

Prepared Testimony of  
*John F. Coleman Jr.*  
Commissioner  
Pennsylvania Public Utility Commission

*before the*

Pennsylvania Senate Consumer Protection and Professional Licensure  
Committee

June 28, 2017



Pennsylvania Public Utility Commission  
400 North Street  
Harrisburg, Pennsylvania 17120  
Telephone (717) 787-4301  
<http://www.puc.pa.gov>

Good morning, Chairman Tomlinson, Chair Boscola, and members of the Senate Consumer Protection and Professional Licensure Committee. Thank you for your consideration of my nomination to continue my service as a Pennsylvania Public Utility Commissioner. I also would like to thank Senate President Pro Tempore Scarnati and Senate Majority Leader Corman for their support, and I am honored and grateful to Governor Wolf for nominating me to continue to serve the people of Pennsylvania.

Since I last appeared before this committee, I am proud to say that we have come a long way in addressing many key issues facing our utilities, our consumers and our Commonwealth.

We have taken great strides toward replacing aging infrastructure, including “at-risk” cast iron and unprotected steel gas pipelines, and are continuing to accelerate the timetables for removal and replacement of all those pipes – a tremendous safety advance for Pennsylvania. When I first joined the Commission, the estimates for updating these vital pipelines were measured in decades, with some timelines stretching more than a half-century. Now, thanks to focused work on long-term infrastructure planning, and the Distribution System Improvement Charge, many of those replacement projects will be completed in a matter of years. It’s a major step forward in safety, and a wonderful success story for Pennsylvania.

Still, there is unfinished business – which I hope to continue to address if confirmed to a new term. In the area of pipelines, this includes proposed enhancements to the Pennsylvania One Call Law, which I have spoken and testified about numerous times. “Hits” on our underground systems – including gas, water, sewer, electric and telecommunications lines – remain our Number One safety concern. We believe that the combination of increased enforcement, removal of exemptions and added outreach and education efforts can, and will, make a noticeable difference in Pennsylvania. Every time an underground line is struck, it puts workers, utility crews and bystanders at risk, interrupts service, and costs money to make the necessary repairs. Reducing those hits is a win-win proposal. I look forward to continuing to work with you on this initiative, and thank Senator Baker for her strong leadership and support on this issue.

Working collaboratively with the General Assembly to secure the passage of Act 11 of 2012, we expanded the tools available to more rapidly address infrastructure issues, including natural gas – which I just touched upon – along with water lines and our electric grid. This work impacts everything from reducing the number and size of gas leaks, which results in safer communities, more efficient operations and lower emissions; removing lead water lines; helping utilities and communities address important public health concerns quickly and cost-effectively; and helping to ensure that the electric power network that we all depend upon is able to meet our demands, on the coldest and hottest days, and is strengthened against natural disasters, physical threats and cyberattacks.

Also during my tenure, the Commission has worked to address evolving concerns, including new or growing responsibilities, industry trends, and the need for additional pipeline safety and rail safety inspectors. These efforts demonstrate our desire to quickly address issues when they arise, and establish a path forward. With regard to added inspectors, Pennsylvania's growing role as an energy hub has driven development over the past several years that has been a boon to many communities, and has the potential to keep our Commonwealth at the forefront of this issue for decades to come, but it is important that we work to ensure that growth does not come at the expense of safety. Equally important, we have worked to meet these new challenges within our existing PUC complement – balancing our mission with the need to operate efficiently and within a reasonable and appropriate budget. I served as a lead Commissioner for efforts several years ago to modernize and reorganize our agency to best carry out our mission in a changing utility marketplace. To a large extent, this work is ongoing as well.

The Commission also moved rapidly to enhance consumer protections following the energy price spikes of the 2014 Polar Vortex winter – and sanctioned those energy suppliers who attempted to take advantage of our citizens. My colleagues and I ordered more than \$20 million in consumer refunds, along with millions of dollars in fines and numerous requirements for suppliers to change their marketing and business practices. Our residents now have more information at their fingertips, in the form of clear disclosures on energy contracts and detailed information on monthly bills. They also have access to accelerated switching, within three business days, allowing them to quickly take advantage of offers that may save them money or provide other benefits. While none of us has a crystal ball that will identify future concerns, I will note that, since the Commission took steps to beef up consumer protections, we have seen colder winters and higher energy demands, but we have not seen the issues of 2014 repeat themselves.

The Commission also continues a vigorous customer-education program, including in-person events across the state and partnerships with legislators. The PUC is a neutral and trusted source of information and comparisons of competitive offers, and PAPowerSwitch.com and PAGasSwitch.com are our two official shopping websites. Together, these efforts provide consumers with the tools they need to make informed decisions about choosing electric generation suppliers and natural gas suppliers.

Another area marked by progress and collaboration with the General Assembly involves transportation regulations. Ride-hailing services, or Transportation Network Companies, were an unknown when I first joined the Commission – and now, working together, we have a statewide framework that allows these services to grow in Pennsylvania, while also ensuring oversight of issues like insurance coverage, vehicle safety, driver integrity and consumer protections. Additionally, I have been deeply involved in the Commission's ongoing efforts to revisit all of our transportation regulations – removing barriers for qualified businesses and exploring what utility transportation services will look like in the years to come.

So, as you can see, we have covered a lot of ground at the PUC since the last time I appeared before you in 2012, but the work is not over – and, with your confirmation, I want to press forward with efforts to address a variety of new challenges and opportunities, including:

- Energy issues, including how we collectively address questions about the future role of nuclear, coal and renewable energy generation.
- Infrastructure, including efforts to encourage greater consumer and business access to Pennsylvania’s bountiful supply of low-cost natural gas.
- Addressing the growing need for the next generation of highly skilled utility workers, in order to ensure that tomorrow’s systems function safely and reliably.
- The role of new energy technologies, including Combined Heat and Power systems, Distributed Energy Resources, and microgrids – which have the potential to further increase energy efficiency, while also enhancing grid reliability or resiliency in storm or disaster situations.
- Utility ratemaking for the future – including concepts like decoupling.
- Enhanced cyber and physical security for our vital infrastructure.
- And how we serve the most vulnerable members of our community, and what those programs should look like in the future.

Additionally, if confirmed to another term, I wish to take advantage of opportunities to serve, and in some cases lead, national and regional task forces and committees on issues important to Pennsylvania utility customers such as natural gas access and expansion, pipeline safety, energy development, natural gas technology and the PJM Interconnection.

If I were to summarize my guiding principle for PUC policy and cases into a single word, it would be “balance.” That may be a simple word, but it strikes to the core of everything we do:

- The balance between safe and reliable service and reasonable rates.
- The balance between consumers and utilities.
- The balance between the needs of our communities and the concerns of the individual.
- The balance between innovation and oversight.
- The balance between policy and regulation.
- The balance between the Commission and the General Assembly. I understand that I am an independent member of an independent Commission. The General Assembly sets the policies through the laws you pass – policies that the PUC carries out.

Whether we are discussing multi-million dollar projects, or addressing an individual consumer complaint about service or billing, balance is always going to be the concept that everything else revolves around, and I believe my track record since joining the PUC in 2010 demonstrates that quest for balance in everything I have said and done.

Before I conclude my remarks, I want to acknowledge and thank my colleagues on the Commission: Chairman Brown, Vice Chairman Place, Commissioner Powelson and Commissioner Sweet. It is a pleasure to work with such a collegial and professional group. We come from diverse backgrounds and experiences, and, as a result, we do not always agree; however, I would offer that a healthy dialogue is critical to good decision-making and that there is universal agreement on the importance and impact of the work done by the Commission.

I appreciate your time and consideration today, and, with your support, I look forward to continuing to serve the Commonwealth as a Public Utility Commissioner. Again, thank you for your time and I would be happy to answer your questions.

## **John F. Coleman Jr.**

John F. Coleman Jr. was first nominated to serve as Commissioner by Governor Edward G. Rendell on June 2, 2010, and subsequently confirmed by the Pennsylvania Senate on June 15, 2010. On February 17, 2012, Governor Tom Corbett renominated Commissioner Coleman, who was unanimously confirmed by the Pennsylvania Senate on April 2, 2012. Commissioner Coleman served as Vice Chairman of the Commission from February 24, 2011, to December 31, 2015. Commissioner Coleman's term will expire April 1, 2017.

Commissioner Coleman serves as co-chair of the Natural Gas Access and Expansion Task Force established by the National Association of Regulatory Utility Commissioners (NARUC). He is also a member of NARUC's Pipeline Safety Committee. He is a member of the Board of Directors of the Mid-Atlantic Conference of Regulatory Utilities Commissioners. He serves as a board member for the Organization of PJM States Inc., where he is a member of the Independent Market Monitoring Committee and the Personnel Committee. He is also a member of the Pennsylvania Energy Development Authority Board of Directors. He serves as a member of the PJM – Independent State Agency Committee as well as a member of the Gas Technology Institute Public Interest Advisory Committee.

Prior to joining the PUC, Commissioner Coleman served 12 years as the President/Chief Executive Officer of the national-accredited Chamber of Business and Industry of Centre County, the largest member-based business organization in Central Pennsylvania, based in State College. In this capacity, the Commissioner also served as the President and Chief Executive Officer of the Centre County Industrial Development Corporation, an entrepreneurial development and business finance corporation.

## SENATE NOMINATION QUESTIONNAIRE

Information on Nominee for appointment to:

Pennsylvania Public Utility Commission

Please type or print clearly

Today's Date June 29, 2017

Section 207.1 (g) of The Administrative Code of 1929 requires the Governor to submit the following information concerning each Nominee for positions, that require advice and consent of the Senate of Pennsylvania

Full Name: John Frederick Coleman, Jr.  
(First) (Middle) (Last)

Voting Address (Home): 100 Sky Harbor Drive  
Port Matilda PA 16870  
(City) (State) (Zip Code)  
814-880-9666  
(Area Code) (Telephone)

Business Address: N/A  
(if any)  
(City) (State) (Zip Code)  
(Area Code) (Telephone)

Employer Address: 400 North Street  
(if any) Harrisburg PA 17120  
(City) (State) (Zip Code)  
717-772-0692  
(Area Code) (Telephone)

(PLEASE COMPLETE REVERSE SIDE)

\* Please answer ALL Questions- If None, please put "none" or "n/a"

Public Office/Public Position held by Nominees during the past 10 years:

Commissioner, PA Public Utility Commission

Member, PA Energy Development Authority

Party Registration: Republican

Offices held in Political Parties during the past 10 years: None

Has Nominee been convicted of any violation of Law? Yes  No

If Yes, please explain (if necessary, attach additional paper) \_\_\_\_\_

Date of Birth: 3/21/1961

\*\*\* THIS FORM NEEDS TO BE A SWORN STATEMENT, PLEASE HAVE THIS FORM NOTARIZED\*\*\*

Signature: [Handwritten Signature]  
(nominee)

Taken, sworn and subscribed before me this 20<sup>th</sup> day of June A.D. 2017.

(Seal)

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
VICTORIA R. MOORE, Notary Public  
City of Harrisburg, Dauphin County  
My Commission Expires September 3, 2018

[Handwritten Signature]  
Signature of Notary



# STATEMENT OF FINANCIAL INTERESTS

PLEASE PRINT NEATLY

01 LAST NAME FIRST NAME MI SUFFIX

C O L E M A N J O H N F J R

02 ADDRESS City State Zip Code Area Code Phone

400 NORTH STREET HARRISBURG PA 17120 (717) 772-0882

NOTE: IF YOU ARE INCLUDING ATTACHMENTS, DO NOT INCLUDE ANYTHING THAT BEARS YOUR SOCIAL SECURITY NUMBER OR FINANCIAL ACCOUNT NUMBERS.

03 STATUS Check applicable block or blocks, more than one block may be marked. (See instructions on page 2)

A  Candidate (including write-in) C  Public Official (Current) D  Public Employee (Current) E  Check this block if you are filing as a solicitor  Check this block if you are amending an original filing

B  Nominee C  Public Official (Former) D  Public Employee (Former)

04 PUBLIC POSITION OR PUBLIC OFFICE (administrator, member, Commissioner, job title, etc.)  seeking  hold  held

A C O M M I S S I O N E R  seeking  hold  held

B M E M B E R  seeking  hold  held

05 GOVERNMENTAL ENTITY in which you are/were an Official, Employee, Candidate or Nominee (e.g., dept, agency, authority, borough, board, commission, county, school district, township, etc.)

A P U B L I C U T I L I T Y C O M M I S S I O N

B P A E N E R G Y D E V E L O P M E N T A U T H

06 OCCUPATION OR PROFESSION (This may be the same as block 4) 07 YEAR The information in blocks 8 through 15 below represents financial interests for the PRIOR calendar year indicated:

PUC COMMISSIONER 2 0 1 6

08 REAL ESTATE INTERESTS (See instructions on page 2) If NONE, check this box.

09 CREDITORS (See instructions on page 2). Creditor (Name and Address) If NONE, check this box.

Name: Address: Interest Rate:

10 DIRECT OR INDIRECT SOURCES OF INCOME including (but not limited to) self employment. (See instructions on pg. 2) ONLY IF NONE, check this block.  (OFFICIAL USE ONLY)

Name: PUBLIC UTILITY COMMISSION Address: 400 NORTH STREET, HARRISBURG, PA 17120

ROXANNE WILLIAMS (TENANT) 370 STROUSE AVENUE, STATE COLLEGE, PA 16803

11 GIFTS (See instructions on page 2) If NONE, check this box.

Source of Gift Value of Gift

Address of Source of Gift Circumstances (including description) of Gift

12 TRANSPORTATION, LODGING, HOSPITALITY (See instructions on page 2) If NONE, check this box.

Source (Name and Address) Value

13 OFFICE, DIRECTORSHIP OR EMPLOYMENT IN ANY BUSINESS (See instructions on page 2) If NONE, check this box.

Business Entity (Name and Address) Position Held

Name: SILCO TEK CORP. Address: 112 BENNER CIRCLE, BELLEFONTE, PA 16823 OFFICER/ BOARD OF DIRECTORS

14 FINANCIAL INTEREST IN ANY LEGAL ENTITY IN BUSINESS FOR PROFIT (See instructions on page 2) If NONE, check this box.

Name and Address of Business Interest Held

15 BUSINESS INTERESTS TRANSFERRED TO IMMEDIATE FAMILY MEMBER (See instructions on page 2) If NONE, check this box.

Business (Name and Address) Interest Held Relationship Date Transferred

Transferee (Name and Address)

The undersigned hereby affirms that the foregoing information is true and correct to the best of said person's knowledge, information and belief; said affirmation being made subject to the penalties prescribed by 18 Pa.C.S. §4904 (unsworn falsification to authorities) and the Public Official and Employee Ethics Act, 65 Pa.C.S. §1109(b).

Signature *[Signature]* Enter Current Date June 20, 2017

John F. Coleman, Jr.  
400 North Street  
Harrisburg, PA 17120  
717-772-0692

Addendum to Statement of Financial Interests:

Section 10 – Direct or Indirect Sources of Income

1. Rental Property: 122 Ghaner Drive, State College, PA 16803  
Tenants: Jessica and Michael Hoover
2. Rental Property: 344 Fifth Avenue, State College, PA 16803  
Tenant: Alitzah Morris

Section 13 – Office, Directorship, or Employment in Any Business

1. National Association of Regulatory Utility Commissioners  
1101 Vermont Avenue, NW, Suite 200  
Washington, DC 20005
  - a. Co-chair, Natural Gas Access and Expansion Task Force
  - b. Member, Pipeline Safety Committee
  - c. Board member, Mid-Atlantic Conference of Regulatory Utilities Commissioners
2. Organization of PJM States, Inc.  
700 Barksdale Road, Suite 1  
Newark, DE 19711
  - a. Member, Board of Directors
  - b. Member, Independent Market Monitoring Committee
  - c. Member, Personnel Committee
  - d. Member, PJM Independent State Agency Committee
3. Gas Technology Institute  
1700 South Mount Prospect Road  
Des Plaines, IL 60018
  - a. Member, Public Interest Advisory Committee