC in June of this year. Those funds will be delivered to recipient county and municipal governments, the Legacy Fund, and other receiving agencies in early July 2023.

Rate Cases

In 2022, the PUC's rates and technical divisions participated in 12 base rate cases with a total requested increase value of more than \$471 million, five Section 1329 acquisitions and seven Section 1307(f) annual purchased gas cost filings. The PUC's Office of Special Assistants and OALJ prepared numerous orders for Commission consideration on these many filings.

Energy Markets & Pricing

Over the past year, utilities, competitive suppliers, and consumers all have been impacted by sharply escalating wholesale natural gas and electric prices. With market turbulence continuing into 2023, Commission staff continues to monitor energy markets closely and encourage consumers to review their bills and energy supply contracts, seek ways to conserve energy and, if needed, seek assistance.

There are currently 464 electric generation suppliers and 333 natural gas suppliers licensed with the Commission. The PUC monitors compliance in the state's competitive energy markets through a variety of oversight methods, including informal complaints filed with our BCS, formal complaints and contacts to OCMO, and enforcement proceedings initiated by our Bureau of Investigation and Enforcement. In the past fiscal year, the Commission took formal enforcement action against five competitive energy suppliers.

As part of its continuing effort to enhance consumer information about energy shopping in Pennsylvania and help avoid consumer confusion and frustration, the PUC recently revised its disclosure regulations in 52 Pa. Code Chapter 54 for electric generation suppliers serving residential and small commercial customers.

Telecommunications and Broadband Issues

The Commission continues its review of incumbent local exchange carriers' rates for basic local telephone services through the annual alternative ratemaking filings made pursuant to Chapter 30 of the Public Utility Code to ensure that rates for basic services remain just and reasonable.

At the same time, the Commission continues to promote the deployment of broadband services throughout the Commonwealth. With its ongoing review and approvals of Eligible Telecommunications Carrier (ETC) designations for a federal broadband deployment program in rural Pennsylvania, the PUC continues its support of the Pennsylvania Broadband Investment Incentive Program and work to secure federal funding. To continue our involvement in broadband issues and allow us to distribute the federal funds for buildout of this needed service, the Chairman of the Commission represents the PUC as a member of the Broadband Authority *per the Act of Dec. 22, 2021 (P.L. 459, No. 96), 64 Pa.C.S. § 6101 et seq.*

Additionally, the PUC Chairman sits on the Pennsylvania Broadband Development Authority, per Act 96 of 2021, which allows for PUC interaction in discussions about broadband enhancement efforts across the Commonwealth.

The PUC also continues to encourage Pennsylvania consumers to learn more about the Emergency Broadband Benefit (EBB) that was initiated by the Federal Communications Commission – and to stay connected through the Lifeline Program and Affordable Connectivity Program.

During 2022 the PUC, through its Pole Attachment Working Group, continued to advance the process in assuming jurisdiction over pole attachments.

Additionally, it reminded consumers of the assignment of 835 as a new area code, which is serving the same geographic area in Southeastern Pennsylvania currently served by the 610 and 484 area codes. The

remaining supply of available telephone numbers in the 610 and 484 area is estimated to be exhausted in early 2023 – requiring the establishment of a new area code to support future demands in the region.

Water and Wastewater Issues

Access to clean water at reasonable rates has always been a foundation of this Commission’s responsibilities, and we continue to maintain a keen interest in administering regulations that can foster a healthy water industry.

A major goal for the PUC is bringing uniformity to the replacement of lead water service lines and damaged wastewater laterals under Act 120 of 2018 (Act 120). The Commission has completed a rulemaking to implement Act 120, modifying its regulations at Title 52 to establish certain standards, processes, and procedures for these critical issues.

The Commission has also proposed guidelines designed to enhance coordination of tariffed fire protection services by the Commonwealth’s regulated water public utilities. The PUC’s proposed policy statement incorporates a “best practices” approach to PUC oversight of regulated fire protection services and further develops guidelines under which tariffed fire protection services are offered to the public in a coordinated and consistent manner.

Additionally, the PUC increased awareness for Pennsylvania consumers regarding the Low-Income Household Water Assistance Program (LIHWAP) and is very pleased to see that Governor Shapiro and his Administration are pursuing additional funding from the U.S. Department of Health and Human Services (HHS) to provide more qualified Pennsylvania residents with financial help through this important program.

Like other fixed utilities, the water industry faces challenges caused by its outdated infrastructure. Thanks to the foresight of the General Assembly, each major water utility utilizes the DSIC (Distribution System Improvement Charge) to accelerate infrastructure replacement.

Lastly, we are pleased to see continuing progress related to the Pittsburgh Water and Sewer Authority, which was placed under the Commission’s jurisdiction with the General Assembly’s passage of Act 65 of 2017. Most recently, the Commission approved a joint settlement addressing stormwater issues. All this progress has been facilitated by the hard work of our staff, PWSA and interested parties.

Audits

During the past year, the PUC Financial Audits team released 33 reports covering 83 years worth of adjustment clauses and reviewed and approved approximately 381 adjustment clause filings. Management Audit staff released four Management Audits, two Management Efficiency Investigation reports, and the 516 Annual Reports for Calendar Year 2022.

Recommendations included in the Management Audits & Management Efficiency Investigations included \$39 million in annual savings and \$22.5 Million in one-time savings, along with potential improvements in operations, service reliability and safety programs.

Regional and National Utility Issues

Given the size and scope of Commission responsibilities, combined with the knowledge and skills of the Commission staff, Pennsylvania exercises a strong voice among regional, national and international utility regulators. We are heavily involved in the Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC), the Organization of PJM States Incorporated (OPSI), and NARUC. Additionally, staff and Commissioners are active in various MACRUC and NARUC committees.

Issues Moving Forward

Review of Universal Service Programs

As part of a comprehensive statewide review of universal service program design, the Commission is currently accepting public comments on improving coordination of universal service programs among jurisdictional fixed utilities – with an in-depth analysis into ways to streamline enrollment as well as improve the verification and re-enrollment processes for income-qualified customers.

This effort includes, but is not limited to, identifying any current barriers to greater coordination and sharing of information among multiple utilities; and among utilities and state social service agencies; looking at the option of administering customer assistance programs (CAPs) on a statewide basis rather than utility-by-utility; pursuing additional consumer education and outreach to income-qualified consumers; and examining whether the PUC’s CAP Policy Statement should be amended to include jurisdictional water utilities as well as electric, natural gas and telecommunications.

Interested parties have through Wednesday, June 7, 2023, to submit comments regarding how the Commission’s regulations, policies and procedures on universal service programs could be revised with a particular focus on the following areas:

- (1) Increasing program coordination among all utilities.
- (2) Streamlining the eligibility and enrollment process.
- (3) Improving both the verification and re-enrollment processes for universal service programs to help eligible consumers avoid losing low-income benefits.

Utility Terminations

With the end of Pennsylvania’s seasonal winter termination moratorium (on March 31, 2023), the Commission is once again emphasizing the importance of direct communication between consumers and utilities to discuss options to help households remain connected to utility services.

At this point, the best action any consumer with a past-due bill can take is to call their public utility’s customer service hotline and ask for information about their customer assistance programs designed to make energy bills more affordable. Utilities understand the assistance programs available in their communities for income-qualified consumers – including utility-run Customer Assistance Programs, national programs like the Low-Income Home Energy Assistance Program (LIHEAP), and various hardship fund programs operated by utilities and non-profit organizations.

Utilities also can help enroll consumers in assistance programs, guide them to other available resources and discuss new payment plan options to address overdue balances and help consumers move forward. Each major utility has a team of representatives trained to help consumers explore the many options that may be available and connect those families with the necessary resources. If a consumer is unable to resolve an issue or obtain needed information from the utility, they may contact the PUC's Bureau of Consumer Services (BCS) toll free at 1-800-692-7380.

Additionally, the PUC notes that consumers may also contact Pennsylvania's "211" system (Dial 211 or visit www.pa211.org) for information and resources in their communities to help with utilities, housing, food, employment and more. If, after calling the utility, consumers are not satisfied with the assistance provided, they can contact the PUC's Bureau of Consumer Services.

Sunset of Chapter 14

On Oct. 22, 2014, Governor Corbett signed into law Act 155 of 2014, effective on Dec. 22, 2014. The law reauthorized and amended Chapter 14 of the Public Utility Code for 10 years. Significant amendments to the law included:

- Prohibition on Friday terminations.
- In addition to physicians and nurse practitioners, medical certificates may also be filed by physician assistants.
- Customers with income between 151-250% of the Federal Income Poverty Guidelines (FPIG) get a three-year payback period for arrears when granted a payment arrangement by the Commission (payback period had been 2-years).
- All security deposits may be paid in three installments.
- Application of Chapter 14 to wastewater, steam heat, and small gas public utilities (these entities had previously been exempt).
- Victims of domestic violence exempt from Chapter 14 requirements with either a protection from abuse order or a court order that provides clear evidence of domestic violence.
- Utilities must report to the Commission annually 1) the number of medical certificates and 2) accounts over \$10,000 arrears.
- The Commission must issue a report on the implementation and impact of Chapter 14 every five years.

Chapter 14 will sunset on Dec. 31, 2024. BCS staff is working with Legislative Affairs, Law, and other Bureaus to suggest new amendments to improve the effectiveness of Chapter 14.

Sunset of PA One Call Law

Act 50 of 2017, the Underground Utility Line Protection Law, sunsets in 2024 and would need to be reauthorized by the General Assembly.

Act 50 authorizes the PUC to enforce provisions of what is known as the “One Call Law.” As a requirement of Act 50, all underground facility damages are to be documented and submitted to the PA1Call System. Also included in Act 50 is the creation of the Damage Prevention Committee, which meets regularly to review alleged violations of the Act and makes determinations as to the appropriate responses, including, but not limited to, the issuance of warning letters, educational requirements, or administrative penalties.

Closing

The PUC is well-equipped to decisively carry forth its statutory obligations by promulgating and administering regulations in an objective manner. As we continue to do so, we will not stray from our true mission: to balance the needs of consumers and utilities; ensure safe, adequate and reliable utility service at reasonable rates; protect the public interest; educate consumers about their rights and to make independent and informed utility and supply choices; further economic development; and foster new technologies and competitive markets in an environmentally sound manner.

My colleagues and I hope you will consider this budget request for fiscal year 2023-24. We are at your service if you should have any questions.