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REPRESENTA

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DATE:

September 15, 2011

TO:

All members of the House of Representatives

FROM:

Rep. Thomas R. Caltagirone

RE:

Introduction of Legislation – Providing for Reimbursement by Electric Utilities to

Customers for Excessive Outages Caused by Failure to Provide for Foreseeable

Power Outage Causes

I will soon be introducing an amendment to the Public Utilities Code providing for monetary compensation to ratepayers when electric utilities fail to provide adequate outage repair resources. Accidents and emergencies happen, but can be anticipated.

Electric Utilities have a clear obligation under the Code, at Title 66 Pa.C.S.A §1501 (Character of service and facilities) to "maintain adequate, efficient, safe, and reasonable service and facilities". However, recent events have proven that too much emphasis on cost cutting has now eroded some utilities' ability to meet that standard.

If this were happening in an environment of shared broad-based fiscal austerity by utility providers, one could be more sympathetic to a utility's plight. But that is not the present case. Rapidly growing and record high compensation packages for top executives at electric utilities, accompanied by excessive shaving of resources and personnel at the service maintenance level, now rise to the level of not meeting some utilities' Section 1501 obligations. We call them *Public* Utilities because they have special *public* obligations.

My bill would mandate compensation to ratepayers suffering excessively long power interruptions caused by poor electric utility repair resource planning and decision-making. If you wish to co-sponsor this legislation, please contact Patty Tamayo in my office at 787-3525, or e-mail at <a href="mailto:ptamayo@pahouse.net">ptamayo@pahouse.net</a>.