



COMMONWEALTH OF PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
400 NORTH STREET  
HARRISBURG, PA 17120

ROBERT F. POWELSON  
CHAIRMAN

October 21, 2011

The Honorable Robert W. Godshall  
Chairman, House Consumer Affairs Committee  
PA House of Representatives  
150 Main Capitol  
Harrisburg, PA 17120

Dear Representative Godshall:

Thank you for the opportunity to comment on House Bill 60. Please accept these comments on behalf of the Pennsylvania Public Utility Commission.

Current Public Utility Law, under Section 1326(a) of Title 66 Pa.C.S., prohibits public utilities from imposing a standby charge on owners of residential structures equipped with automatic fire protection systems. As a result, utilities recover these costs associated with accommodating fire protection systems by spreading them across their entire customer base.

HB 60 amends § 1326(a) by extending the exemption from standby charges to volunteer fire companies, nonprofit rescue squads, and ambulance services. Thus, under HB 60, if one of these organizations chooses to install an automatic fire protection system, they would be exempt from paying the utility for the cost of the upgrades to the meters and pipes necessary to accommodate that system. Similar to the treatment of costs associated with residential automatic fire protection systems, utilities would recover these costs from their entire customer base.

While the Commission understands the importance of reducing costs for the organizations included in HB 60, we also know the importance of keeping rates as low as possible for all utility customers. Given these conflicting positions, the Commission takes a neutral position on HB 60.

The Commission appreciates the opportunity to express our opinion.

Sincerely,

A handwritten signature in black ink that reads "Robert F. Powelson".

Chairman Robert F. Powelson

cc: PUC Commissioners  
Director Perry