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PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, Pa. 17105-3265

Public Meeting held September 19, 1996

Commissioners Present:

John N. Quain, Chairman
Lisa Crutchfield, Vice-Chairman
John Hanger, Dissenting
David W. Rolka
Robert K. Bloom

DOCUMENT
FOLDER

Barbara Schmidt

C-00967669

v.

Pennsylvania Power & Light Company.

DOCKETED
NOV 1 1996

OPINION AND ORDER

BY THE COMMISSION:

Before the Commission for consideration is the Bench Decision of Administrative Law Judge ("ALJ") Richard M. Lovenwirth recommending the approval of the Settlement Agreement of July 16, 1996, between Barbara Schmidt ("Complainant") and Pennsylvania Power & Light Company ("Respondent").

History of the Proceeding

On January 29, 1996, the Complainant filed a Formal Complaint against the Respondent alleging an inability to pay her bill for electric service provided by the Respondent at 1607 Townhouse Boulevard, Apartment 1607, Scranton, Pennsylvania, 18503.

On March 4, 1996, the Respondent filed an Answer to the Complaint setting forth the then current arrearage in the amount of \$6,809.61 and noting that the Complainant had made only two (2) payments on her account since 1995, neither of which was a full

payment. The Answer also states that the Complainant has reneged on seven (7) payment arrangements made on this account since 1986.

It is noted that on December 18, 1995, the Bureau of Consumer Services ("BCS") issued a decision directing the Complainant to pay current monthly budget bills of \$163.00 plus \$10.00 per month towards her arrearage and that the Complainant has not complied with the terms of the BCS Decision.

On July 16, 1996, a telephonic hearing was convened. Prior to the reception of any testimony, the parties entered into a settlement agreement.

On August 5, 1996, an Initial Decision was issued recommending approval of the Settlement Agreement and establishing a payment schedule.

No Exceptions have been filed.

Discussion

In the Initial Decision, it is noted that the Complainant's outstanding arrearage as of June 12, 1996, was \$6,128.61 and the Complainant was directed to pay current monthly budget bills of \$165.00 plus \$10.00 per month towards her arrearage. It is noted here that this payment arrangement will result in the Complainant's arrearage being paid back over a 51 year period.

Given the Complainant's payment history whereby she has not complied with any of the payment arrangements since 1986, the payment arrangement contained in the Settlement Agreement providing for a 51 year payback period cannot be approved. However, upon a review of the record, it is not possible to determine an appropriate payment schedule since the record does not contain any information regarding the expenses and income for

the Complainant. As a result, we will remand this matter to the Office of Administrative Law Judge for (1) the expeditious scheduling of a hearing on the Complaint; (2) the further development of an evidentiary record with specific income and expense data; and, (3) the issuance of an Initial Decision Upon Remand based upon that record.

Pending the outcome of this hearing, the Complainant must comply with the BCS Decision issued December 18, 1995. Inasmuch as nine (9) months have passed since the BCS Decision was issued without a payment by the Complainant, the Complainant will be directed to pay a lump sum payment of \$90.00 within thirty (30) days of the date of entry of this Opinion and Order to be applied towards her arrearage. The Complainant will then be required to adhere to the terms of the BCS Decision and pay current monthly budget bills plus \$10.00 per month towards her arrearage pending the outcome of the hearing. Should the Complainant fail to make the required payments, the Respondent is authorized to begin suspension/termination action; THEREFORE,

IT IS ORDERED:

1. That the Settlement Agreement between Barbara Schmidt and Pennsylvania Power & Light Company be, and is hereby, rejected.

2. That this matter be, and is hereby, remanded to the Office of Administrative Law Judge for (1) the expeditious scheduling of a hearing before an Administrative Law Judge; (2) the further development of the evidentiary record consistent with this Opinion and Order; and (3) the issuance of an Initial Decision Upon Remand.

3. That the Complainant shall pay to the Respondent within thirty (30) days of the date of entry of this Opinion and Order, a lump sum amount of \$90.00 for missed payments on her

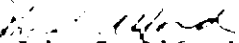
arrearage since the BCS Decision was issued on December 18, 1995. Said lump sum payment shall be applied to the Complainant's outstanding arrearage.

4. That, commencing with the first regular payment after the date of entry of this Opinion and Order, the Complainant shall pay to the Respondent current monthly budget bills plus \$10.00 per month towards her arrearage, as required by the BCS Decision of December 18, 1995. These payments shall continue pending the outcome of the hearing scheduled pursuant to Ordering Paragraph No. 2 above.

5. That, as long as the Complainant adheres to the terms and conditions of this Opinion and Order, the Respondent shall not assess late-payment charges or terminate service to the Complainant except for valid safety and/or emergency reasons.

6. That, if the Complainant fails to adhere to the terms and conditions of this Opinion and Order, the Respondent be, and is hereby, authorized to suspend or terminate service to the Complainant in accordance with our regulations set forth in Chapter 56 of Title 52 of the Pennsylvania Code.

BY THE COMMISSION,


John G. Alford
Secretary

(Seal)

ORDER ADOPTED: September 19, 1996

ORDER ENTERED: NOV 13 1996