



NEWS RELEASE

STATE SENATOR

LISA M. BOSCOLA

Tel: (610) 868-8667

18th District – Lehigh, Monroe, Northampton counties

FOR IMMEDIATE RELEASE

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PPL MANAGEMENT THREATENS BOSCOLA IN UPCOMING ELECTION

PA legislature “down to the wire” on rate caps before full de-reg

HARRISBURG (June 5) -- PPL has 12,000 megawatts of power. And the Lehigh Valley Fortune 500 corporate giant knows how to wield that power in the halls of the State Capitol.

But, Senator Lisa Boscola is tired of the electric industry’s greedy power plays.

In barely five months, PPL’s electric rate caps will expire. Under deregulation, PPL projects that “market rates” will be 30% to 40% higher starting January 1, 2010.

In fact, PPL recently bragged to Wall Street that its profits would increase by \$3 billion next year solely because rate caps will be lifted.

But, what about PPL’s 1.4 million customers?

Boscola introduced a bill to gradually “phase in” PPL’s higher rates when caps come off. It would help customers – especially small businesses, right now – be able to afford to pay higher “deregulated” rates gradually instead of “immediately and all at once.” But, neither Boscola’s bill, nor House Speaker Keith McCall’s bill (House Bill 20) are going anywhere until the “broke” state budget is passed.

In effect, the bad economy and a huge \$3.2 BILLION budget deficit made it easy for PPL’s Harrisburg lobbyists to get paid very well to deliver the message: “slow down” (kill) both bills. In the House and the Senate. Quietly. While everyone is focusing on the budget and freaking out. Shhhhhhh....

But, sometimes a personal “corporate message” finds another way to get delivered. Almost person-to-person. Like 12,000 megawatts of e-mail.

(M O R E)

The Senator's website administrator "flagged" the threatening e-mail when it arrived in Boscola's in-box. It was immediately re-routed to the Senator's Chief of Staff.

Usually, any "terroristic" threat sent by US mail to the State Capitol is x-rayed, detected, screened and under ultraviolet light at the Commonwealth Mail Processing Center. Twice. E-mail security for each of the four caucuses and Governor's office is also taken very seriously. And the new Open Records Act means it takes you twice as long just to copy a piece of paper.

(Because the Sunshine Act comes down to one simple question no one can answer: does the Capitol newsroom or a den of Chinese cyber-hackers pose a bigger threat to our securely firewalled government network?)

Senate e-mail records show that PPL employee **Bruce Frederick** (PPL ISD Administrative Coordinator 610.774.3031 (ETN 610.220.3031) bfrederick@pplweb.com) sent Boscola a more "direct" message today:

I oppose the amendments approved by the House Consumer Affairs Committee unanimously on House Bill 20, which would require electric utilities to offer options enabling residential and small-business customers to spread out higher prices after rate caps expire.

- 1. House Bill 20 includes provisions for the electric utilities to charge interest on the amounts customers defer. In a weak economy small businesses cannot afford to pay surcharges or interest.**
- 2. Not only will small businesses pay a higher rate, but the Utility companies will need to take loans to purchase electricity in behalf of these delinquent users. I'm not a mathematician or an economist, but it sounds like everyone loses here. If my electric company is taking out loans to purchase electricity in my behalf, then I imagine they will also bill me for the interest on the loan that they took out.**

Boscola's Chief of Staff, Bernie Kieklak, said the Senator was especially offended by PPL management referring to still-captive electric customers as "delinquent users," as if they aren't "real people," but merely account numbers in PPL's giant billing department.

"Our entire country is still reeling," Kieklak said. "We are still very much in a bad recession. Families are struggling just to tread water. The next small business that loses

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another employee will be turning out the lights for good. I can't believe that PPL can't be sensitive to what people are going through right now.

"I was shocked by the very harsh and heartless tone of that e-mail during these harsh times," he said.

But, Kieklak said, as with all of the Senator's e-mail that is "flagged" before it reaches her BlackBerry, "that's what she pays me for."

Once a "non-routine" e-mail reaches that point, Senate Democratic Computer Services (SDCS) policy leaves only three options that all key staffers constantly have to juggle:

Respond.

Delete.

Report.

[A "report" goes directly to SDCS, Senate Security and Capitol Police.]

Boscola's aide responded and thanked Mr. Frederick for the e-mail he sent to the Senator as a PPL employee.

His reply also included a copy of another recent e-mail about electric deregulation that was sent to the Senator from a PPL **customer**. It detailed the hardship a 30% rate increase would mean to a Bethlehem woman as she struggled to take care of her 75-year-old mother.

Not only did Mr. Frederick, who is an administrator for PPL, care less about the woman's plight, but he derided the fact that she even existed. He then went on to attack Senator Boscola for being "in favor of raising salaries for public officials."

[NOTE: During her 15 years in office, Sen. Boscola opposed and refused every single pay raise voted on by the legislature. She is one of only ten lawmakers who refused to take a higher pension when state legislators feathered their own nests in 2001 by taking 50% more of taxpayers' dollars with them when they retired.]

"I can't begin to understand corporate brainwashing," Kieklak said. "It's a total obsession with making more money that goes beyond greed. Wouldn't you think someone at PPL would at least want to try to help this woman? Try to get her into a customer assistance program or use state funds to weatherize her mother's house to reduce her electric bills?"

(M O R E)

But, that's not what corporate power is used for these days. Not in the back rooms of the state capitol in Harrisburg. And not inside our nation's capitol in Washington DC. When money talks to power, the conversation is always about making more money. And that means taking more money from all of us. By hook or by crook.

Or by electric deregulation.

When the clock strikes midnight on New Year's Eve this year, PPL executives and shareholders will start stuffing their pockets with an extra \$3 billion in higher profits without having to lift a finger.

With no guarantees of more reliable service or more affordable rates.

Under electric deregulation, everyone is just an account number. That can be canceled. Turned off. Pitch-black cut off. Taken away from you. With the flip of a switch by PPL, it won't matter how many times you flip your light switch.

That's the way electricity works. That's power. As simple and direct as the final message sent to the Senator from "PPL.web":

"Wishing Ms. Boscola well in her next election."

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[FOLLOWING E-MAIL TRANSCRIPT IS PROVIDED VERBATIM AND UN-EDITED]

Subject: Get the Government Out of the Utility Business

I oppose the amendments approved by the House Consumer Affairs Committee unanimously on House Bill 20, which would require electric utilities to offer options enabling residential and small-business customers to spread out higher prices after rate caps expire.

1. House Bill 20 includes provisions for the electric utilities to charge interest on the amounts customers defer. In a weak economy small businesses cannot afford to pay surcharges or interest.

(M O R E)

2. Not only will small businesses pay a higher rate, but the Utility companies will need to take loans to purchase electricity in behalf of these delinquent users. I'm not a mathematician or an economist, but it sounds like everyone loses here. If my electric company is taking out loans to purchase electricity in my behalf, then I imagine they will also bill me for the interest on the loan that they took out.

3. Passing a bill that expressly prohibits utilities from recovering financing costs sends a negative signal to investors and credit rating agencies, not only about how state government treats utilities, but more importantly, about the general business environment in Pennsylvania.

4. Government does not belong in business. In order to protect one business it pilfers another; in order to protect both businesses it pilfers the residents.

Bruce Frederick

PPL ISD Administrative Coordinator

610.774.3031 (ETN 610.220.3031)

From: Bernie Kieklak [mailto:bkieklak@pasenate.com]

Sent: Friday, June 05, 2009 11:59 AM

To: Frederick, Bruce

Subject: Get the Government Out of the Utility Business

Dear Bruce:

Thank you for your recent e-mail regarding House Bill 20, introduced by Speaker Keith McCall.

As Senator Boscola's Chief of Staff, it is my pleasure to respond.

Please scroll down to read a recent e-mail the Senator received from one of PPL's customers who takes a different view than you do on this important issue.

Again, thank you for your e-mail.

Sincerely,

Bernard J. Kieklak, Jr.

Chief of Staff to

Senator Lisa M. Boscola

(717) 787-4236 Tel

(717) 783-1257 Fax

(717) 991-8491 Cell

(M O R E)

BOSCOLA – PPL

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MARY XXXXXXXX

XXXX XXXXX Avenue

XXXXXXX Township, 18XXX

610-XXX-XXXX

The more and more that I read about the HUGE electric hike it upsets me. I have a disabled, 75 year old, widowed Mother who is on a pension, which never increases and gets Social Security. She struggles from month to month to maintain her home (and has a mortgage). This increase is UNFAIR. I also feel businesses will either close or move to states where electric is cheaper and more jobs will be lost. HOW CAN PPL BE SO HEARTLESS????????? Their CEO makes a fortune and I guess he's not happy with that. If there is a petition or paperwork that you'll be generating, I would be interested in signing it. Thank you for your time and thank you for being supportive of the residents of Pennsylvania. You're a good woman!!!!

Sincerely,

Bernard J. Kieklak, Jr.

Chief of Staff to

Senator Lisa M. Boscola

>>> "Frederick, Bruce" <BFrederick@pplweb.com> 6/5/2009 12:24 PM >>>

Bernie,

Unfortunately, your response didn't tell me anything about Lisa Boscola and her position on government-run industries. It tells me more about Mary whom you wish to keep anonymous. Mary appears to be pleased with the position that Lisa has taken on inflation, price-controls, and the salaries of public officials. So I surmise from your response that Lisa will be encouraging her fellow senators to write new legislation that will next focus on the control of gasoline, groceries, bus service, airlines, drugs, health care, insurance, rent, restaurants, every other business in the Lehigh Valley. (If she can justify controlling one industry, you imply that she can justify controlling every industry.)

In Lisa's behalf I will be happy to forward her position on higher pay for state senators and government control of the market place.

Wishing Ms. Boscola well in her next election,

Bruce Frederick

PPL ISD Administrative Coordinator

610.774.3031 (ETN 610.220.3031)

bfrederick@pplweb.com

(M O R E)

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>>> Bernie Kieklak 6/5/2009 1:10 PM >>>

Dear Bruce:

Thank you for your quick reply. I hope this helps:

- 1) I don't understand how PPL is "government-run."
In fact, as of January 1, 2010, PPL will be fully deregulated.
Could you please explain?
- 2) The e-mail from our constituent was sent to Sen. Boscola.
Unless our constituent gives our office permission to release
her personal information to you, we respect her privacy.
That's why her address and telephone number were redacted.
- 3) The salary referred to in our constituent's e-mail was that
of your CEO. I see no other reference to salaries mentioned.
- 4) You surmise wrong. (But, I think you knew that.)
- 5) The Senator's voting record is public information. If you
need to know how she voted on specific bills, that information
is easily available and readily accessible.
- 6) I know you sincerely mean her well and would never threaten
a State Senator in an e-mail, especially since an electronic copy
exists.

Again, thank you for sharing your opinion with the Senator
regarding this important issue.

Sincerely,

Bernard J. Kieklak, Jr.
Chief of Staff to
Senator Lisa M. Boscola
(717) 787-4236 Tel
(717) 783-1257 Fax
(717) 991-8491 Cell

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